



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 14 January 2013

5025/13

**Interinstitutional File:
2011/0394 (COD)**

**COMPET 2
IND 1
MI 1
CODEC 5**

NOTE

From:	Presidency
To:	Delegations
No. prev. doc.:	17996/12 COMPET 789 IND 242 MI 841 CODEC 3103
No. Cion prop.	17489/11 COMPET 553 IND 152 MI 605 CODEC 2527
Subject:	Proposal for a Regulation of the European Parliament and of the Council establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (2014 - 2020) - COSME

With a view to the COMPCRO Working Party meeting on 24 January 2013, delegations will find attached a comparative table setting out the Commission's proposal, the Council's partial general approach and the amendments to the proposal adopted by the European Parliament's ITRE Committee on 29 November 2012.

This comparative table which is identical to 17996/12 concerning the recitals and articles part, now includes the annexes.

**Proposal for a
Regulation of the European Parliament and of the Council establishing a
Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020)**
(Text with EEA relevance)

Recitals

COMMISSION	EUROPEAN PARLIAMENT	COUNCIL	COMPROMISE TEXT
<p>(1) The Commission adopted the Communication ‘Europe 2020 - A strategy for smart, sustainable and inclusive growth’¹ in March 2010 (hereinafter “the Europe 2020 Strategy”). The Communication was endorsed by the European Council of June 2010. The Europe 2020 Strategy responds to the economic crisis and is intended to prepare Europe for the next decade. It sets five ambitious objectives on climate and energy, employment, innovation and social inclusion to be reached by 2020 and identifies key drivers for growth, which aim at making Europe more dynamic and competitive. It also emphasises the importance of reinforcing the growth of the European economy while delivering high levels of employment, a low carbon, resource and energy-efficient economy and</p>	<p>AMD 1 (1) The Commission adopted the Communication ‘Europe 2020 - A strategy for smart, sustainable and inclusive growth’ in March 2010 (hereinafter ‘the Europe 2020 Strategy’). The Communication was endorsed by the European Council of June 2010. The Europe 2020 Strategy responds to the economic crisis and is intended to prepare Europe for the next decade. It sets five ambitious objectives on climate and energy, employment, innovation, education and social inclusion to be reached by 2020 and identifies key drivers for growth, which aim at making Europe more dynamic and competitive. It also emphasises the importance of reinforcing the growth of the European economy while delivering high levels of employment, a low carbon, resource and energy-efficient economy and</p>	<p>(1) The Commission adopted the Communication entitled “Europe 2020 - A strategy for smart, sustainable and inclusive growth”² in March 2010 (hereinafter “the Europe 2020 Strategy”). The Communication was endorsed by the European Council of June 2010. The Europe 2020 Strategy responds to the economic crisis and is intended to prepare Europethe Union for the next decade. It sets five ambitious objectives on climate and energy, employment, innovation, education and social inclusion to be reached by 2020 and identifies key drivers for growth,which aimed at making Europethe Union more dynamic and competitive. It also emphasises the importance of reinforcing the growth of the European economy while delivering a high levels of employment, a low carbon, resource</p>	

¹ COM(2010) 2020 final

² doc. 7110/10

<p>social cohesion.</p>	<p>social cohesion. <i>Small and medium-sized enterprises (SMEs) should play a crucial role in reaching the Europe 2020 objectives. Their role is reflected by the fact that SMEs are mentioned in six out of seven of its flagship initiatives.</i></p>	<p>and energy-efficient economy and social cohesion.</p>	
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<p>(2) In order to ensure that enterprises play a central role in delivering economic growth in Europe, the Commission adopted a Communication, entitled "An Integrated industrial policy for the globalization era, putting competitiveness and sustainability at centre stage"³ in October 2010, which was endorsed by the European Council on its Conclusions of December 2010. This is a flagship initiative of the Europe 2020 Strategy. The Communication sets out a strategy that aims to boost growth and jobs by maintaining and supporting a strong, diversified and competitive industrial base in Europe, notably through improving framework conditions for enterprises, as well as through strengthening several aspects of the Single Market, including business-related services.</p>	<p><u>AMD 2</u> (2) In order to ensure that enterprises play a central role in delivering economic growth in Europe, which is a top priority, the Commission adopted a Communication, entitled 'An Integrated industrial policy for the globalization era, putting competitiveness and sustainability at centre stage'¹² in October 2010, which was endorsed by the European Council on its Conclusions of December 2010. This is a flagship initiative of the Europe 2020 Strategy. The Communication sets out a strategy that aims to boost growth and jobs by maintaining and supporting a strong, diversified and competitive industrial base in Europe, notably through improving framework conditions for enterprises, as well as through strengthening several aspects of the Single Market, including business-related services.</p>	<p>(2) In order to ensure that enterprises, in particular SMEs, play a central role in delivering economic growth in Europe the Union, the Commission adopted a Communication entitled "An Integrated industrial policy for the globalization era, putting competitiveness and sustainability at centre stage"¹⁴ in October 2010, which was endorsed by the European Council on its conclusions of December 2010. This is a flagship initiative of the Europe 2020 Strategy. The Communication sets out a strategy that aiming to at boosting growth and jobs by maintaining and supporting a strong, diversified and competitive industrial base in Europe, notably through in particular by improving framework conditions for enterprises as well as through and strengthening several aspects of the Single Market, including business-related services.</p>	
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³ COM(2010) 614 final

⁴ doc. 15483/10

<p>(3) In June 2008 the Commission adopted the Communication “Think Small First - A “Small Business Act for Europe”⁵, which was endorsed by the European Council of December 2008. The Small Business Act (SBA) provides a comprehensive policy framework for small and medium-sized enterprises (SMEs), promotes entrepreneurship and anchors the “Think Small First” principle in law and policy in order to strengthen the competitiveness of SMEs. The SBA establishes 10 principles and outlines policy and legislative actions to promote SMEs’ potential to grow and create jobs. Implementation of the SBA contributes to achieving the objectives of the Europe 2020 Strategy. Several actions for SMEs have already been set out in the flagship initiatives.</p>	<p>(3) In June 2008 the Commission adopted the Communication entitled “Think Small First - A “Small Business Act for Europe”⁶, which was endorsed welcomed by the European Council of December 2008. The Small Business Act (SBA) provides a comprehensive policy framework for small and medium-sized enterprises (SMEs), promotes entrepreneurship and anchors the “Think Small First” principle in law and policy in order to strengthen the competitiveness of SMEs. The SBA establishes 10 ten principles and outlines policy and legislative actions to promote SMEs’ potential to grow and create jobs. Implementation of the SBA contributes to achieving the objectives of the Europe 2020 Strategy. Several actions for SMEs have already been set out in the flagship initiatives.</p>	
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⁵ COM(2008) 394 final

⁶ doc.11262/08

	<p><u>AMD 3 (3a)</u> <i>The 'gaps', fragmentation and unnecessary red tape within the Single Market impede citizens, consumers and enterprises, particularly SMEs, from reaping its full benefits. Many SMEs, for example, face continuing difficulties when trying to trade across borders. Therefore a concerted effort on the part of the Commission, the European Parliament and Member States to address the implementation, legislative and information shortcomings is acutely necessary. In accordance with the principle of proportionality, the Commission and the Member States should also collaborate to reduce excessive administrative, financial and regulatory burdens on SMEs.</i></p>		
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<p>(4) The Commission Communication entitled “Review of the Small Business Act for Europe”⁷ of February 2011, which was endorsed by the Competitiveness Council of May 2011, takes stock of the implementation of the SBA and assesses the needs of SMEs operating in the present economic environment, in which they find it increasingly difficult to get financing and access to markets. That review presents an overview of the progress made in the first two years of the SBA, sets out new actions to respond to challenges resulting from the economic crisis that stakeholders have reported, and proposes ways to improve the uptake and implementation of the SBA with a clear role for stakeholders, and business organisations on the front-line.</p>	<p>(4) The Commission Communication entitled “Review of the Small Business Act for Europe”⁸ of February 2011, which was endorsed by the <u>Competitiveness on the basis of which the Council of May 2011 adopted Council conclusions</u>, takes stock of the implementation of the SBA and assesses the needs of SMEs operating in the present economic environment, in which they find it increasingly difficult to get financing and access to <u>finance and</u> to markets. That review presents an overview of the progress made in the first two years of the SBA, sets out new actions to respond to challenges resulting from the economic crisis that stakeholders have reported, and proposes ways to improve the uptake and implementation of the SBA with a clear role for stakeholders, and business organisations on the front-line.</p>	
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⁷ COM(2011) 78 final

⁸ doc.7017/11

<p>(5) With the proposal for a Council Regulation laying down the multiannual financial framework for the years 2014-2020⁹, adopted on 29 June 2011, the Commission lays down a package of legislative proposals and documents for the 2014-2020 Union budget. That multiannual financial framework describes how the policy goals of increasing growth and creating more jobs in Europe and establishing a low-carbon and more environment-conscious economy and internationally prominent Europe will be achieved.</p>		<p>(5) With the proposal for a Council Regulation laying down the multiannual financial framework for the years 2014-2020¹⁰, adopted on 29 June 2011, the Commission lays down a package of legislative proposals and documents for the 2014-2020 Union budget. That multiannual financial framework describes how the policy goals of increasing growth and creating more jobs in Europe and establishing a low-carbon and more environment-conscious economy and internationally prominent <u>European Union</u> will be achieved.</p>	
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⁹ COM(2011) 398 final

¹⁰ doc.12474/11

<p>(6) In order to contribute to the reinforcement of competitiveness and sustainability of Union enterprises, in particular SMEs, the advancement of the knowledge society, and development based on balanced economic growth, a Programme for the Competitiveness of Enterprises and SMEs (hereinafter "the Programme") should be established.</p>	<p>AMD 4 (6) In order to contribute to the reinforcement of competitiveness and sustainability of Union enterprises, in particular SMEs, the advancement of the knowledge society, and development based on balanced economic growth to encourage an entrepreneurial culture and to promote the creation and growth of SMEs, a Programme for the Competitiveness of Enterprises and SMEs (hereinafter 'the Programme') should be established. Without overlapping programmes at Member State level, the Programme should be specifically easily accessible for all SMEs, particularly small enterprises and micro-entities.</p>	<p>(6) In order to contribute to the reinforcement of competitiveness and sustainability of Union enterprises, in particular SMEs, the advancement of the knowledge society, and development based on balanced economic growth, a Programme for the Competitiveness of Enterprises and SMEs (hereinafter "the Programme") should be established.</p>	
	<p>AMD 5 (6a) <i>The spending of Union and Member States' funds on the promotion of the competitiveness of enterprises and SMEs should be better coordinated in order to assure complementarity, better efficiency and visibility, as well as to achieve better budgetary synergies. The financial envelope of the Programme for the Competitiveness of Enterprises and SMEs (COSME programme) should not be less in real terms than the appropriations allocated to the Competitiveness and Innovation Framework Programme (CIP programme).</i></p>		

	<p><u>AMD 6 (6b)</u> In order to be able to fulfil its objectives and support the implementation of the Small Business Act, at least 0.5% of the total budget of the Multiannual Financial Framework 2014-2020 should be allocated to the implementation of the Programme.</p>		
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		<p><u>(7) The Programme will give high priority to the simplification agenda, in line with Commission Communication entitled “A Simplification agenda for the MFF 2014-2020”¹¹ of February 2012.</u></p>	
<p>(7) The Commission has committed to mainstream climate action into Union spending programmes and to direct at least 20% of the Union budget to climate-related objectives. It is important to ensure that climate change mitigation and adaptation as well as risk prevention is promoted in the preparation, design and implementation of the Programme. Measures covered by this Regulation should contribute to promoting the transition to a low-carbon and climate-resilient economy and society.</p>		<p><u>(78)</u>The Commission has committed to mainstream climate action into Union spending programmes and to direct at least 20% of the Union budget to climate-related objectives. It is important to ensure that climate change mitigation and adaptation as well as risk prevention is promoted in the preparation, design and implementation of the Programme. Measures covered by this Regulation should contribute to promoting the transition to a low-carbon and climate-resilient economy and society.</p>	

¹¹ doc. 6708/12

<p>(8) The competitiveness policy of the Union is intended to put into place the institutional and policy arrangements that create conditions under which enterprises can grow in a sustainable way. Improved productivity is the dominant source of sustainable income growth, which in turn contributes to improvements in living standards. Competitiveness also depends on companies' ability to take full advantage of opportunities such as the European Single Market. This is especially important for SMEs, which account for 99% of the enterprises in the Union, provide two out of three existing jobs in the private sector, and 80 % of newly-created jobs, and contribute with more than half of the total value-added created by enterprises in the Union. SMEs are a key driver for economic growth, employment and social integration.</p>	<p>AMD 7 (8) The competitiveness policy of the Union is intended to put into place the institutional and policy arrangements that create conditions under which enterprises can <i>be created and</i> grow in a sustainable way. <i>Achieving competitiveness and sustainability entails the ability to attain and maintain the economic competitiveness of enterprises in accordance with sustainable development objectives.</i> Improved productivity, <i>in particular resource and energy productivity</i>, is the dominant source of sustainable growth, which in turn contributes to improvements in living standards. Competitiveness also depends on companies' ability to take full advantage of opportunities such as the European Single Market. This is especially important for SMEs, which account for 99% of the enterprises in the Union, provide two out of three existing jobs in the private sector, and 80 % of newly-created jobs, and contribute with more than half of the total value-added created by enterprises in the Union. SMEs are a key driver for economic growth, employment and social integration.</p>	<p>(8) The competitiveness policy of the Union is intended to put into place the institutional and policy arrangements that create conditions under which for the sustainable growth of enterprises, can grow in a sustainable way, in particular SMEs. Improved productivity is the dominant source of sustainable income growth, which in turn contributes to improvements in living standards Competitiveness also depends on companies' ability to take full advantage of opportunities such as the European Single Market. This is especially important for SMEs, which account for 99% of the enterprises in the Union, provide two out of three existing jobs in the private sector, and 80 % of newly-created jobs, and contribute with more than half of the total added value-added created by enterprises in the Union. SMEs are a key driver for economic growth, employment and social integration.</p>	
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	<p>AMD 8 (8a) The Commission Communication "Towards a rich job recovery"¹² estimated that policies promoting a transition to a green economy such as resource efficiency, energy efficiency, and climate change policies could generate more than five million jobs by 2020 and in particular in the SMEs sector. Its survey underlines the fact that job creation in eco-industries has been positive throughout the recession in comparison to many other sectors and is forecast to continue to remain sound in future years. EU level initiatives enabling the exploitation of the employment potential of green growth, in particular within SMEs, should be part of this Programme.</p>		
<p>(9) Competitiveness has been put under the spotlight of Union policy-making in recent years because of the market, policy and institutional failures that are undermining the competitiveness of Union enterprises, particularly SMEs.</p>	<p>AMD 9 (9) Competitiveness has been put under the spotlight of Union policy-making in recent years because of the market, policy and institutional failures that are undermining the competitiveness of Union enterprises, particularly SMEs, <i>which, to be set up, still have to face excessive administrative burdens.</i></p>	<p>(9 10) Competitiveness has been put under the spotlight of Union policy-making in recent years because of the market, policy and institutional failures that are undermining the competitiveness of Union enterprises, particularly SMEs.</p>	

¹² COM(2012) 173 final

<p>(10) The Programme should therefore address market failures affecting the competitiveness of the Union economy on a global scale due principally to issues which undermine the capacity of enterprises to compete with their counterparts in other parts of the world.</p>	<p>AMD 10 (10) The Programme should therefore address market failures affecting the competitiveness of the Union economy on a global scale, due principally to issues which undermine the capacity of enterprises to compete with their counterparts in other parts of the world, <i>favour the implementation of the Europe 2020 Strategy priorities, such as innovation, the green economy and the recruitment of young people, apply the principles of the 'Small Business Act' (SBA), ensure coordination with the remaining European programmes, take account of the needs of SMEs and simplify and reduce the administrative burdens they face. These failures include those connected with the absence of reciprocity between the EU and its competitors in conditions for access to their markets.</i></p>	<p>(10) The Programme should therefore address market failures affecting the competitiveness of the Union economy on a global scale due principally to issues which undermine the capacity of enterprises, in particular SMEs, to compete with their counterparts in other parts of the world.</p>	
	<p>AMD 11 (10a) <i>The amounts of the fines imposed by the Commission on undertakings for not respecting EU competition law should be allocated to the Programme in excess of its financial envelope.</i></p>		

<p>(11) The Programme should particularly address SMEs, as defined in Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises.¹³ Particular attention should be paid to micro enterprises, enterprises engaged in craft activities and social enterprises. Attention should also be paid to the specific characteristics and requirements of young entrepreneurs, new and potential entrepreneurs and female entrepreneurs, as well as specific target groups, such as migrants and entrepreneurs belonging to socially disadvantaged or vulnerable groups such as persons with disabilities. The Programme should also encourage senior citizens to become and remain entrepreneurs and promote second chances for entrepreneurs.</p>	<p><u>AMD 12</u> (11) The Programme should particularly address SMEs, as defined in Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises. <i>In the application of this Regulation, the Commission should consult all relevant stakeholders.</i> Particular attention should be paid to micro enterprises, enterprises engaged in craft activities, <i>the self-employed, the liberal professions</i> and social enterprises <i>in any sector of activity.</i> Attention should also be paid to the characteristics and requirements of young entrepreneurs, new and potential entrepreneurs and female entrepreneurs, as well as specific target groups, such as migrants and entrepreneurs belonging to socially disadvantaged or vulnerable groups such as persons with disabilities. The Programme should also encourage senior citizens to become and remain entrepreneurs and promote second chances for entrepreneurs.</p>	<p>(++ <u>12</u>) The Programme should particularly address SMEs, as defined in Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises.¹⁴ Particular attention should be paid to micro enterprises, enterprises engaged in craft activities, and social enterprises. Attention should also be paid to the specific characteristics and requirements of potential, new, young and women entrepreneurs, new and potential entrepreneurs and female entrepreneurs as well as to specific target groups, such as migrants and entrepreneurs belonging to socially disadvantaged or vulnerable groups such as persons with disabilities. The Programme should also encourage senior citizens to become and to the promotion of business transfer, spin-offs, spin-outs and remain entrepreneurs and promote second chances for entrepreneurs.</p>	
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¹³ OJ L 124 20.5.2003, p. 36

¹⁴ OJ L 124 20.5.2003, p. 36

	<p><u>AMD 13 (11a)</u> <i>Following the four priorities of the SBA review, in its specific objectives the Programme should seek to improve framework conditions for the competitiveness and sustainability of Union enterprises, in particular SMEs, to promote entrepreneurship, to increase access to finance and to markets in the Union and globally. Actions under the specific objectives of the Programme should contribute to the implementation of the SBA.</i></p>		
	<p><u>AMD 14 (11b)</u> <i>The clustering of SMEs is a key instrument by which to strengthen their capacity to innovate and to begin operating on overseas markets. Forms of cooperation among enterprises, such as clusters, networks of firms and export consortia should be adequately supported by means of appropriate policies and instruments.</i></p>		

	<p><u>AMD 15 (11c) Female entrepreneurship and female SMEs</u> provide a key source for increasing the degree of female employment and thereby capitalising to a greater extent on women's level of education.</p> <p>Female entrepreneurship also ensures business dynamism and innovation, the potential of which is far from being harnessed in the Union, with an increase in the number of women entrepreneurs resulting in a positive impact and an immediate contribution to the economy overall. Women are particularly highly motivated in self-employment because running their own businesses enables them to set their own working hours and thus to reconcile work and family life better. In an unstable economic climate measures to support female entrepreneurs are easily neglected.</p>		
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<p>(12) Many of the Union's competitiveness problems involve SMEs' difficulties in getting access to finance because they struggle to demonstrate their credit-worthiness and have difficulties in gaining access to risk capital. This has a negative effect on the level and quality of the new enterprises created and on the growth of enterprises. The added value for the Union of the proposed financial instruments lies <i>inter alia</i> in strengthening the Single Market for venture capital and in developing a pan-European SME finance market. The Union's actions should be complementary to the Member States' use of financial instruments for SMEs. The entities entrusted with the implementation of the actions should ensure additionality and avoid double financing through EU resources.</p>	<p>AMD 16 (12) Many of the Union's competitiveness problems involve SMEs' difficulties in getting access to finance because they struggle to demonstrate their credit-worthiness and have difficulties in gaining access to risk capital. This has a negative effect on the level and quality of the new enterprises created and on the growth <i>and survival rate</i> of enterprises, <i>as well as the readiness of new entrepreneurs to take over viable companies in the context of a transfer of business/succession. EU financial instruments put in place in 2007-2013, in particular SMEG, have a proven added value and have brought a positive contribution to at least 120 000 SMEs, contributing to maintaining 851 000 jobs since the beginning of the financial crisis in 2008.</i> The <i>enhanced</i> added value for the Union of the proposed financial instruments lies <i>inter alia</i> in strengthening the Single Market for venture capital and in developing a <i>simplified and more transparent</i> pan-European SME finance market <i>and in addressing market failures that cannot be addressed by Member States.</i> The Union's actions should be <i>coherent, consistent and</i> complementary to the Member States' use of financial instruments for SMEs <i>and Member States should do their utmost to increase the visibility and</i></p>	<p>(123) Many of the Union's competitiveness problems involve SMEs' difficulties in getting access to finance because they struggle to demonstrate their credit-worthiness and have difficulties in gaining access to risk capital. This has a negative effect on the level and quality of the new enterprises created and on the growth of enterprises. The added value for the Union of the proposed financial instruments lies <i>inter alia</i> in strengthening the Single Market for venture capital and in developing a pan-European SME finance market. The Union's actions should be coherent and consistent between programmes, and complementary to the Member States' use of financial instruments for SMEs and avoid creating market distortion. The entities entrusted with the implementation of the actions should ensure additionality and avoid double financing through EU Union resources.</p>	
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	<p><i>accessibility of such instruments on their territory.</i> The entities entrusted with the implementation of the actions should ensure additionality and avoid double financing through EU resources. <i>The Programme should promote access to finance for SMEs in their start-up, growth and transfer phases. Additionally, increasing access to affordable banking services for small and micro entities in multiple jurisdictions and currencies will be key to developing export growth.</i></p>		
	<p><i>AMID 17 (12a) Surveys also show that not only access to finance but also access to skills, including managerial skills and knowledge are critical factors for SMEs to access existing funds, to innovate, compete and grow. The delivery of financial instruments should therefore be accompanied by development of appropriate mentoring, coaching schemes and delivery of knowledge-based business services.</i></p>		

	<p><u>AMD 18 (12b) Micro-lending (that is to say loans below EUR 25 000) is provided by the financial intermediaries under the guarantee scheme. There is no provision for a specific micro-lending window under the Programme, as it would constitute an overlap with the "Programme for Social Change and Innovation" proposed by the Commission on 6 October 2011, which specifically covers micro-lending.</u></p>		
	<p><u>AMD 19 (12c) An initiative should also be launched to assess how innovative financing initiatives such as crowd funding could benefit new entrepreneurs and SMEs, if and how they should be promoted at EU level and to evaluate whether there is a need for a legal framework for framing such practices.</u></p>		

		<p><u>(14) The Commission Communication entitled “A Framework for the next generation of innovative financial instruments – the EU equity and debt platforms”¹⁵ of October 2011, sets out the need for: increased coherence and consistency between EU financial instruments, interventions to be made conditional on the existence of a market failure, and action to improve their EU added value and visibility. The need for increased coherence and consistency is also underlined in the Commission Communication entitled “An Action Plan to Improve Access to Finance for SMEs”¹⁶ of December 2011.</u></p>	
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¹⁵ doc. 16301/11

¹⁶ doc. 18619/11

<p>(13) The Enterprise Europe Network has proven its added value for European SMEs as a one-stop-shop for business support to improve their competitiveness and explore business opportunities in the Single Market and beyond. The streamlining of methodologies and provisions of a European dimension to business support services can only be achieved at Union level. In particular, the Network has helped SMEs to find cooperation or technology transfer partners, get advice on sources of financing, and on eco-innovation and sustainable production. It has also obtained feedback on Union legislation and standards. Its unique expertise is particularly important in overcoming information asymmetries and alleviating transaction costs associated with cross-border transactions.</p>	<p>AMD 20 (13) The Enterprise Europe Network ("<i>the Network</i>") has proven its added value for European SMEs as a one-stop-shop for business support <i>services</i> by helping enterprises to improve their competitiveness and explore business opportunities in the Single Market and beyond <i>third countries</i>. The streamlining of methodologies and working methods and provisions of a European dimension to business support services can only be achieved at Union level. In particular, the Network has helped SMEs to find cooperation or technology transfer partners <i>in the Single Market and third countries</i>, get advice on sources of financing, and on intellectual property and on eco-innovation and sustainable production. It has also obtained feedback on Union legislation and standards. Its unique expertise is particularly important in overcoming information asymmetries and alleviating transaction costs associated with cross-border transactions. <i>Nevertheless, the performance of the Network should be further optimised, in particular with regard to SMEs' take-up of the services proposed, notably by achieving closer cooperation between the Network and the National Contact Points (NCPs) of Horizon 2020, further integrating internationalisation and innovation</i></p>	<p>(135) The Enterprise Europe Network has proven its added value for European SMEs as an EU one-stop-shop to identify appropriate EU for business support programmes by helping enterprises to improve their competitiveness and explore business opportunities in the Single Market and beyond. The streamlining of methodologies and working methods and provision of a European dimension to business support services can only be achieved at Union level. In particular, the Network has helped SMEs to find cooperation or technology transfer partners, get advice on sources of EU financing, and on EU legislation and intellectual property and on EU-programmes to encourage eco-innovation and sustainable production. It has also obtained feedback on Union legislation and standards. Its unique expertise is particularly important in overcoming information asymmetries and alleviating transaction costs associated with cross-border transactions.</p>
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	<p><i>services, enhancing cooperation of the Network with other stakeholders and existing support structures, increasing consultations of host organisations, reducing bureaucracy, improving IT support, enhancing the profile of the Network and improving the Network's geographical coverage. With a view to further improving the performance of the Network, the Commission should take stock of the different governance structures across the EU and facilitate collaboration between the Network and relevant stakeholders such as organisations representing SMEs and innovation agencies. The tasks of the Network should be laid down in the Programme, including information, feedback, business cooperation and internationalisation services in the Single Market and in third countries, innovation services and services encouraging participation of SMEs in Horizon 2020, building on the successful experience with the Seventh Framework Programme (FP7).</i></p>		
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<p>(14) The limited internationalisation of SMEs both within and outside Europe affects competitiveness. According to some estimates currently 25% of the SMEs in the Union export or have exported at some point over the last three years, of which only 13% export outside the Union on a regular basis and only 2 % have invested beyond their home country. In line with the Small Business Act, which called on the Union and the Member States to support and encourage SMEs to benefit from the growth of markets outside the Union, the EU supports a network of European Business Organisations in more than 20 markets abroad. It provides financial assistance to the EU-Japan Centre for Industrial Cooperation, business bodies in Hong Kong, Malaysia and Singapore as well as the European Business and Technology Centre in India, EU SME Centres in China and in Thailand and the China Intellectual Property Rights SME helpdesk. European added value is created by bundling national efforts in this domain, avoiding duplication, promoting cooperation and by offering services that would lack critical mass if provided at national level.</p>	<p>AMD 21 (14) The limited internationalisation of SMEs both within and outside Europe affects competitiveness. According to some estimates currently 25% of the SMEs in the Union export or have exported at some point over the last three years, of which only 13% export outside the Union on a regular basis and only 2 % have invested beyond their home country. <i>In addition, the Eurobarometer survey of 2012 shows the untapped potential for SMEs' growth in Green markets, within and outside the Union, in terms of internationalisation and access to public procurement.</i> In line with the Small Business Act, which called on the Union and the Member States to support and encourage SMEs to benefit from the growth of markets outside the Union, the EU supports a network of European Business Organisations in more than 20 markets abroad. It provides financial assistance to the EU-Japan Centre for Industrial Cooperation, business bodies in Hong Kong, Malaysia and Singapore as well as the European Business and Technology Centre in India, EU SME Centres in China and in Thailand and the China Intellectual Property Rights SME helpdesk. European added value</p>	<p>(14b) The limited internationalisation of SMEs both within and outside Europe affects competitiveness. According to some estimates currently 25% of the SMEs in the Union export or have exported at some point over the last three years, of which only 13% export outside the Union on a regular basis and only 2 % have invested beyond their home country. In line with the Small Business Act, which called on the Union and the Member States to support and encourage SMEs to benefit from the growth of markets outside the Union, the EU supports a network of European Business Organisations in more than 20 markets abroad. Union provides financial assistance to the EU-Japan Centre for Industrial Cooperation, business bodies in Hong Kong, Malaysia and Singapore as well as the European Business and Technology Centre in India, EU SME Centres in China and in Thailand and several initiatives such as the China Intellectual Property Rights SME helpdesk. European EU added value is created by bundling national efforts in this domain, avoiding duplication, promoting cooperation and by offering non-core trade promotion services that would lack critical mass if provided at national level.</p>	
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	<p>is created by bundling national efforts in this domain, avoiding duplication, promoting cooperation and by offering services that would lack critical mass if provided at national level. <i>Such services should include information on intellectual property rights, standards and public procurement rules and opportunities.</i></p>	<p><u>at European level which strengthen the combined effort of public and private service providers in this field. Part II of the Council Conclusions on the industrial policy flagship initiative, entitled “Reinforcing implementation to industrial policy across the EU”¹⁷ should be fully taken into account. In that respect, a well-defined European cluster strategy should complement national and regional efforts to encourage clusters towards excellence and international cooperation.</u></p>	
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<p>(15) To improve the competitiveness of European enterprises, notably SMEs, the Member States and the Commission need to create a favourable business environment. The interests of SMEs and the sectors in which they are most active need particular attention. Initiatives at Union level are necessary in order to develop a level playing field for SMEs and to exchange information and knowledge on a European scale.</p>	<p>AMD 22 (15) To improve the competitiveness of European enterprises, notably SMEs, the Member States and the Commission need to create a favourable business environment <i>in accordance with the principles of the SBA, in particular the Think Small First principle.</i> Initiatives at Union level are necessary in order to develop a level playing field for SMEs and to exchange information and knowledge on a European scale. <i>The Commission should consult all relevant stakeholders, including organisations representing the interests of SMEs.</i></p>	<p>(15Z) To improve the competitiveness of European enterprises, notably SMEs, the Member States and the Commission need to create a favourable business environment. The interests of SMEs and the sectors in which they are most active need particular attention. Initiatives at Union level are <u>also</u> necessary in order and to develop a level playing field for SMEs exchange information and knowledge on a European scale <u>and digital services can be particularly cost-effective in this area. Such actions can help develop a level playing field for SMEs.</u></p>	
	<p>AMD 23 (15a) The Programme should also support SME policy development and cooperation between policy makers and organisations representing SMEs. Such activities should focus on facilitating SMEs' access to programmes and reducing overall administrative burdens, including where they arise from regulation. This issue should be addressed as a process which involves broad consultation of SMEs and appropriate expert groups, with the aim of promoting simplification and better regulation while ensuring a level playing field in the Single Market and consistency with other public policy objectives. Existing structures such as the SME envoy</p>		

	<p><i>network should be used to the greatest extent possible. COSME should contribute to these objectives and to Union efforts to establish a regular scoreboard on the reduction of administrative burden. The scoreboard should measure the impact of relevant EU regulation on the framework conditions for enterprises, particularly SMEs. This action should contribute to the Commission's broader strategy to reduce administrative burden in a measurable way, based on the development of appropriate indicators and methodologies.</i></p>		
	<p><u>AMID 24 (15b)</u> <i>A favourable business environment for Union enterprises should be achieved through measures to improve the design, implementation and evaluation of policies and measures to encourage cooperation in policy-making and exchange of good practices. Such measures could include studies, impact assessments, evaluations and conferences.</i></p>		

	<p><u>AMD 25 (15c)</u> <i>In order to further improve the competitiveness of European enterprises, the European public procurement market shall be easily accessible to SMEs. In order to achieve both cost-cutting and increased participation of SMEs, the use of e-procurement should be encouraged in accordance with the Commission Communication "A Strategy for e-procurement"¹ and the Directive on "Public Procurement"².</i></p>		
	<p><u>AMD 26 (15d)</u> <i>The proper implementation, enforcement and monitoring of Alternative Dispute Resolution for consumer disputes by the Commission and the Member States would make resolving disputes quicker, cheaper and less bureaucratic for both consumers and traders, and therefore encourage SMEs to more fully participate in the Single Market and increase their competitiveness.</i></p>		
	<p><u>AMD 27 (15e)</u> <i>As electronic identification is a key element in European commerce, the mutual recognition and interoperability of e-identification, e-authentication, eSignature and Private Key Infrastructure (PKI) should be promoted, to ensure an efficient use of these resources.</i></p>		

	<p><u>AMD 28 (15f)</u> <i>The Programme may also support initiatives accelerating the emergence of competitive and sustainable industries, based on the most competitive business models, improved products and processes, organisational structures or modified value chains. Whilst the Programme should focus on cross-sectoral initiatives, it may also support sector-specific initiatives in sectors where SMEs are most active and which contribute significantly to the Union's GDP, such as tourism, where value added at Union level can be demonstrated.</i></p>		
	<p><u>AMD 29 (15g)</u> <i>Pursuant to the Commission Communication "Reaping the benefits of electronic invoicing for Europe"¹⁸, e-invoicing is a key tool in the hands of European businesses to reduce the cost of invoicing and increase their efficiency. E-invoicing has other benefits such as increased efficiency, shorter payment times, fewer errors, better collection of VAT and lower costs.</i></p>		

¹⁸ COM(2010) 712 final

<p>(16) Another factor which affects competitiveness is the relatively weak entrepreneurial spirit in the Union. Only 45% of the Union citizens (and less than 40% of women) would like to be self-employed as compared to 55% of the population in the United States and 71% in China¹⁹. Demonstration and catalytic effects, for example European Awards and conferences, as well as coherence and consistency enhancing measures such as benchmarking and exchanges of best practices provide a high European added value.</p>	<p>AMD 30 (16) Another factor which affects competitiveness is the relatively weak entrepreneurial spirit in the Union. Only 45% of the Union citizens (and less than 40% of women) would like to be self-employed as compared to 55% of the population in the United States and 71% in China. <i>According to the SBA, a business environment favourable to entrepreneurship must provide good framework conditions for all situations that entrepreneurs face, including start-up, growth, transfer and bankruptcy (second chance). Demonstration and catalytic effects, for example European Awards and conferences, as well as Coherence and consistency enhancing measures such as benchmarking and exchanges of best practices provide a high European added value.</i></p>	<p>(168) Another factor which affects competitiveness is the relatively weak entrepreneurial spirit in the Union. Only 45% of the Union citizens (and less than 40% of women) would like to be self-employed as compared to 55% of the population in the United States and 71% in China <u>(according to the 2009 Eurobarometer survey on entrepreneurship). Promotion of entrepreneurship education, demonstration and catalytic effects, for example European Awards and conferences, as well as coherence and consistency enhancing measures such as benchmarking and exchanges of best practices provide a high European EU added value.</u></p>	
	<p>AMD 31 (16a) SMEs are often prevented from accessing public procurement markets by excessive administrative burdens in calls for tender. The Commission and Member States should simplify these requirements in order to boost competitiveness and create a level playing field for SMEs.</p>		

¹⁹ 2009 Eurobarometer survey on entrepreneurship

<p>(17) Global competition, demographic changes, resource constraints and emerging social trends generate challenges and opportunities for some sectors. For example, design-based sectors facing global challenges and characterised by a high proportion of SMEs need to adapt the benefits and harness the untapped potential of high demand for personalised, inclusive products. As these challenges apply to all SMEs in the Union in these sectors, a concerted effort at Union level is necessary.</p>	<p>AMD 32 (17) Global competition, demographic changes, resource constraints and emerging social trends generate challenges and opportunities for some <i>many</i> sectors. For example, design-based sectors facing global challenges and characterised by a high proportion of SMEs. <i>For example, design-based sectors</i> need to adapt to reap <i>benefit from</i> the benefits and harness untapped potential of high demand for personalised, inclusive products. <i>Design-based consumer goods represent an important economic sector in the Union and its enterprises contribute substantially to growth and jobs.</i> As these challenges apply to all SMEs in the Union in these sectors, a concerted effort at Union level is necessary <i>in order to create additional growth.</i></p>	<p>(17a) Global competition, demographic changes, resource constraints and emerging social trends generate challenges and opportunities for some many sectors. For example, design-based sectors facing global challenges and characterised by a high proportion of SMEs need to adapt in order to reap the benefits and harness from the untapped potential of high demand for personalised, inclusive products. As these challenges apply to all SMEs in the Union in these many sectors, a concerted effort at Union level is necessary in order to create additional growth.</p>	
	<p>AMD 33 (17a) <i>The Programme should also support specific activities to implement the Small Business Act initiative aiming at raising SMEs' awareness of environmental and energy-related issues and to assist them in implementing legislation, assessing their environmental and energy performance and upgrading their skills and qualifications.</i></p>		

<p>(18) As outlined in the Commission Communication of 30 June 2010, entitled "Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe"²⁰, which was endorsed by the European Council Conclusions of October 2010, tourism is an important sector of the Union economy. Enterprises in this sector substantially contribute to the Union's Gross Domestic Product (GDP) and job creation and have significant potential for the development of entrepreneurial activity, since it is run mainly by SMEs. The Lisbon Treaty acknowledges the importance of tourism outlining the Union specific competences in this field which complement the actions of Member States. There is clear added value for the tourism initiative at Union level, especially in providing data and analysis, in developing transnational promotion strategies and in exchanging best practices.</p>	<p>AMD 34 (18) As outlined in the Commission Communication of 30 June 2010, entitled 'Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe', which was endorsed by the European Council Conclusions of October 2010, tourism is an important sector of the Union economy. Enterprises in this sector substantially contribute to the Union's Gross Domestic Product (GDP) and job creation and have significant potential for the development of entrepreneurial activity, since it is run mainly by SMEs. The Lisbon Treaty acknowledges the importance of tourism outlining the Union specific competences in this field which complement the actions of Member States. <i>There is The Programme should support initiatives with clear European added value for the tourism initiative in the field of tourism - which contributes 10% of Union GDP and 12% of total employment - especially in providing data and analysis, in developing transnational promotion strategies a common approach to the provision of quality services and in exchanging facilitating transnational cooperation and</i></p>	<p>(1820) As outlined in the Commission Communication of 30 June 2010, entitled "Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe"²¹, which was endorsed welcomed by the European Council Conclusions of October 2010, tourism is an important sector of the Union economy. Enterprises in this sector substantially contribute to with 5 % of the Union's Gross Domestic Product (GDP) and job creation and have significant potential for the development of entrepreneurial activity, since it is run mainly by SMEs. The Lisbon Treaty acknowledges the importance of tourism outlining the Union specific competences in this field which complement the actions of Member States. There is clear added value for The European tourism initiative at Union level, especially in providing data and analysis, in developing transnational promotion strategies and can complement the actions of Member States by encouraging the creation of a favourable environment and by promoting cooperation between Member States, particularly by the in exchanging of good practices. Actions can include</p>
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²⁰ COM(2010) 352 final

²¹ doc. 11883/10

	<p><i>exchanges of</i> best practices.</p>	<p><u>improving the tourism knowledge base by providing data and analysis, developing transnational cooperation projects in close cooperation with the Member States while avoiding mandatory requirements for Union enterprises.</u></p>	
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	<p><u>AMD 35 (18a)</u> <i>In addition to the measures covered by the work programme, the Commission should regularly adopt support measures to promote the competitiveness of Union enterprises. Besides policy analysis and development, such measures should notably include impact assessments of Union measures of particular relevance for the competitiveness of enterprises, in particular SMEs. Impact assessments should address the impact of a policy proposal on the competitiveness of enterprises through its effects on the cost of doing business, on the affected sectors' capacity to innovate and on their international competitiveness ("competitiveness-proofing"). Impact assessments should also include a separate section on SMEs, consisting of a preliminary assessment of businesses likely to be affected, measurement of the impact on SMEs (cost/benefit analysis) and mitigating measures, if appropriate ("SME test"). The SME test should pay particular attention to micro-enterprises.</i></p>		
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	<p><u>AMD 36 (18b)</u> <i>The Union is the world's No 1 tourist destination in terms of international arrivals, and this lead position must be reinforced by tackling the challenges created by, first, greater global competition and a market demand that is continually changing and secondly, the need to ensure increased and more lasting sustainability.</i></p>		
<p>(19) The Programme should indicate actions for the objectives, the total financial envelope for pursuing those objectives, different types of implementing measures, and the arrangements for monitoring and evaluation and for protection of the Union's financial interests.</p>	<p><u>AMD 37 (19)</u> The Programme should indicate actions for the objectives, the total financial envelope for pursuing those objectives, different types of implementing measures, and the <i>transparent</i> arrangements for monitoring and evaluation and for protection of the Union's financial interests.</p>	<p>(1921) The Programme should indicates actions for the objectives, the total financial envelope for pursuing those objectives, <u>a minimum financial envelope for financial instruments</u>, different types of implementing measures, and the arrangements for monitoring and evaluation and for protection of the Union's financial interests.</p>	
		<p><u>(22) Financial instruments need to function via intermediaries or similar structures in the member states. The use of financial instruments should provide leverage and clear added value and function as a complement to national instruments.</u></p>	

<p>(20) The Programme should complement other Union programmes, while acknowledging that each instrument should work according to its own specific procedures. Thus, the same eligible costs should not receive double funding. With the aim to achieve added value and substantial impact of Union funding, close synergies should be developed between the Programme, other Union programmes and the Structural Funds.</p>	<p>AMD 38 (20) The Programme should complement other Union programmes, while acknowledging that each instrument should work according to its own specific procedures. Thus, the same eligible costs should not receive double funding. With the aim to achieve added value and substantial impact of Union funding, close synergies should be developed between the Programme, other Union programmes, <i>in particular Horizon 2020</i> and the Structural Funds. <i>These synergies may also build on the bottom-up national and regional experience of Eureka and Eurostars in supporting SME innovation and research activities.</i></p>	<p>(20) The Programme should complement other Union programmes, while acknowledging that each instrument should work according to its own specific procedures. Thus, the same eligible costs should not receive double funding. With the aim to achieve added value and substantial impact of Union funding, close synergies should be developed between the Programme, Horizon 2020, other Union programmes and the Structural Funds and other Union programmes.</p>	
	<p>AMD 39 (20a) <i>It is important to maximise the impact of the Programme by mobilising, pooling and leveraging public and private financial resources.</i></p>		

<p>(21) The principles of transparency and equal gender opportunity should be taken into account in all relevant initiatives and actions covered by the Programme. The respect of human Rights and fundamental freedom for all citizens should be also considered in those initiatives and activities.</p>		<p>(21) The principles of transparency and equal gender opportunity should be taken into account in all relevant initiatives and actions covered by the Programme. The respect of human Rights and fundamental freedoms for all citizens should be also considered in those initiatives and activities.</p>	
	<p><u>AMD 40 (21a)</u> <i>The decisions to grant an SME financial support should be preceded by a transparent process. The grant of such support and its payment should be transparent, unbureaucratic and in accordance with common rules.</i></p>		
	<p><u>AMD 41 (21b)</u> <i>The Programme should aim to facilitate access to technical, scientific, business and support networks, and should provide appropriate guidance on training, support programmes and mentoring schemes to all interested in starting up an SME - especially to young people and women - with the aim of developing entrepreneurial skills, knowledge, spirit and confidence.</i></p>		

<p>(22) This Regulation should lay down, for the entire duration of the Programme, a financial envelope constituting the prime reference, within the meaning of point 17 of the Interinstitutional Agreement of XX/YY/201Z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on budgetary discipline and sound financial management²², for the budgetary authority during the annual budgetary procedure.</p>		<p>(225) This Regulation should lay down, for the entire duration of the Programme, a financial envelope constituting the prime reference, within the meaning of point 17 of the Interinstitutional Agreement of XX/YY/201Z 17 May 2006 between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on budgetary discipline and sound financial management²³, for the budgetary authority during the annual budgetary procedure.</p>	
<p>(23) To ensure that financing be limited to tackling market, policy and Institutional failures, and with a view to avoiding market distortions, funding from the Programme should comply with the Union State aid rules.</p>		<p>(236) To ensure that financing be limited to tackling market, policy and Institutional failures, and with a view to avoiding market distortions, funding from the Programme should comply with the Union State aid rules of the Union.</p>	
	<p><u>AMD 42 (23a) The Programme should ensure the utmost transparency, accountability and democratic scrutiny of innovative financial instruments and mechanisms that involve the Union budget, especially as regards their contribution, both expected and achieved, to reaching Union objectives.</u></p>		

²² OJ C 139, 14.6.2006, p.1

²³ OJ C 139, 14.6.2006, p.1

<p>(24) The Agreement on the European Economic Area and Protocols to Association Agreements provide for the participation of the countries concerned in Union programmes. Participation by other third countries should be possible when Agreements and procedures so indicate.</p>	<p>AMID 43 (24) The Agreement on the European Economic Area and Protocols to Association Agreements provide for the participation of the countries concerned in Union programmes. Participation by other third countries should be possible when Agreements and procedures so indicate. <i>Participation in the Programme should also be open to entities established in other third countries, but they should in principle not receive financial contributions from the Union.</i></p>	<p>(24Z) The Agreement on the European Economic Area and Protocols to Association Agreements provide for the participation of the countries concerned in Union programmes. Participation by other third countries should be possible when Agreements and procedures so indicate.</p>	
	<p>AMID 44 (24a) <i>It is important to ensure sound financial management of the Programme and its implementation in the most effective and user-friendly manner possible, while also ensuring legal certainty and the accessibility of the programme to all participants.</i></p>		

<p>(25) The Programme should be monitored and evaluated so as to allow for adjustments.</p>	<p>AMID 45 (25) The Programme should be monitored and evaluated so as to allow for adjustments. <i>A yearly report on its implementation should be made, presenting progress achieved and planned activities. It should be presented to the European Parliament's competent committee.</i></p>	<p>(25) The Programme should be monitored and evaluated so as to allow for adjustments.</p>	
	<p>AMID 46 (25a) <i>The implementation of the Programme should be monitored annually with the aid of key indicators for assessing results and impacts. These indicators, including relevant baselines, should provide the minimum basis for assessing the extent to which the objectives of the programmes have been achieved.</i></p>		
		<p>(29) <u>The interim report on the achievement of the objective of all actions supported under the Programme, prepared by the Commission will also include an evaluation of low participation rates of SMEs, when this is identified in a number of Member States. Where appropriate, Member States could take the results of the interim report into account in their respective policies.</u></p>	

<p>(26) The financial interests of the Union should be protected through proportionate measures, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, penalties, throughout the expenditure cycle.</p>		<p>(2630) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties, throughout the expenditure cycle in accordance with Regulation (EU) [No XXXX/2012] of the European Parliament and of the Council on the financial rules applicable to the annual budget of the Union.²⁴</p>	
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²⁴ OJ C [...], [...], p. [...].

<p>(27) To ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission, to adopt an annual work programme for the implementation of the Programme. These powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers²⁵.</p>		<p>(2731) <u>In order</u> to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission, to adopt an annual work programme for the implementation of the Programme. <u>These</u> <u>those</u> powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers²⁶.</p>	
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²⁵ OJ L 55, 28.2.2011, p. 13

²⁶ OJ L 55, 28.2.2011, p. 13

<p>(28) The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of specific rules for participation and externalisation of certain tasks. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.</p>		<p>(32) The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of specific rules for participation and externalisation of certain tasks. <u>additions to the indicators and concerning changes to certain tasks. specific details regarding the financial instruments.</u> It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.</p>	
<p>(29) The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.</p>		<p>(29) The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council. <i>[this recital has been merged with the previous one]</i></p>	

<p>CHAPTER I Subject matter</p> <p>Article 1 Establishment</p> <p>A programme for Union actions to improve the competitiveness of enterprises, with special emphasis on small and medium-sized enterprises (SMEs) (hereinafter "the Programme"), is established for the period from 1 January 2014 to 31 December 2020.</p>	<p>CHAPTER I Subject matter</p> <p>Article 1 Establishment</p>	<p>CHAPTER I Subject matter</p> <p>Article 1 Establishment</p> <p>A programme for Union actions to improve the competitiveness of enterprises, with special emphasis on small and medium-sized enterprises (SMEs) (hereinafter "the Programme"), is established for the period from 1 January 2014 to 31 December 2020.</p>	<p>CHAPTER I Subject matter</p> <p>Article 1 Establishment</p>
	<p>Article 1a Definition</p>	<p>Article 2 Definition</p>	
	<p>AMD 47 <i>For the purposes of this Regulation "SME" shall mean micro, small and medium sized enterprises, as defined in Commission Recommendation 2003/361/EC.</i></p>	<p>For the purposes of this Regulation "SME" shall mean micro, small and medium sized enterprises as stated in the Commission Recommendation 2003/361/EC.</p>	

Article 2 General Objectives	Article 23 General objectives	Article 23 General objectives	
1. The Programme shall contribute to the following general objectives, paying particular attention to the specific needs of SMEs at European and global level:	AMD 48 1. The Programme shall contribute to the following general objectives, paying particular attention to the specific needs of <i>European</i> SMEs at European and global level:	1. The Programme shall contribute to the following general objectives, paying particular attention to the specific needs of SMEs at European and global level in the Union and of SMEs in countries participating in the Programme according to Article 6:	
(a) strengthening the competitiveness and sustainability of the Union's enterprises including in the tourism sector;	(a) strengthening the competitiveness and sustainability of the Union's enterprises, including in the tourism sector in particular SMEs;	(a) strengthening the competitiveness and sustainability of the Union's enterprises, including in the tourism sector particularly SMEs;	
(b) encouraging an entrepreneurial culture and promoting the creation and growth of SMEs.	(b) encouraging an entrepreneurial culture and promoting the creation and growth of SMEs.	(b) encouraging an entrepreneurial culture and promoting the creation and growth of SMEs.	
2. The achievement of the objectives referred to in paragraph 1 shall be measured by the following indicators:	2. The achievement of the objectives referred to in paragraph 1 shall be measured by the following indicators:	2. The achievement of the objectives referred to in paragraph 1 shall be measured by the following indicators:	
(a) percentage of growth of the Union's industrial sector in relation to total Gross Domestic Product (GDP) growth,	(a) percentage of growth of the Union's industrial and services sectors in relation to total Gross Domestic Product (GDP) growth,	(a) (e) SME percentage of growth of the Union's industrial sector in relation to total Gross Domestic Product (GDP) growth;	
(b) Union manufacturing output growth in eco-industries,	(b) Union manufacturing output SME growth in terms of added-value, including in eco-industries,	(b) Union manufacturing output growth in eco-industries better performance of SMEs as regards sustainability;	

(c) changes in administrative burden on SMEs,	<i>(aa) changes in administrative burden on both new and existing SMEs,</i>	(be) changes in <u>reduction of administrative and regulatory</u> burden on SMEs;	
(d) SME growth in terms of added-value and number of employees,	<i>(d) SME growth in terms of added-value and number of employees,</i> <i>(ba) changes in the SME employment rate</i>	(d) SME growth in terms of added-value and number of employees;	
(e) and SME turnover rate	(e) and SME turnover rate	(e) and SME turnover rate	
	(c) changes in the proportion of citizens who wish to be self-employed.	(f) increase in share of Union citizens that would like to be self-employed; (c) increase in share of SMEs trading across borders within or outside the Union;	
		(d) increased competitiveness of SMEs of the Union compared to competitiveness of SMEs of main competitors;	
	<i>2a. Details of measurement and performance targets for indicators referred to in paragraph 2 of this Article are set out in Annex I.</i>	A detailed list of indicators and targets for the Programme are set out in Annex I.	
3. The Programme shall support the implementation of the Europe 2020 Strategy and shall contribute to achieving the objective of “smart, sustainable and inclusive growth”. In particular, the Programme shall contribute to the headline target concerning employment.	3. The Programme shall support the implementation of the Europe 2020 Strategy and shall contribute to achieving the objective of “smart, sustainable and inclusive growth”. In particular, the Programme shall contribute to the headline target concerning employment.	3. The Programme shall support the implementation of the Europe 2020 Strategy and shall contribute to achieving the objective of “smart, sustainable and inclusive growth”. In particular, the Programme shall contribute to the headline target concerning employment.	

CHAPTER II Specific objectives and fields of action	CHAPTER II Specific objectives and fields of action	CHAPTER II Specific objectives and fields of action	CHAPTER II Specific objectives and fields of action
Article 3 Specific objectives	Article 3 Specific objectives	Article 43 Specific objectives	
1. The specific objectives of the Programme shall be:	<u>AMID 49</u> 1. The specific objectives of the Programme shall be:	1. The specific objectives of the Programme shall be:	
(a) To improve framework conditions for the competitiveness and sustainability of Union enterprises including in the tourism sector;	(a) To improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs including in the tourism sector;	(ca) to improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, in all sectors including in the tourism sector;	
(b) To promote entrepreneurship, including among specific target groups;	(b) To promote entrepreneurship <i>and entrepreneurial culture</i> , including among specific target groups;	(db) to promote entrepreneurship including among specific target groups and entrepreneurship culture ;	
(c) To improve access to finance for SMEs in the form of equity and debt;	(aa) To improve access to finance for SMEs in the form of equity and debt;	(ae) to improve access to finance for SMEs in the form of equity and debt;	
(d) To improve access to markets inside the Union and globally.	(d) To improve access to markets inside the Union but also at global level ,	(bd) to improve access to markets, particularly inside the Union and globally but also at global level ;	
	1a. The actions under the specific objectives shall contribute to the implementation of the Think Small First principle as laid down in the Commission communication "A Small Business Act for Europe" from 25 June 2008.		

<p>2. The need of enterprises to adapt to a low-carbon, climate-resilient, energy and resource-efficient economy shall be promoted in the implementation of the Programme.</p>	<p>2. The need of enterprises to adapt to a low-carbon, climate-resilient, energy and resource-efficient economy shall be promoted in the implementation of the Programme.</p>	<p>2. The need of enterprises to adapt to a low-emission, climate-resilient, energy and resource-efficient economy shall be promoted in the implementation of the Programme.</p>	
<p>3 To measure the impact of the Programme in achieving the specific objectives referred to in paragraph 1, performance indicators shall be used. Those indicators are set out in Annex I.</p>	<p>3 To measure the impact of the Programme in achieving the specific objectives referred to in paragraph 1, performance indicators shall be used. Those indicators are set out in Annex I.</p>	<p>3. To measure the impact of the Programme in achieving the specific objectives referred to in paragraph 1, performance indicators shall be used. Those indicators are set out in Annex I.</p>	
		<p><u>4. The annual work programmes referred to in Article 13 shall specify in detail all actions to be implemented under this Programme.</u></p>	

<p>Article 4 Budget</p> <p>1. The financial envelope for implementing the Programme shall be EUR 2.522 billion, of which approximately EUR 1.4 billion shall be allocated to financial instruments.</p>		<p>Article 54 Budget</p> <p>1. The financial envelope for implementing the Programme shall be EUR [2,522 billion], of which approximately no less than EUR [1,4 billion] shall be allocated to financial instruments.</p>	
	<p>AMD 50 1. The financial envelope for implementing the Programme shall be EUR [2.522 billion], of which approximately at least 60% shall be allocated to financial instruments. <i>The Commission may decide, by means of delegated acts, to increase the share allocated to financial instruments in the event of significant demand/supply imbalances or should additional funds from other sources become available.</i></p>		

<p>2. The financial envelope established under this Regulation may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives; in particular, studies, meetings of experts, information and communication actions, including corporate communication of the Union as far as they are related to the general objectives of the Programme, expenses linked to IT networks focusing on information processing and exchange, together with all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.</p>	<p>AMD 51 2. The financial envelope established under this Regulation may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives, in particular:</p> <ul style="list-style-type: none"> - studies, - meetings of experts, - information and communication actions, including corporate communication of the political priorities of the Union as far as they are related to the general objectives of the Programme, - expenses linked to IT networks focusing on information processing and exchange, together with all - other technical and administrative assistance expenses incurred by the Commission for the management of the Programme. <p><i>These expenses shall not exceed 5% of the value of the financial envelope.</i></p>	<p>2. The financial envelope established under this Regulation may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives. <u>In particular they will cover, in a cost effective manner,</u> studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union as far as they are related to the general objectives of the Programme, expenses linked to IT networks focusing on information processing and exchange, together with all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.</p>	
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<p>3. The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Decision No 1639/2006/EC of the European Parliament and of the Council²⁷. If necessary, appropriations may be entered in the budget beyond 2020 to cover similar expenses, in order to enable the management of actions not yet completed by 31 December 2020.</p>		<p>3. The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Decision No 1639/2006/EC of the European Parliament and of the Council <u>of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)</u>²⁸. If necessary, appropriations may be entered in the budget beyond 2020 to cover similar expenses, in order to enable the management of actions not yet completed by 31 December 2020.</p>	
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²⁷ OJ L 310, 9.11.2006, p. 15

²⁸ OJ L 310, 9.11.2006, p. 15

<p>Article 5</p> <p>Participation of third countries</p> <p>The Programme shall be open to the participation of:</p>		<p>Article 6⁵</p> <p>Participation of third countries</p> <p>1. <u>The following countries may participate in all or part of the Programme shall be open to the participation of:</u></p>	
	<p><u>AMD 52 (-a) The overseas countries and territories referred to in Council Decision 2001/822/EC of 27 November 2001 on the association of the overseas countries and territories with the European Community</u>²⁹ <i>(Overseas Association Decision)</i></p>		
<p>(a) European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement, and other European countries when agreements and procedures so allow;</p>		<p>(a) European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement, and other European countries when agreements and procedures so allow;</p>	

²⁹ OJ L 314, 30.11.2001, p.1

<p>(b) Accessing countries, candidate countries and potential candidates in accordance with the general principles and conditions for the participation of those countries in the Union's programmes established in the respective Framework Agreements and Association Council Decisions, or similar arrangements;</p>		<p>(b) acceding countries, candidate countries and potential candidates countries in accordance with the general principles and general terms and conditions for the participation of those countries in Union's programmes established in the respective Framework Agreements and Association Council Decisions, or similar arrangements;</p>	
<p>(c) Countries falling under the scope of the European neighbourhood policies, when agreements and procedures so allow and in accordance with the general principles and general terms and conditions for the participation of those countries in Union's programmes established in the respective Framework Agreements, Protocols to Association Agreements and Association Council Decisions.</p>		<p>(c) countries falling under the scope of the European neighbourhood policies, when agreements and procedures so allow and in accordance with the general principles and general terms and conditions for the participation of those countries in Union's programmes established in the respective Framework Agreements, Protocols to Association Agreements and Association Council Decisions.</p>	
<p>2. Entities established in countries referred to in paragraph 1, in case the conditions established in that paragraph are not fulfilled or when those countries decide not to join the Programme, or entities established in other third countries may participate in actions under the Programme.</p>	<p><u>AMD 53, 54</u> 2. <i>An entities</i> established in <i>a countries</i> referred to in paragraph 1, in case the conditions established in that paragraph are not fulfilled or when those countries decide not to join the Programme, or entities established in other third countries may participate in actions under <i>parts of</i> the Programme <i>where that country participates under the conditions laid out in the respective agreements described in paragraph 1.</i></p>	<p>2. <u>An entities</u> established in <u>a countries</u> referred to in paragraph 1, in case the conditions established in that paragraph are not fulfilled or when those countries decide not to join the Programme, or entities established in other third countries may participate in actions <u>parts</u> <u>under</u> of the Programme <u>where that country participates under the conditions laid out in the respective agreements described in paragraph 1.</u></p>	

	<p><i>Article 5a</i></p> <p><i>Participation of entities of non-participating countries</i></p>	<p><u>Article 7</u></p> <p><u>Participation of entities of non-participating countries</u></p>	
<p>[Article 5] 3. Such entities shall not be entitled to receive Union financial contributions, except where it is indispensable for the Programme, in particular in terms of competitiveness and access to markets for Union enterprises. That exception shall not apply to entities which are profit-making.</p>	<p>AMD 55 1. In parts of the Programme in which a country referred to in Article 5 does not participate, entities established in that country may participate. Entities established in other third countries may also participate in actions under the Programme.</p> <p>2. 5.3 Such Entities referred to in paragraph 1 shall not be entitled to receive Union financial contributions, except where it is indispensable essential for the Programme, in particular in terms of competitiveness and access to markets for Union enterprises. That exception shall not apply to profit-making entities which are profit-making.</p>	<p>1. In parts of the Programme where a country referred to in Article 6 does not participate, entities established in that country may participate. Entities established in other third countries may also participate in actions under the Programme.</p> <p>2. 5.3 Such Entities referred to in paragraph 1 shall not be entitled to receive Union financial contributions, except where it is indispensable for the Programme, in particular in terms of competitiveness and access to markets for Union enterprises. That exception shall not apply to entities which are profit-making.</p>	

<p>Article 6</p> <p>Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises</p> <p>1. The Commission shall support actions to improve and strengthen the competitiveness and sustainability of Union enterprises, particularly SMEs, so as to enhance the effectiveness, coherence and consistency of national policies promoting competitiveness, sustainability and the growth of enterprises in Europe.</p>	<p><u>AMD 56</u> Article 6</p> <p>Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises particularly SMEs</p> <p><u>AMD 57</u> 1. The Commission shall support actions to improve and strengthen the framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, so as to enhance the effectiveness, coherence and consistency of national and regional policies promoting competitiveness, sustainability and the growth of enterprises in Europe, with a specific focus on enterprises with a high rate of potential growth.</p> <p>2. The Commission may support actions intended to develop new competitiveness and business development strategies. Such actions may include the following:</p> <p>(a) measures to improve the design, implementation and evaluation of policies affecting the competitiveness and sustainability of enterprises including disaster-resilience, and to support business networks, the transnational operation and collaboration of secure the development of appropriate infstructures, world-class clusters and business networks, framework</p>	<p>Article <u>116</u></p> <p>Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises</p> <p>1. The Commission shall support actions to improve and strengthen the competitiveness and sustainability of Union enterprises, particularly SMEs, so as to enhance the effectiveness, coherence, coordination and consistency of national policies promoting competitiveness, sustainability and the growth of Union enterprises in Europe.</p>	
<p>2. The Commission may support actions intended to develop new competitiveness strategies. Such actions may include the following:</p> <p>(a) measures to improve the design, implementation and evaluation of policies affecting the competitiveness and sustainability of enterprises, including disaster resilience, and to secure the development of appropriate infrastructures, world class clusters and business networks, framework conditions and development of sustainable products, services and processes;</p>		<p>2. The Commission may support actions intended to develop new competitiveness strategies. Such actions may include the following:</p> <p>(a) measures to improve the design, implementation and evaluation of policies affecting the competitiveness and sustainability of enterprises, including disaster-resilience, and to secure the development of appropriate infstructures, world-class clusters and business networks, framework conditions and promoting the development of sustainable products, services and processes, sharing best</p>	

	<p>conditions and <i>the</i> development of sustainable products, <i>technologies</i>, services and processes;</p>	<p><u>practices on framework conditions and on the management of world class clusters and business networks and encouraging transnational collaboration among clusters, as well as promoting resource efficiency and corporate social responsibility;</u></p>	
	<p><i>(aa) measures to improve framework conditions for enterprises, in particular, through a reduction of administrative burden. Such measures may include amongst others:</i></p> <ul style="list-style-type: none"> - <i>support for the establishment of a regular scoreboard measuring the impact of relevant EU regulation on the framework conditions for enterprises, particularly SMEs,</i> - <i>establishment of, or support for, an independent expert group to advise the Commission on reducing administrative burdens and simplification of Union regulation,</i> - <i>information and exchange of best practices relating to the systematic application of the SME test in the transposition of Union legislation into national law.</i> 		

<p>(b) measures to encourage cooperation in policy making and exchange of good practices among the Member States, other countries participating in the Programme and the Union's main competitors, and to address international aspects of competitiveness policies.</p>	<p>(b) measures to encourage cooperation in policy making and exchange of good practices among the Member States, other countries participating in the Programme and the Union's main competitors <i>global trading partners</i>, and to address international aspects of competitiveness policies.</p>	<p>(b) measures to encourage cooperation in policy making and exchange of good practices among the <u>address international aspects of competitiveness policies, focusing particularly on policy cooperation between Member States</u>, other countries participating in the Programme and to address international aspects of competitiveness policies <u>the Union's global trade partners</u>;</p>	
<p>(c) support for SME policy development and cooperation between policy makers particularly with a view to improving the ease-of-access to programmes and measures for SMEs.</p>	<p>(c) support for <i>evidence-based</i> SME policy development and cooperation between policy makers <i>and with organisations representing SMEs</i>, particularly with a view to improving the ease-of-access to programmes <i>at Union, national and regional level, including Horizon 2020 and Structural funds, and to support</i> measures for SMEs.</p>	<p>(c) support for <u>measures to improve</u> SME policy development, and cooperation between policy makers, <u>peer-reviews and exchange of good practices among Member States</u>, particularly with a view to improving the ease-of-access to programmes and measures for SMEs <u>in line with the Small Business Act Action Plan</u>;</p>	
		<p>(d) measures to promote the <u>competitiveness and sustainability of Union SMEs in the tourism sector by promoting cooperation between Member States, particularly through the exchange of good practices.</u></p>	

<p>3. The Commission may support initiatives accelerating the emergence of competitive industries based on cross-sectoral activities in areas characterised by a high proportion of SMEs and with a high contribution to the Union's GDP. Such initiatives shall stimulate development of new markets and <i>the take-up of new business models as well as the commercial use of relevant ideas for new products and services</i>. They shall include initiatives to enhance productivity, resource efficiency, sustainability and corporate social responsibility.</p>	<p>3. The Commission may support initiatives accelerating the emergence of competitive industries based, <i>where appropriate</i>, on cross-sectoral activities in areas characterised by a high proportion of SMEs and with a high contribution to the Union's GDP. Such initiatives shall stimulate development of new markets and <i>the take-up of new business models as well as the commercial use of relevant ideas for new products and services</i>. They shall include initiatives to enhance productivity, resource efficiency, sustainability and corporate social responsibility.</p>	<p>3. The Commission may support <u>the member states in their</u> initiatives accelerating the emergence of competitive industries based on cross-sectoral activities in areas characterised by a high proportion of SMEs and with a high contribution to the Union's GDP with <u>market potential</u>. Such initiatives shall stimulate development of new markets and the supply of goods and services based on the most competitive business models or on modified value-chains. They shall <u>may</u> include initiatives to enhance productivity, resource efficiency, sustainability and corporate social responsibility <u>encouraging the exchange of good practices and identify skills and training requirements from industries, especially SMEs, in particular e-skills. They may also include initiatives to encourage the uptake of new business models and the cooperation of SMEs in new value chains as well as the commercial use of relevant ideas for new products and services.</u></p>	
	<p><i>3a. The Commission may also support sector-specific activities for these purposes, in areas characterised by a high proportion of SMEs and with a high contribution to the Union's GDP, such as the tourism sector.</i></p>		

<p>Article 7</p> <p>Actions to promote entrepreneurship</p>	<p>Article 7</p> <p>Actions to promote entrepreneurship</p>	<p>Article 12⁷</p> <p>Actions to promote entrepreneurship</p>	
<p>1. The Commission shall contribute to promoting entrepreneurship by improving framework conditions affecting the development of entrepreneurship. The Commission shall support a business environment favourable to enterprise development and growth.</p>	<p>AMD 58 1. The Commission shall contribute to promoting entrepreneurship <i>and entrepreneurial culture</i> by <i>reducing obstacles to the setting-up of enterprises and improving framework conditions</i> affecting the development of entrepreneurship. The Commission shall support a business environment favourable to <i>sustainable</i> enterprise <i>start-ups</i>, development, growth, <i>business transfer and second chance</i>.</p>	<p>1. The Commission shall contribute to promoting entrepreneurship by improving framework conditions affecting the development of entrepreneurship. The Commission shall support a business environment and culture favourable to enterprise development start-up, and growth, business transfer, second chance (re-start), as well as spin-offs and spin-outs.</p>	
<p>2. Particular attention shall be paid to young entrepreneurs, new and potential entrepreneurs and female entrepreneurs, as well as specific target groups.</p>		<p>2. Particular attention shall be paid to young entrepreneurs, new and potential entrepreneurs and female potential, new, young, and women entrepreneurs, as well as to specific target groups.</p>	
	<p>AMD 59 1. (a) <i>An “Erasmus for young entrepreneurs” action shall be established with the objective of developing entrepreneurial skills and attitudes.</i></p>		

<p>3. The Commission may support Member States' measures to build-up entrepreneurial education, skills and attitudes, in particular among potential and new entrepreneurs.</p>	<p><u>AMD 60</u> 3. The Commission may support Member States' measures to build-up entrepreneurial education, skills, <i>mindsets</i> and attitudes, in particular <i>in education and training as well as</i> among potential and new entrepreneurs.</p>	<p>3. The Commission may support Member States' measures to build-up up and facilitate entrepreneurial education, training, skills and attitudes, in particular among potential and new entrepreneurs</p>	
	<p><u>AMD 61</u> 3a. <i>The Commission may take measures to strengthen the education of possible entrepreneurs provided by Lifelong learning or Erasmus for All programmes, particularly Erasmus for young entrepreneurs, in order to improve their technological capacity and enterprise management.</i></p>		

<p>Article 8</p> <p>Actions to improve access to finance for SMEs</p>	<p>Article 8</p> <p>Actions to improve access to finance for SMEs</p>	<p>Article 8</p> <p>Actions to improve access to finance for SMEs</p>	
<p>1. The Commission shall support actions which aim to improve access to finance for SMEs in their start-up and growth phases, being complementary to the Member States' use of financial instruments for SMEs at national and regional level. In order to ensure complementarity, these actions will be closely coordinated with those undertaken in the framework of cohesion policy and at national level. Such actions shall aim to stimulate the supply of both equity and debt finance.</p>	<p>AMD 62 1. The Commission shall support actions which aim to <i>facilitate and</i> improve access to finance for SMEs in their start-up and, growth <i>and transfer</i> phases, being complementary to the Member States' use of financial instruments for SMEs at national and regional level. In order to ensure complementarity, these actions will be closely coordinated with those undertaken in the framework of cohesion policy, <i>Horizon 2020</i> and at national <i>or regional</i> level. Such actions shall aim to stimulate the supply <i>and take-up</i> of both debt and equity finance, <i>which may include seed funding, angel funding and quasi-equity financing. The Commission shall pay attention to the visibility of EU funding to SMEs so as to ensure that EU support is known and recognised.</i></p>	<p>1. The Commission shall support actions which aim to improve access to finance for SMEs in their start-up, growth and <u>transfer</u> phases, being complementary to the Member States' use of financial instruments for SMEs at national and regional level and without creating market distortions. In order to ensure complementarity, such these actions shall will be closely coordinated with those undertaken in the framework of cohesion policy, Horizon 2020 and at national level. Such actions shall aim to stimulate the supply of both equity and debt finance, while avoiding asset stripping.</p>	

<p>2. As part of the actions referred to in paragraph 1, the Commission shall develop measures, subject to market demand, to improve cross-border and multi-country financing, thereby assisting SMEs to internationalise their activities in compliance with Union law.</p>	<p>2. As part of the actions referred to in paragraph 1, the Commission shall develop measures, subject to market demand, to improve cross-border and multi-country financing, thereby assisting SMEs to internationalise their activities, in compliance with Union law.</p> <p><i>The Commission may also examine the possibility of developing other innovative financial instruments, such as crowdfunding, subject to market demand.</i></p>	<p>2.. As part of the <u>In addition to</u> actions referred to in paragraph 1, the Commission shall develop measures, subject to market demand Union support may also be given to actions, to improve cross-border and multi-country financing, <u>subject to market demand and without creating market distortions</u>, thereby assisting SMEs to internationalise their activities in compliance with Union law.</p>	
<p>3. Details of the actions referred to in paragraph 1 of this Article are laid down in Annex II.</p>	<p>3. Details of the actions referred to in paragraph 1 of this Article are laid down in <i>Articles 14a and 14b</i>.</p>	<p>3. Details of the actions referred to in paragraph 1 are laid down in Annex II <u>Article 17</u>.</p>	

<p>Article 9</p> <p>Actions to improve access to markets</p> <p>1. In order to continue improving the competitiveness and access to markets of Union enterprises, the Commission shall maintain its support for the Enterprise Network.</p>	<p>Article 9</p> <p>Actions to improve access to markets</p> <p>AMD 63 1. In order to continue improving the competitiveness and access to markets of Union enterprises, the Commission shall maintain continue its support for the Enterprise Europe Network in accordance with Article 9a.</p>	<p>Article 9</p> <p>Actions to improve access to markets</p> <p>1. In order To continue improving the competitiveness and access to markets of Union EU enterprises, 2- the Commission shall maintain its support for the Enterprise Europe Network may support actions to improve SMEs access to the Single Market including such as information provision (including through digital services) and awareness-raising.</p>	
<p>2. The Commission may support actions to improve SMEs access to the Single Market including information provision and awareness-raising</p>	<p>2. The Commission may shall support actions to improve SMEs access to the Single Market including information provision and awareness-raising on EU initiatives, programmes and legislation, including with a view to facilitating compliance with EU requirements and standards.</p>	<p><i>[merged with 9.1]</i></p>	

<p>3. Specific measures shall aim to facilitate SMEs access to markets outside the Union, and to strengthening existing support services in those markets. SMEs may receive support through the Programme as regards standards and intellectual property rights in priority third countries.</p>	<p>3. Specific measures shall aim to facilitate SMEs access to markets outside the Union, and to strengthening existing support services in those markets. SMEs may receive support through the Programme as regards information on existing market entry barriers as well as on public procurement, standards and intellectual property rights and customs procedures in priority third countries. These measures shall complement but not duplicate existing trade promotion activities.</p>	<p>32. Specific measures shall <u>may</u> aim to facilitate SMEs access to markets outside the Union, and to strengthening existing support services in those markets. <u>in particular by providing information on market-entry barriers and business opportunities and by improving support services</u> SMEs may receive support through the Programme as regards standards and intellectual property rights in priority third countries. Those measures shall complement but not duplicate core trade promotion activities of Member States.</p>	
<p>4. Actions under the Programme may aim to foster international industrial cooperation, including industrial and regulatory dialogues with third countries. Specific measures may aim to reduce differences between the Union and other countries in regulatory frameworks for industrial products, on industrial policy and the improvement of the business environment.</p>	<p>4. Actions under the Programme may aim to foster industrial international cooperation, including industrial and regulatory dialogues with third countries. Specific measures may aim to reduce differences between the Union and other countries in regulatory frameworks for industrial products, on enterprise and industrial policy and the improvement of the business environment.</p>	<p>43. Actions under the Programme may aim to foster international industrial cooperation, including industrial and regulatory dialogues with third countries. Specific measures may aim to reduce differences between the Union and other countries in regulatory frameworks for industrial products, to contribute to the development of an industrial policy and the improvement of the business environment.</p>	

	<p><u>AMD 64 Article 9a</u> <i>Enterprise Europe Network</i></p>	<p><u>Article 10</u> <u>Enterprise Europe Network</u></p>	
	<p><i>1. The Commission shall ensure that the activities of the Enterprise Europe Network (“the Network”) are continued and enhanced. The Network shall provide integrated business support services to Union SMEs that seek to explore opportunities in the Single Market and in third countries.</i></p>	<p><u>The Commission shall support the Enterprise Europe Network to provide integrated business support services to European SMEs that seek to explore opportunities in the Single Market and in third countries. Actions under the Network may include the following:</u></p>	
	<p><i>1) Taking into account the established experience and skills of existing national business support networks, actions under the Network may include, but are not restricted to, the following</i></p>		

	<p><i>(a) information and advice, including on internationalisation services in the Single Market and in third countries, business cooperation, feedback, funding opportunities, access to finance and related coaching and mentoring schemes;</i></p>	<p><u>(a) information and advisory services on EU initiatives and legislation, support for enhancing management capacities to increase competitiveness of SMEs, support for improving the financial knowledge of SMEs, and measures to increase SME's access to energy efficiency, climate and environmental expertise as well as promotion of EU funding programmes and financial instruments (including Horizon 2020 in cooperation with national contact points and the Structural Funds). The Enterprise Europe Network may also be used to deliver services on behalf, and with the resources, of other EU programmes such as Horizon 2020. In this case, the Commission shall assure an efficient coordination between the different financial resources for the Network;</u></p>	
	<p><i>(b) services for innovation and for the transfer of both technology and knowledge; services to increase SMEs' access to energy efficiency, climate and environmental expertise;</i></p>	<p><u>(b) facilitation of cross-border business, R&D, technology and innovation partnerships;</u></p>	
	<p><i>(c) services encouraging the participation of SMEs in Union programmes, including Horizon 2020 and the Structural Funds.</i></p>	<p><u>(c) provision of a communication channel between SMEs and the Commission.</u></p>	

	<i>(d) support for enhancing management capacities to increase the competitiveness of SMEs;</i>	<u>Implementation of the Network shall be closely coordinated with the Member States to avoid duplication of activities in accordance with the subsidiarity principle.</u>	
	<i>3. Services delivered by the Network on behalf of other Union programmes shall be funded by those programmes.</i>		
	<i>4. The Network shall not replace or duplicate, but complement, the activity of existing organisations active in SME business support. With a view to adopting further measures to improve the performance of the Network, the Commission shall assess its effectiveness, governance and geographical distribution with a view to improving the take-up by SMEs of the proposed services as well as ensuring a more balanced geographical distribution.</i>		
		<i>[Article 11 Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises - Moved in PGA See under Article 6 Commission proposal]</i>	
		<i>[Article 12 Actions to promote entrepreneurship - Moved in PGA See under Article 7 Commission proposal]</i>	

CHAPTER III Implementation of the Programme	CHAPTER III Implementation of the Programme	CHAPTER III Implementation of the Programme	
<p>Article 10</p> <p>Annual work programme</p> <p>1. In order to implement the Programme, the Commission shall adopt an annual work programme in accordance with the examination procedure referred to in Article 16(2). The annual work programmes shall set out the objectives pursued, the expected results, the method of implementation and their total amount. They shall also contain a description of the actions to be financed, an indication of the amount allocated to each action and an indicative implementation timetable, as well as appropriate indicators for monitoring effectiveness in delivering outcomes and achievements of the objectives. They shall include for grants the priorities, the essential evaluation criteria and the maximum rate of co-financing.</p>	<p>Article 10</p> <p>Annual work programme</p> <p>AMID 65 1. In order to implement the Programme, the Commission shall adopt an annual work programme by means of delegated acts in accordance with the examination procedure referred to in Article 16(2) 18. The annual work programmes shall set out the objectives pursued <i>based on prior consultations</i>, the expected results, the method of implementation, their total amount They shall also contain a description of the actions to be financed, an indication of the amount allocated to each action and an indicative implementation timetable, as well as <i>and</i> appropriate indicators for monitoring effectiveness in delivering outcomes and achievements of the objectives. They shall include for grants the priorities, the essential evaluation criteria and the maximum rate of co-financing.</p>	<p>Article 103</p> <p>Annual work programmes</p> <p>1. In order to implement the Programme, the Commission shall adopt an annual work programmes in accordance with the examination procedure referred to in Article 16(2)19. <u>Each</u> the annual work programmes shall set out <u>in detail</u>:</p> <p>(a) the objectives pursued, the expected results, the method of implementation and their total amount; They shall also contain</p> <p>(b) a description of the actions to be financed, an indication of the amount allocated to each action, an indicative implementation timetable <u>and a payment profile</u>; as well as</p> <p>(c) appropriate <u>qualitative and quantitative</u> indicators for <u>analysing and</u> monitoring effectiveness in delivering outcomes and achievements of the objectives; They shall include for grants</p> <p>(d) the priorities, the essential evaluation criteria <u>of the measures</u> and the maximum rate of co-financing <u>as regards grants</u>;</p> <p>(e) <u>the use of the financial envelope</u></p>	

			for the Loan Guarantee Facility; (f) a separate detailed chapter on the financial instruments including information such as the level of guarantee and the relationship with Horizon2020.	
	<p><i>1a. The Commission shall implement the annual work programmes referred to in paragraph 1 by setting out</i></p> <p><i>(a) a description of the actions to be financed;</i></p> <p><i>(b) an indication of the amount allocated to each action;</i></p> <p><i>(c) an indicative implementation timetable.</i></p>			
	<p><i>1b. The measures referred to in paragraph 1a shall be adopted in accordance with the examination procedure referred to in Article 16(2).</i></p> <p><u>AMD 66 1c.</u> <i>The Commission may promote the establishment of integrated and user-friendly online systems that provide information on programmes relevant for SMEs, whilst ensuring that these do not duplicate existing portals.</i></p>			
<p>2. The Commission shall implement the Programme in accordance with the Financial Regulation (Regulation (EU) No XXX/2012 [New Financial Regulation]).</p>			<p>2. The Commission shall implement the Programme in accordance with the Financial Regulation (Regulation (EU) No XXX/2012 [New Financial Regulation]).</p>	

<p>3. The Programme shall be implemented so as to ensure that actions supported take account of future developments and needs, particularly after the interim evaluation, referred to in Article 12(3), and that they are relevant to evolving markets, economy and changes in society.</p>		<p>3. The Programme shall be implemented so as to ensure that actions supported take account of future developments and needs, particularly after the interim evaluation, referred to in Article 1215(3), and that they are relevant to evolving markets, economy and changes in society.</p>	
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Article 11 Support measures	Article 11 Support measures	Article 144 Support measures	
<p>1. In addition to the measures covered by the work programme referred to in Article 10, the Commission shall regularly undertake support measures, including the following:</p> <p>(a) the analysis and monitoring of sectoral and cross-sectoral competitiveness issues;</p> <p>(b) the identification of good practices and policy approaches, and their further development;</p> <p>(c) impact assessments of Union measures of particular relevance for the competitiveness of enterprises, with a view to identifying areas of existing legislation that need to be simplified, or areas in which new legislative measures need to be proposed;</p>	<p>AMD 67 1. In addition to the measures covered by the work programme referred to in Article 10, the Commission shall regularly undertake support measures, including the following:</p> <p>(a) the analysis and monitoring of sectoral and cross-sectoral competitiveness issues;</p> <p>(b) the identification <i>and dissemination</i> of good practices and policy approaches, and their further development;</p> <p>(c) <i>fitness checks of existing legislation and</i> impact assessments of <i>new</i> Union measures <i>that are</i> of particular relevance for the competitiveness of enterprises, with a view to identifying areas of existing legislation that need to be simplified or <i>and ensuring that burdens on SMEs are minimised in</i> areas in which new legislative measures need to be <i>are</i> proposed. <i>Lighter regimes for SMEs or micro-enterprise-specific exemptions shall be demonstrated by the SME test and may not interfere with fundamental EU health and safety at work requirements, fundamental EU workers' rights or fundamental principles of EU environmental legislation;</i></p>	<p>1. In addition to the measures covered by the work programmes referred to in Article 103, the Commission shall regularly undertake support measures, including the following:</p> <p>(a) improving the analysis and monitoring of sectoral and cross-sectoral competitiveness issues;</p> <p>(b) the identification of good practices and policy approaches, and their further development;</p> <p>(c) fitness checks of existing legislation and impact assessments of new Union measures that are of particular relevance for the competitiveness of enterprises, with a view to identifying areas of existing legislation that need to be simplified, and to ensure that burdens on SMEs are minimised in areas in which new legislative measures are being proposed;</p>	

<p>(d) the evaluation of legislation affecting enterprises, specific industrial policy and competitiveness-related measures.</p>	<p>(d) the evaluation of legislation affecting enterprises, in particular SMEs, industrial policy and competitiveness-related measures.</p>	<p>(d) the evaluation of legislation affecting enterprises, specific industrial policy and competitiveness-related measures.</p>	
	<p><i>(da) the follow-up and assessment of the implementation of the Think Small First principle as laid down in the Commission communication "A Small Business Act for Europe" from 25 June 2008.</i></p>		
<p>2. These support measures referred to in paragraph 1 shall not necessarily form part of the annual work programmes referred to in Article 10.</p>	<p>2. These support measures referred to in paragraph 1 shall not necessarily form part of the annual work programmes referred to in Article 10 and shall cost no more than [2,5%] of the programme's financial envelope.</p>	<p>2. The total cost of these support measures referred to in paragraph 1 shall not necessarily form part of the annual work programmes referred to in Article 10 be no more than [2,5 %] of the Programme's financial envelope.</p>	

Article 12 Monitoring and evaluation	Article 12 Monitoring and evaluation	Article 12 5 Monitoring and evaluation	
<p>1. The Commission shall monitor the implementation and management of the Programme.</p> <p>2. The Commission shall draw up an annual monitoring report examining the efficiency and effectiveness of supported actions in terms of financial implementation, results and, where possible, impact. The report shall include information on the amount of climate-related expenditure and the impact of support to climate-change objectives to the extent that the collection of this information does not create unjustified administrative burden for SMEs.</p>	<p><u>AMD 68</u> 2. The Commission shall draw up an annual monitoring report examining the efficiency and effectiveness of supported actions in terms of financial implementation, results and, where possible, impact. The report shall include <i>basic</i> information on <i>grant beneficiaries and anonymised basic information on grant applicants, if available. The report shall also include information</i> on the amount of climate-related expenditure and the impact of support to climate-change objectives to the extent that the collection of this information does not create unjustified administrative burden for SMEs. <i>The annual report shall be presented to the European Parliament competent committee and made available to the public.</i></p>	<p>1. The Commission shall monitor the implementation and management of the Programme.</p> <p>2. The Commission shall draw up an annual monitoring report examining the efficiency and effectiveness of supported actions in terms of financial implementation, results and, where possible, impact. The report shall include information on <u>beneficiaries, when possible, for each call for proposals, information</u> on the amount of climate-related expenditure and the impact of support to climate-change objectives, <u>relevant data regarding the loans provided by the Loan Guarantee Facility above and below € 150.000 and information on support measure costs</u> to the extent that the collection of <u>such</u> this information does not create <u>an</u> unjustified administrative burden for <u>enterprises, especially SMEs. The monitoring report shall include the annual report on each financial instrument as required by article [131(6)] of Regulation (EU) no xxx/2012.</u></p>	

<p>3. By 2018 at the latest, the Commission shall establish an evaluation report on the achievement of the objectives of all the actions supported under the Programme at the level of results and impacts, the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation report shall also address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive and growth. It shall take into account evaluation results on the long-term impact of the predecessor measures;</p>		<p>3. By 2018 at the latest, the Commission shall establish an interim evaluation report on the achievement of the objectives of all the actions supported under the Programme at the level of results and impacts, the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The interim evaluation report shall also address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of the predecessor measures and shall feed into a decision on a possible renewal, modification or suspension of a subsequent measure.</p>	
<p>4. An evaluation report shall be established on the longer-term impacts and the sustainability of effects of the measures to feed into a decision on a possible renewal, modification or suspension of a subsequent measure.</p>	<p>AMD 69 4. An <i>ex-post</i> evaluation report shall be established on the longer-term impacts and the sustainability of effects of the measures to feed into a decision on a possible renewal, modification or suspension of a subsequent measure.</p>	<p>4. An evaluation report The Commission shall be established a final evaluation report on the longer-term impacts and the sustainability of effects of the measures to feed into a decision on a possible renewal, modification or suspension of a subsequent measure.</p>	

<p>5. A set of key performance indicators shall be developed as a basis for assessing the extent to which the objectives of the actions supported under the Programme have been achieved. They shall be measured against pre-defined baselines reflecting the situation before implementation of the actions.</p>	<p>AMD 70 5. A set of key performance indicators shall be developed as a basis for assessing the extent to which the objectives of the actions supported under the Programme have been achieved. They shall be measured against pre-defined baselines reflecting the situation before implementation of the actions.</p>	<p>5. <u>The Commission shall develop</u> a set of key performance indicators shall be developed as a basis for assessing the extent to which the objectives of the actions supported under the Programme have been achieved. They <u>Such objectives</u> shall be measured against pre-defined baselines reflecting the situation before implementation of the actions.</p>	
<p>6. All involved parties shall provide the Commission with all the data and information necessary to permit the monitoring and evaluation of the concerned measures.</p>		<p>6. All <u>grant beneficiaries and other involved parties involved who have received Union funds under this Regulation</u> shall provide the Commission with at the <u>appropriate</u> data and information necessary to permit the monitoring and evaluation of the concerned measures <u>concerned</u>.</p>	
	<p><u>AMD 71 6a. In order for funds to reach SMEs, a monitoring system shall be put in place to ensure that banks use the funds and guarantees to increase their SME lending. This may include reporting schemes and a code of conduct for SME lending banks. The monitoring system shall also ensure that not only medium-sized enterprises receive loans out of Union funds.</u></p>		

<p>CHAPTER IV Financial provisions and forms of financial assistance</p> <p>Article 13</p> <p>Forms of financial assistance</p> <p>The Union's financial assistance under the Programme may be implemented indirectly by delegating budget implementation tasks to the entities listed in Article XX of Regulation (EU) No XXX/2012 [New Financial Regulation].</p>		<p>CHAPTER IV Financial provisions and forms of financial assistance</p>		<p>CHAPTER IV Financial provisions and forms of financial assistance</p> <p>Article 16</p> <p>Forms of financial assistance</p> <p>The Union's financial assistance under the Programme may be implemented indirectly by delegating budget implementation tasks to the entities listed in Article XX of Regulation (EU) No XXX/2012 [New Financial Regulation].</p>	
<p>Article 14</p> <p>Financial instruments</p> <p>1. Financial instruments under the Programme shall be operated with the aim of facilitating access to finance for growth-oriented SMEs. The financial instruments shall include an equity facility and a loan guarantee facility.</p>		<p>Article 147</p> <p>Financial instruments</p> <p>1. Financial instruments under the Programme, <u>set up in accordance with Title VIII of Regulation (EC) No XXXX/2012 [New Financial Regulation of 2012]</u> shall be operated with the aim of facilitating access to finance for <u>growth-oriented SMEs, in their start-up, growth and transfer phases</u>. The financial instruments shall include an equity facility and a loan guarantee facility. <u>The allocation of funds to different facilities shall take into account the demand from financial intermediaries.</u></p>			

<p>2. The financial instruments for growth-oriented SMEs may, where appropriate, be combined with other financial instruments established by Member States and their managing authorities in accordance with [Article 33(1)(a) of Regulation (EU) No XXXX/201X [New Regulation on Structural Funds]], and grants funded from the Union, including under this Regulation.</p>	<p><u>AMD 73_2.</u> The financial instruments for growth-oriented SMEs may, where appropriate, be combined with other financial instruments established by Member States and their managing authorities in accordance with [Article 33(1)(a) of Regulation (EU) No XXXX/201X [New Regulation on Structural Funds]], and grants funded from the Union, including under this Regulation.</p>	<p>2. The financial instruments for growth-oriented SMEs may, where appropriate, be combined with and complement other financial instruments established by Member States and their managing authorities funded by national /regional funds or in the context of the operations of the Structural Funds, in accordance with [Article 33(1)(a) of Regulation (EU) No XXXX/201X [New Regulation on Structural Funds]], and with grants funded by the Union, including under this Regulation.</p>	
	<p><u>AMD 74_2a.</u> <i>The equity and loan guarantee facilities shall be complementary to the Member States' use of financial instruments for SMEs within the framework of cohesion policy and to the Member States' use of financial instruments for SMEs under national promotional programmes.</i></p>		
	<p><u>AMD 75_2b.</u> <i>The equity and loan guarantee facilities may, where appropriate, allow pooling of financial resources with Member States and/or regions willing to contribute part of the Structural Funds allocated to them in accordance with [Article 33(1)(a) of the Structural Funds Regulation].</i></p>		

<p>3. The financial instruments shall aim to preserve the value of assets provided by the Union budget. They may generate acceptable returns to meet the objectives of other partners or investors.</p>		<p>3. The financial instruments shall aim to preserve the value of assets provided by the Union budget. They may generate acceptable returns to meet the objectives of other partners or investors <u>equity and loan guarantee facilities can be complementary to the Member States' use of financial instruments for SMEs in the framework of cohesion policy. The equity and loan guarantee facilities may, where appropriate, allow pooling of financial resources with Member States (or regions) willing to contribute part of the Structural Funds allocated to them (and in accordance with [Article 33(1)(a) of the Structural Funds Regulation]).</u></p>	
	<p><u>AMD 76.3a.</u> <i>The equity and loan guarantees facilities shall comply with the provisions set out in Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities³⁰ and in the Delegated Act replacing the Implementing Rules.</i></p>		

³⁰ OJ L 248, 16.9.2002, p. 1

	<p><u>AMD 77_3b.</u> The financial instruments under the Programme shall be operated in close coordination with the debt and equity facilities under Horizon 2020 with a view to creating a single instrument for intermediaries and enabling SMEs to identify the Programme that corresponds best to their needs through one common source of information.</p>		
	<p><u>AMD 78_3c.</u> The Commission and the Member States shall take adequate measures to disseminate information on the available financial instruments among SMEs and intermediaries.</p>		
	<p><u>AMD 79_3d.</u> Revenues and repayments related to the second window of the High Growth and Innovative SME Facility under Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)³¹ shall be assigned to the financial instruments of this Programme.</p>		

³¹ OJ L 310, 9.11.2006, p. 15

	<p><u>AMD 80 3e.</u> The financial instruments for SMEs shall be implemented in compliance with the relevant Union law on state aids. The conditions for any exclusion of the financial instruments from state aid rules shall be clearly stated in the Programme guidelines and manuals.</p>		
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<p>4. In accordance with Article 18(4) of Regulation (EU) No XXXX/2012 [New Financial Regulation], revenues and repayments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the multiannual financial framework for the 2007-2013 period, revenues and repayments generated by operations started in that period shall be assigned to the financial instrument in the period 2014-2020.</p>	<p>AMD 81 4. In accordance with <i>Article 18(3)(h)</i> of Regulation (EU) No XXXX/2012 [New Financial Regulation], revenues and repayments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the multiannual financial framework for the 2007-2013 period, revenues and repayments generated by operations started in that period shall be assigned to the financial instrument in the period 2014-2020.</p>	<p>4. In accordance with Article 18(4) of Regulation (EU) No XXXX/2012 [New Financial Regulation], revenues and repayments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the multiannual financial framework for the 2007-2013 period, revenues and repayments generated by operations started in that period shall be assigned to the financial instrument in the period 2014-2020.</p>	
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<p><i>[text of Annex II of Commission proposal for comparison - Annex II has been moved to Articles in PE report and in PGA]</i></p> <p>The Equity Facility for Growth (EFG)</p>	<p><u>AMD 82, Article 14a</u> Equity Facility for Growth</p>		
<p><i>[from text of Annex II of Commission proposal - Under actions to improve SME access to finance]</i></p> <p>2. The equity facility of the Competitiveness and SME Programme, the Equity Facility for Growth (EFG), shall be implemented as a window of a single EU equity financial instrument supporting EU enterprises' growth and RDI from the early stage (including seed) to the growth stage and financially supported by the Horizon 2020 and this Programme.</p> <p>EFG shall use the same delivery mechanism as the equity facility for RDI to be established under Horizon 2020, according to the terms set out below.</p>		<p>4. The equity facility of the Competitiveness and SME Programme, the Equity Facility for Growth (EFG), shall be implemented as a window of a single EU equity financial instrument supporting EU enterprises' growth and RDI from the early stage (including seed) <u>up</u> to the growth stage and financially supported by the Horizon 2020 and this Programme. The instruments under Horizon 2020 and this Programme shall be developed in interdependence.</p> <p>EFG shall use the same delivery mechanism as the equity facility for RDI to be established under Horizon 2020, according to the terms set out below.</p>	

<p>1. The EFG shall focus on funds that provide venture capital and mezzanine finance, such as subordinated and participating loans, to expansion and growth-stage enterprises, in particular those operating across borders, while having the possibility to make investments in early stage enterprises in conjunction with the equity facility for RDI under Horizon 2020. In the latter case, the investment from EFG shall not exceed 20% of the total EU investment except in cases of multi-stage funds, where funding from EFG and the equity facility will be provided on a pro rata basis, based on the funds' investment policy. The EFG shall avoid buy-out or replacement capital intended for the dismantling of an acquired enterprise. The Commission may decide to amend the 20% threshold in light of changing market conditions.</p>	<p>1. The Equity Facility for Growth (EFG) shall focus on funds that provide: venture capital and mezzanine finance, such as subordinated and participating loans, to expansion and growth-stage enterprises, in particular those operating across borders, while having the possibility to of making investments in early-stage enterprises funds in conjunction with the Equity Facility for Research and Innovation (R&I) under Horizon 2020 and providing co-investment facilities for business angels. In the latter case, investment from EFG shall not exceed 20 % of the total Union EU investment except in cases of multi-stage funds and funds-of-funds, where funding from EFG and the Equity Facility for R&I will shall be provided on a pro rata basis, on the basis of based on the funds' investment policy. The EFG Commission shall avoid buy-out or replacement capital intended for the dismantling of an acquired enterprise. The Commission may decide to amend the 20 % threshold in the light of changing market conditions.</p>	<p>5. The EFG shall focus on funds that provide: venture capital and mezzanine finance, such as subordinated and participating loans, to expansion and growth-stage enterprises, in particular those operating across borders, while having the possibility to make investments in early stage enterprises funds in conjunction with the equity facility for RDI under Horizon 2020 and provide coinvestment facilities for business angels. In the latter case of early stage investment, the investment from EFG shall not exceed 20 % of the total EU investment except in cases of multi-stage funds, where funding from EFG and the equity facility for RDI will be provided on a pro rata basis, based on the funds' investment policy. The EFG shall avoid buy-out or replacement capital intended for the dismantling of an acquired enterprise. The Commission may decide to amend the 20 % threshold in light of changing market conditions in accordance with Article 20.2.</p>	
	<p><i>[compared with 2nd row above]</i> 2. The equity facility of the Competitiveness and SME Programme; the Equity Facility for Growth (EFG) shall be implemented as a window of a single Union equity financial</p>		

	<p>instrument supporting Union enterprises' growth and R&I from the early stage (including seed) to the growth stage and financially supported by the Horizon 2020 and this Programme.</p> <p><i>The EFG and the Equity Facility for R&I to be established under Horizon 2020</i> shall use the same delivery mechanism as the equity facility for RDI to be established under Horizon 2020, according to the terms set out below.</p>		
<p>2. Support shall be in the form of one of the following investments:</p>	<p>3. Support <i>from the EFG</i> shall be in the form of one of the following investments:</p>	<p>6. Support from the EFG shall be in the form of one of the following investments:</p>	
<p>(a) directly by the European Investment Fund (EIF) or other entities entrusted with the implementation on behalf of the Commission; or</p>	<p>(a) directly by the European Investment Fund (EIF) or other entities entrusted with the implementation on behalf of the Commission; or</p>	<p>(a) directly by the European Investment Fund (EIF) or other entities entrusted with the implementation on behalf of the Commission; or</p>	
<p>(b) by funds-of-funds or investment vehicles investing across borders established by the EIF or other entities entrusted with the implementation on behalf of the Commission together with private investors and/or national public financial institutions</p>	<p>(b) by public or private funds-of-funds or investment vehicles investing across borders established by the EIF or other entities entrusted with the implementation on behalf of the Commission together with private investors and/or public financial institutions and venture capital operators active at regional and local level,</p>	<p>(b) by funds-of-funds or investment vehicles investing across borders established by the EIF or other entities (including private sector managers and national operators) entrusted with the implementation on behalf of the Commission together with investors from the private and/or public financial institutions.</p>	

	<p>4. <i>The EFG shall invest in intermediary risk capital funds investing in SMEs, typically in their expansion and growth-stage. Investments under EFG shall be long-term, i.e. usually involving 5 to 15 year positions in risk capital funds. In any event, the lifetime of the investments under the EFG shall not exceed 20 years from the time of signature of the agreement between the Commission and the entity entrusted with its implementation.</i></p>	<p><u>7. EFG shall invest in intermediary risk capital funds including in funds-of-funds, providing investments for SMEs typically in their expansion and growth-stage. Investments under EFG shall be long-term which usually take 5 to 15 year positions in risk capital funds. In any case, life of the investments under the EFG shall not exceed 20 years from the time of signature of the agreement between the Commission and the entity entrusted with its implementation.</u></p>	
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	<i>Article 14b The Loan Guarantee Facility</i>		
1. The LGF shall be operated by the EIF or other entities entrusted with the implementation on behalf of the Commission. The facility shall provide	AMD 83 I. The <i>Loan Guarantee Facility</i> (LGF) shall be operated by the EIF or other entities entrusted with the implementation on behalf of the Commission. The facility shall provide:	8. The LGF shall be operated by the EIF or other entities entrusted with the implementation on behalf of the Commission. <i>[moved to end paragraph 9]</i> The facility The Loan Guarantee Facility (LGF) shall provide:	
. counter-guarantees and other risk sharing arrangements for guarantee schemes;	(a) counter-guarantees and other risk sharing arrangements for guarantee schemes;	(a) counter-guarantees and other risk sharing arrangements for guarantee schemes including, where appropriate, co-guarantees;	
. direct guarantees and other risk sharing arrangements for any other financial intermediaries meeting the eligibility criteria.	(b) direct guarantees and other risk sharing arrangements for any other financial intermediaries meeting the eligibility criteria;	(b) direct guarantees and other risk sharing arrangements for any other financial intermediaries meeting the eligibility criteria.	
<i>[from text of Annex II of Commission proposal - Under actions to improve SME access to finance]</i> 3. The Loan Guarantee Facility (LGF) shall be implemented as part of a single EU debt financial instrument for EU enterprises' growth and RDI, using the same delivery mechanism as the SME demand-driven window of the debt facility under Horizon 2020 (RSI II), according to the terms set out below.	2. The Loan Guarantee Facility LGF shall be implemented as part of a single EU debt financial instrument for EU enterprises' growth and R&D&I RDI, using the same delivery mechanism as the SME demand-driven window of the Guarantee Facility for R&I under Horizon 2020 (RSI II), according to the terms set out below.	9. The Loan Guarantee Facility LGF shall be implemented as part of a single EU debt financial instrument for EU enterprises' growth and RDI, using the same delivery mechanism as the SME demand-driven window of the debt facility under Horizon 2020 (RSI II), according to the terms set out below.	

<p>2. The LGF shall consist of the following two actions</p> <p>the first action, debt financing via loans, including subordinated and participating loans, or leasing, shall reduce the particular difficulties that SMEs face in accessing finance either due to their perceived high risk or their lack of sufficient available collateral;</p>	<p>3. The LGF shall consist of the following two actions:</p> <p>(a) the first action, debt financing via loan guarantees, including subordinated and participating loans, or leasing, which shall reduce the particular difficulties that SMEs face in accessing finance either due to their perceived high risk or their lack of sufficient available collateral;</p>	<p>The LGF shall consist of the following two actions:</p> <p>(a) the first action, guarantees for debt financing (including via subordinated and participating loans, or leasing), which shall reduce the particular difficulties that viable SMEs face in accessing finance either due to their perceived high risk or their lack of sufficient available collateral;</p>	
<p>the second action, securitisation of SME debt finance portfolios, shall mobilise additional debt financing for SMEs under appropriate risk-sharing arrangements with the targeted institutions. Support for those transactions shall be conditional upon an undertaking by the originating institutions to use a significant part of the resulting liquidity or the mobilised capital for new SME lending in a reasonable period of time. The amount of this new debt financing shall be calculated in relation to the amount of the guaranteed portfolio risk and shall be negotiated, together with the period of time, individually with each originating institution</p>	<p>(b) the second action, securitisation of SME debt finance portfolios, which shall mobilise additional debt financing for SMEs under appropriate risk-sharing arrangements with the targeted institutions. Support for those transactions shall be conditional upon an undertaking by the originating institutions to use a significant part of the resulting liquidity or the mobilised capital for new SME lending within a reasonable period of time. The amount of this new debt financing shall be calculated in relation to the amount of the guaranteed portfolio risk. This amount and the period of time shall be negotiated together with the period of time, individually with each originating institution.</p>	<p>(b) the second action, securitisation of SME debt finance portfolios, which shall mobilise additional debt financing for SMEs under appropriate risk-sharing arrangements with the targeted institutions. Support for those transactions shall be conditional upon an undertaking by the originating institutions to use a significant part of the resulting liquidity or the mobilised capital for new SME lending in a reasonable period of time. The amount of this new debt financing shall be calculated in relation to the amount of the guaranteed portfolio risk. This amount and the period of time shall be negotiated together with the period of time, individually with each originating institution.</p>	

		<p>The LGF shall be operated by the EIF or other entities entrusted with the implementation on behalf of the Commission. <u>Individual guaranteees under the LGF may have a maturity of up to 10 years.</u></p>	
		<p><u>10. The criteria for eligibility under the LGF shall be determined for each intermediary on the basis of their activities and how effective they are in helping small and medium sized companies in accessing funding for viable projects. LGF can be used by intermediaries supporting business in inter alia financing acquisition of tangible and intangible assets, and for business transfers. Criteria relating to securitisation of SME debt financing portfolios, shall include individual and multi-seller transactions as well as multi-country transactions. Eligibility shall be based on best market practices, in particular regarding the credit quality and risk diversification of the securitised portfolio.</u></p>	

<p>3. The LGF shall, except for loans in the securitised portfolio, cover loans up to EUR 150.000 and with a minimum maturity of 12 months. The LGF shall be designed in such way that it will be possible to report on the innovative SMEs supported, both in terms of number and volume of loans</p>	<p>4. The LGF shall, except for loans in the securitised portfolio, cover loans up to EUR 150 000 and with a minimum maturity of 12 months. <i>The LGF shall also cover loans in excess of EUR 150 000 in cases where SMEs do not meet the criteria to be eligible under Horizon 2020's SME window in the Debt facility, and with a minimum maturity of 12 months.</i> The LGF shall be designed in such way that it will be possible to report on the innovative SMEs supported, both in terms of number and volume of loans <i>The Commission may launch communication actions having SMEs as target audience.</i></p>	<p><u>11. The LGF shall, except for loans in the securitised portfolio, cover loans up to EUR 150.000 and with a minimum maturity of 12 months. The LGF shall also cover loans above EUR 150.000 in cases where SMEs who meet the criteria to be eligible under COSME, do not meet the criteria to be eligible under Horizon 2020's SME window in the Debt facility, and with a minimum maturity of 12 months. It shall be the responsibility of the financial intermediaries to demonstrate whether the SME is eligible or not under Horizon 2020's SME window in the Debt facility.</u> The LGF shall be designed in such way that it will be possible to report on the innovative SMEs supported, both in terms of number and volume of loans</p>	
	<p>5. <i>The LGF shall be designed in such way as to make it possible to report on SMEs supported, both in terms of number and volume of loans.</i></p>	<p><u>12. The financial instruments may generate acceptable returns to meet the objectives of other partners or investors. The equity facility can operate on a subordinated basis but shall aim to preserve the value of assets provided by the Union budget.</u></p>	
		<p><u>13. [Revenues and repayments generated by one financial instrument shall be assigned to that financial instrument in accordance with Article 18(4) of Regulation (EU) No XXXX/2012 [New Financial Regulation]. For financial</u></p>	

		<p><u>instruments already set up in the multiannual financial framework for the 2007-2013 period, revenues and repayments generated by operations started in that period shall be assigned to the relevant financial instrument in the period 2014-2020. The Commission shall inform the Member States, through the Committee referred to in Article 19(1), of such assignments.]</u></p>	
<p><i>[from text of Annex II of Commission proposal - Under actions to improve SME access to finance]</i></p> <p>4. The equity and loan guarantee facilities shall comply with the provisions regarding financial instruments in the Financial Regulation and in the Delegated Act replacing the Implementing Rules and with more detailed specific operational requirements to be set out in Commission guidance.</p>		<p>14. The equity and loan guarantee facilities shall comply with the provisions regarding financial instruments in the Financial Regulation and in the Delegated Act replacing the Implementing Rules and with more detailed specific operational requirements to be set out in Commission guidance.</p>	
<p><i>[from text of Annex II of Commission proposal - Under actions to improve SME access to finance]</i></p> <p>8. The financial instruments for growth-oriented SMEs shall be implemented in compliance with the relevant EU State aid rules.</p>		<p>15. The financial instruments for growth-oriented SMEs shall be implemented in compliance with the relevant EU State aid rules of the Union.</p>	

<p>Article 15</p> <p>Protection of the financial interests of the Union</p> <p>The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of amounts wrongly paid and, where appropriate, by effective, proportionate penalties that act as a deterrent.</p>		<p>Article 158</p> <p>Protection of the financial interests of the Union</p> <p>1. [The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of amounts wrongly paid and, where appropriate, by effective, proportionate penalties that act as a deterrent.</p>	
<p>The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot checks, over all grant beneficiaries, contractors and subcontractors and other third parties who have received Union funds under this Regulation.</p>		<p>2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot checks, over all grant beneficiaries, contractors and subcontractors and other third parties who have received Union funds under this Regulation.</p>	

<p>The European Anti-fraud Office (OLAF) may carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Regulation (Euratom, EC) No 2185/96 with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement- or grant decision or a contract concerning Union funding.</p>		<p>3. The European Anti-fraud Office (OLAF) may carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Council Regulation (Euratom, EC) No 2185/96³² with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract concerning Union funding.</p>	
<p>Without prejudice to the first and second sub-paragraphs, cooperation agreements with third countries and international organisations and grant agreements and grant decisions and contracts resulting from the implementation of this Regulation shall expressly empower the Commission, the Court of Auditors and OLAF to conduct audits, on-the-spot checks and inspections.</p>		<p>4. Without prejudice to the first and second sub-paragraphs, cooperation agreements with third countries and international organisations and grant agreements and grant decisions and contracts resulting from the implementation of this Regulation shall expressly empower the Commission, the Court of Auditors and OLAF to conduct audits, on-the-spot checks and inspections.]</p>	

³² Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning the on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

CHAPTER V Committee and final provisions		CHAPTER V Committee and final provisions	
Article 16 Committee		Article 169 <u>Committee procedure</u>	
1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.		1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. <u>Where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5 (4) of Regulation (EU) No 182/2011 shall apply.</u>	

<p>Article 17 Delegated acts</p> <p>1. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 concerning changes to the indicators provided in the list in Annex I to this Regulation if these do not prove suitable to measure the progress in achieving the Programmes general and specific objectives.</p>		<p>Article 1720 Delegated acts</p> <p>1. The Commission shall be empowered to adopt delegated acts in accordance with Article 1821 concerning changes additions to the indicators provided in the list in Annex I to this Regulation if these do not prove suitable to where those indicators could help measure the progress in achieving the Programme's general and specific objectives.</p>	
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<p>2. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 concerning changes to the details of the specific actions set out in Annex II to this Regulation if economic market developments so require or according to the results achieved by the Competitiveness and Innovation Programme Loan Guarantee Facility (LGF) and the Risk Sharing Instrument (RSI) of the 7th Framework Programme for Risk Sharing Financial Facility.</p>	<p><u>AMD 84</u> 2. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 concerning changes to the details of the specific actions set out in Article 2 (2) and Annex II I to this Regulation <i>changes to the budget for financial instruments in Article 4(1) and to the financial instruments themselves in Articles 14, 14a and 14b</i> if economic market developments so require or according to the results achieved by the Competitiveness and Innovation Programme Loan Guarantee Facility (LGF) and the Risk Sharing Instrument (RSI) of the 7th Framework Programme for Risk Sharing Financial Facility.</p>	<p>2. The Commission shall be empowered to adopt delegated acts in accordance with Article 18<u>21</u> concerning changes to the some specific details of the specific actions set out in Annex II to this Regulation if economic market developments so require or according to the results achieved by the Competitiveness and Innovation Programme Loan Guarantee Facility (LGF) and the Risk Sharing Instrument (RSI) of the 7th Framework Programme for Risk Sharing Financial Facility- regarding the financial instruments. Those details are the share of investment from EFG of the total EU investment in early stage venture capital funds and the composition of the securitised loan portfolios.</p>	
<p>Where imperative grounds of urgency so require such as rapidly changing economic conditions, the procedure provided for in Article 19 shall apply to delegated acts adopted pursuant to this Article.</p>		<p>Where imperative grounds of urgency so require such as rapidly changing economic conditions, the procedure provided for in Article 19 shall apply to delegated acts adopted pursuant to this Article.</p>	

Article 18 Exercise of the delegation		Article 1821 Exercise of the delegation	
1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.		1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	
2. The delegation of power referred to in Article 17 shall be conferred on the Commission for a period of seven years from [the date of entry into force of the basic legislative act].		2. The power to adopt delegated acts referred to in Article 17 20 shall be conferred on the Commission for a period of seven years from <u>...</u> *.	
3. The delegation of power referred to in Article 17 may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated act already in force.		3. The delegation of power referred to in Article 17 20 may be revoked at any time by the European Parliament or by the Council. A decision of revocation to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated act already in force.	
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.		4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.	

* OJ: Please insert the date: date of entry into force of this Regulation.

<p>5. A delegated act adopted pursuant to Article 17 shall enter into force only if no objection has been expressed by either the European Parliament or the Council within a period of two months following the notification of that act to the European Parliament and the Council or if before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.</p>		<p>5. A delegated act adopted pursuant to Article 1720 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.</p>	
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<p>Article 19</p> <p>Urgency procedure</p>	<p>1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.</p> <p>2. Either the European Parliament or the Council may object to a delegated act in accordance with the procedure referred to in Article 18(5). In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or the Council.</p>	<p>Article 19</p> <p>Urgency procedure</p>	<p>1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.</p> <p>2. Either the European Parliament or the Council may object to a delegated act in accordance with the procedure referred to in Article 18(5). In such a case, the Commission shall repeal the act without delay following the notification of the decision to object by the European Parliament or the Council.</p>	
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<p>Article 20</p> <p>Repeal and transitional provisions</p>		<p>Article 202</p> <p>Repeal and transitional provisions</p>	
<p>1. Decision 1639/2006/EC is repealed with effect from 1 January 2014.</p> <p>2. However, actions initiated under Decision 1639/2006/EC and financial obligations related to those actions shall continue to be governed by that Decision until their completion.</p> <p>3. The financial allocation referred to in Article 4 may also cover the technical and administrative assistance expenses necessary to ensure the transition between this programme and the measures adopted under Decision 1639/2006/EC.</p>		<p>1. Decision No 1639/2006/EC is repealed with effect from 1 January 2014.</p> <p>2. However, actions initiated under Decision No 1639/2006/EC and financial obligations related to those actions shall continue to be governed by that Decision until their completion.</p> <p>3. The financial allocation referred to in Article 4<u>5</u> may also cover the technical and administrative assistance expenses necessary to ensure the transition between this Programme and the measures adopted under Decision No 1639/2006/EC. <u>The Commission shall inform the budget authorities of those expenses.</u></p>	
<p>Article 21</p> <p>Entry into force</p> <p>This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Union.</p> <p>This Regulation shall be binding in its entirety and be directly applicable in all Member States.</p>		<p>Article 21<u>3</u></p> <p>Entry into force</p> <p>This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Union.</p> <p>This Regulation shall be binding in its entirety and directly applicable in all Member States.</p>	

Text proposed by the Commission

ANNEX

Indicators for general and specific objectives

Text proposed by the Parliament

ANNEX

Indicators for general and specific objectives

Text proposed by the Council

ANNEX

Indicators for general and specific objectives³³

³³ These indicators refer to developments in Enterprise and Industry policy area. The Commission itself is not solely responsible for the achievement of the targets. A range of other factors outside of the control of the Commission also affects outcomes in this area.

<i>Text proposed by the Commission</i>		
General objective:	1. To strengthen the competitiveness and sustainability of the Union's enterprises including in the tourism sector	
Impact indicator ³⁴	Current situation	Long term target and milestone (2020)
Growth of the industrial competitiveness ³⁵	2009: -3.1%, 2008: -0.3%, 2007: +0.7%	Annual growth of 1% and a 5% growth in 2015
Change of administrative burden on SMEs (N° of days to set-up a new enterprise)	2009: -3.1% Number of days to set up new SME: 7 working days	Reduction of number of days to set-up a new SME: 3 working days in 2020.
EU manufacturing output growth in eco-industries (% change from previous year)	Annual growth of 6-7% during the last years	Annual growth of 8% on average during the next decade; By 2015, a 50% increase in output is targeted

³⁴

These indicators refer to developments in Enterprise and Industry policy area. The Commission itself is not solely responsible for the achievement of the targets. A range of other factors outside of the control of the Commission also affects outcomes in this area.

³⁵ NEER/REER based on ULC, excluding the impact of currency fluctuations (NEER = nominal effective exchange rate; REER = real effective exchange rate; ULC = unit labour costs)

<i>Amendment by the Parliament <u>AMD 85</u></i>	
General objective:	1. To strengthen the competitiveness and sustainability of the Union's enterprises including in the tourism sector, in particular SMEs
Impact indicator	Long term target and milestone (2020)
Growth of the industrial competitiveness Percentage of growth of the Union's industrial and services sectors in relation to total Gross Domestic Product (GDP)	Current situation 2009: -3.1%, 2008: -0.3%, 2007: +0.7% 2009: -3.1% Number of days to set up new SME in 2011: 6.5 working days.
Change Changes in administrative burden on both new and existing SMEs (N° of days and costs to set-up a new enterprise, time needed to get licences and permits to take up and perform the specific activity of an enterprise)	Reduction of number of days to set-up a new SME to 3 working days in 2020 .
	Reduction of start-up costs to € 100. ³⁶

³⁶ *The conclusions of the Competitiveness Council of 31st May 2011 included a call to Member States "to reduce the start-up time for new enterprises to 3 days and the cost to €100 by 2012.*

	<i>Number of Member States complying with the SBA target to reduce the time needed to get licences and permits (including environmental permits) to take up and perform the specific activity of an enterprise to one month: 2</i>	<i>Number of Member States complying with the SBA target to reduce the time needed to get licences and permits (including environmental permits) to take up and perform the specific activity of an enterprise to one month: 24³⁷</i>
	<i>Number of Member States with a one-stop shop for business start-ups so that entrepreneurs can carry out all the required procedures (e.g. registration, tax, VAT and social security) via a single administrative contact point, whether physical (an office), virtual (web), or both in 2009: 18</i>	<i>Increase in number of Member States with a one-stop shop for business start-ups to 28³⁸</i>
EU manufacturing output growth in eco-industries (% change from previous year)	Annual growth of 6-7% during the last years	Annual growth of 8% on average during the next decade; By 2015, a 50% increase in output is targeted

³⁷ *The SBA review invited Member States to "reduce the time needed to get licences and permits (including environmental permits) to take up and perform the specific activity of an enterprise to one month by the end of 2013". 24 Member States have already reduced this period to 3 months.*

³⁸ *According to the 2006 spring Council conclusions, "all MS must have a one stop shop or equivalent arrangement so that all formalities to start up a company can be carried in one spot."*

<i>Amendment by the Council</i>	
General objective:	1. To strengthen the competitiveness and sustainability of the Union's enterprises including in the tourism sector, <u>particularly SMEs</u>
<u>A.</u> Impact indicator	Current situation (<u>baseline</u>) 2009: 3.1% , 2008: 0.3% , 2007: +0.7% <u>Will be measured in regular surveys</u>
Growth of the industrial competitiveness <u>A.1 Better performance of SMEs as regards sustainability</u>	Annual growth of 1% and a 5% growth in 2015 <u>Increase in the share of Union SME producing green, i.e. environmentally friendly products³⁹ compared to baseline (initial survey results)</u>
<u>A.2 Change Reduction</u> of administrative and regulatory burden on SMEs (N° of days to set up a new enterprise)	Reduction of number of days to set up a new SME: <u>3 working days in 2020 the average time and costs for setting up a new enterprise and costs of doing business in the Union compared to baseline.</u>
EU manufacturing output growth in eco-industries (% change from previous year)	Annual growth of 8% on average during the next decade; By 2015, a 50% increase in output is targeted

³⁹ Green products and services are those with a predominant function of reducing environmental risk and minimising pollution and resources. Products with environmental features (eco-designed, eco-labelled, organically produced, and with an important recycled content) are also included. Source: Flash Eurobarometer 342, "SMEs, Resource Efficiency and Green Markets".

<u>A.3 Increase in share of SMEs trading across borders within or outside the Union</u>	<u>25 % of SMEs are internationally active within the Union; 13 % of SMEs are internationally active outside the EU (2009)</u>	<u>Increase of the share of SMEs that are internationally active within the Union and outside the EU, i.e exports, imports, FDI and other activities, compared to baseline</u>
<u>A.4 Increased competitiveness of SMEs of the European Union compared to competitiveness of SMEs of main competitors</u>	<u>Growth of industrial competitiveness: 2009: -3.1%, 2008: -0.3%, 2007: +0.7%</u>	<u>Increased growth of industrial competitiveness⁴⁰ compared to baseline and compared to main competitors</u>

⁴⁰ NEER/REER based on ULC, excluding the impact of currency fluctuations (NEER = nominal effective exchange rate; REER = real effective exchange rate; ULC = unit labour costs)

<i>Compromise text</i>		
General objective:	1. To strengthen the competitiveness and sustainability of the Union's enterprises including in the tourism sector	
Impact indicator	Current situation	Long term target and milestone (2020)

<i>Text proposed by the Commission</i>	
General objective:	2. To encourage an entrepreneurial culture and promote the creation and growth of SMEs
Impact indicator	Long term target and milestone (2020)
SME growth in terms of added-value and employees	Current situation In 2010 SMEs provided more than 58% of total EU turnover (GVA); total number of employees in SMEs: 87,5 million (67% of private sector jobs in the EU) Target increase in SMEs Gross Value-Added of 4% per year; annual growth of employees in SMEs of 1%
Feedback from SMEs and other final beneficiaries on added-value, utility and relevance of the Programme (to be measured in the Programme evaluations) through the Europe Enterprise Network (EEN) and on-line surveys SME turnover rate (start-ups and mortality)	78 % satisfaction and positive feedback on the added-value of the EEN Increase to more than 80 % of satisfaction on the value added of the EEN

<i>Amendment by the Parliament <u>AMD 86</u></i>	
General objective:	2. To encourage an entrepreneurial culture and promote the creation and growth of SMEs
Impact indicator	Long term target and milestone (2020)
SME growth in terms of added-value and employees (<i>Eurostat</i>)	Target increase in SMEs Gross Value-Added of 4% per year; annual growth of employees in SMEs of 1%
<i>Changes in the SME employment rate (Eurostat)</i>	Annual growth of employees in SMEs of 1%
Feedback from SMEs and other final beneficiaries on added value, utility and relevance of the Programme (to be measured in the Programme evaluations) through the Europe-Enterprise Network (EEN) and on-line surveys	Current situation In 2010 SMEs provided more than 58% of total EU turnover (GVA); total number of employees in SMEs: 87,5 million (67% of private sector jobs in the EU)
SME turnover rate (start-ups and mortality)	Total number of employees in SMEs in 2010: 87,5 million (67% of private sector jobs in the EU)
<i>Changes in the proportion of EU citizens who wish to be self-employed</i>	78% satisfaction and positive feedback on the added value of the EEN <i>Figures from 2007 and 2009 are stable at 45%</i>
	Increase to more than 80% of satisfaction on the value added of the EEN in the proportion of EU citizens who wish to be self-employed to 50-55%

<i>Amendment by the Council</i>	
General objective:	2. To encourage an entrepreneurial culture and promote the creation and growth of SMEs
<u>B.</u> Impact indicator	Long term target and milestone (2020)
<u>B.1</u> Growth of SMEs, growth in terms of added value and employees	<p>In 2010 SMEs provided more than 58% of total EU turnover (GVA); total number of employees in SMEs: 87,5 million (67% of private sector jobs in the EU)</p> <p><u>Increase of SME output (value added) and employees compared to baseline</u></p> <p>Target increase in SMEs Gross Value-Added of 4% per year; annual growth of employees in SMEs of 1%</p>
<p>Feedback from SMEs and other final beneficiaries on added value, utility and relevance of the Programme (to be measured in the Programme evaluations) through the Europe-Enterprise Network (EEN) and on-line surveys</p> <p>SME turnover rate (start-ups and mortality)</p> <p><u>B.2</u> Increase in share of EU citizen that would like to be self employed</p>	<p>78 % satisfaction and positive feedback on the added value of the EEN</p> <p><u>Figures from 2007 and 2009 are stable at 45%</u></p> <p>Increase to more than 80 % of satisfaction on the value added of the EEN</p> <p><u>Increase in share of EU citizens that would like to be self-employed compared to baseline</u></p>

<i>Compromise text</i>		
General objective:	2. To encourage an entrepreneurial culture and promote the creation and growth of SMEs	
Impact indicator	Current situation	Long term target and milestone (2020)

<i>Text proposed by the Commission</i>	
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector
Result indicator	Latest known result Medium term target (result) 2017
Activities to improve Competitiveness	
Number of simplification measures adopted	The Commission's simplification programme was updated in 2010 and is on track to cut red tape by 25% in 2012. There were 5 simplification measures per year taken until 2010.
Number of "fitness" checks on quality and value-added of activities	Four "fitness" checks including stakeholders were launched in 2010 for environmental, transport, employment and industrial policies. Feedback included comments on legislation and value-added of activities.
Level of adoption by companies of European sustainable production and product tools, including EMAS, eco-label, and eco-design	Approximately 35,000 ISO 14001 EMS certifications and 4,500 EMAS registration, 18,000 licences for the EU Ecolabel
	The feedback approach with "fitness" checks will be extended to other policies and lead to simplification impacting positively on industry. Up to twelve "fitness" checks are provided for, with the objective of better regulation.
	Significant number of companies monitor their performance, apply environmental management systems and achieve improvement in resource productivity and environmental performance. Significant part of production is resource efficient and environmentally friendly products

<i>Amendment by the Parliament <u>AMD 87</u></i>			
<i>To improve framework conditions for the competitiveness and sustainability of EU Union enterprises, particularly SMEs, including in the tourism sector</i>			
<i>Specific objective:</i>			
<i>Result indicator</i>	<i>Latest known result</i>	<i>Medium term target (result) (2017)</i>	<i>Long term target (2020)</i>
<i>Activities to improve Competitiveness</i>			
<i>Number of simplification measures adopted</i>	<p>The Commission's simplification programme was updated in 2010 and is on track to cut red tape by 25% in 2012. There were 5 simplification measures per year taken until 2010</p> <p><i>The Commission's Rolling Simplification Programme feeds annually into Annex II of the Commission's Work Programme (CWP). There were on average between 5 and 10 simplification measures per year taken over the last few years.</i></p>	<p>About 7 simplification measures per year.</p>	<p><i>About 7 simplification measures per year.</i></p>

Number of "fitness" checks on quality and value added of activities industrial policies/industrial products legislations	Four One "fitness" checks including stakeholders were has been launched in 2010 2012 for environmental, transport, employment and industrial policies (type-approval of motor vehicle). Feedback included comments on legislation and value added of activities.	The feedback approach with "fitness" checks will be extended to other policies and lead to simplification impacting positively on industry. Up to twelve "fitness" checks are provided for, with the objective of better regulation. Up to 3 fitness checks to be launched	Up to 5 fitness checks to be launched.
Number of Member States using the competitiveness proofing test	Number of Member States using competitiveness proofing: 0	Number of Member States using competitiveness proofing: 10	Number of Member States using competitiveness proofing: 28
Level of adoption by companies of European sustainable production and product tools, including EMAS, eco-label, and eco-design	Approximately 35,000 ISO 14001 EMS certifications and 4,500 EMAS registration, 18,000 licences for the EU Ecolabel	Significant increase in the number of companies that monitor their performance, apply environmental management systems and achieve improvement in resource productivity and environmental performance. Significant part of production is resource efficient and environmentally friendly products.	Significant increase in the number of companies that monitor their performance, apply environmental management systems.

<i>Amendment by the Council</i>	
Specific objective:	<u>41</u> 5. To improve framework conditions for the competitiveness and sustainability of EU enterprises, <u>particular SMEs, in all sectors</u> including in the tourism sector
Result indicator	<u>Long Medium-term target (result) 2017-2020</u>
F. Activities to improve Competitiveness	
F. <u>2</u> ⁴² Number of simplification measures adopted <u>for SMEs</u>	The Commission's simplification programme was updated in 2010 and is on track to cut red tape by 25% in 2012. There were 5 simplification measures per year done until (2010). About <u>At least</u> 7 simplification measures per year.
Number of "fitness" checks on quality and value-added of activities F.1 <u>43</u> <u>Making the regulatory framework fit for purpose</u>	The feedback approach with "fitness" checks will be extended to other policies and lead to simplification impacting positively on industry. Up to twelve <u>20</u> "fitness" checks are foreseen, with the objective of better regulation.

41

In the PGA the position of this specific objective has been moved but the numbering of PGA has been maintained

42

In the PGA the position of this indicator has been moved but the numbering of PGA has been maintained

43

In the PGA the position of this indicator has been moved but the numbering of PGA has been maintained

<p>Level of adoption by companies of European sustainable production and product tools, including EMAS, eco-label, and eco-design</p>	<p>Approximately 35,000 ISO 14001 EMS certifications and 4,500 EMAS registration; 18,000 licences for the EU Ecolabel</p>	<p>Significant number of companies monitor their performance, apply environmental management systems and achieve improvement in resource productivity and environmental performance. Significant part of production is resource efficient and environmentally friendly products</p>
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<i>Compromise text</i>		
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector	
Impact indicator	Current situation	Long term target and milestone (2020)
Activities to improve Competitiveness		

<i>Text proposed by the Commission</i>	
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector
Result indicator	Latest known result Medium term target (result) 2017
Developing SME policy	
Number of Member States using SME test	Number of Member States using SME test: 21 MS
Increased EU-wide publicity for the European Enterprise Awards with media publications/clippings in all Member States	Number of media publications/clippings in all Member States: 80
Reduction of start-up time and complexity for new enterprises	Reduction of start-up time: 5 working days

<i>Amendment by the Parliament <u>AMD 88</u></i>			
<i>To improve framework conditions for the competitiveness and sustainability of EU Union enterprises, particularly SMEs, including in the tourism sector</i>			
<i>Specific objective:</i>	<i>Latest known result</i>	<i>Medium term target-(result) (2017)</i>	<i>Long term target (2020)</i>
<i>Result indicator</i>			
<i>Developing SME policy</i>			
<i>Number of Member States using SME test</i>	<i>Number of Member States using SME test: 15 MS</i>	<i>Number of Member States using SME test: 21 MS</i>	<i>Number of Member States using SME test: 28 MS</i>
<i>Increased EU-wide publicity for the European Enterprise Awards with media publications/clippings in all Member States</i>	<i>Number of media publications/clippings in all Member States: 60 in 2010</i>	<i>Number of media publications/clippings in all Member States: 80</i>	
<i>Reduction in start-up time and complexity for new enterprises</i>	<i>Reduction in start-up time: 7 working days</i>	<i>Reduction in start-up time: 5 working days</i>	

Amendment by the Council

Specific objective: 44 To improve framework conditions for the competitiveness and sustainability of EU enterprises, <u>particular SMEs, in all sectors</u> including in the tourism sector		<u>Long-Medium</u> term target (result) <u>2017-2020</u>
Result indicator G. Developing SME policy	Latest known result (<u>baseline</u>)	
<u>G.1 Increase in</u> N number of Member States using SME test <u>and competitiveness proofing test</u>	Number of Member States using SME test: 15 MS <u>Number of Member States using competitiveness proofing test: 0 MS</u>	<u>Increase of the</u> N number of Member States using SME test <u>and competitiveness proofing test compared to baseline: 21 MS</u>
<u>G.2</u> Increased EU-wide publicity for the European Enterprise Awards with media publications/clippings in all Member States	Number of media publications/clippings in all Member States: 60 in 2010	Number of media publications/clippings in all Member States: 80
<u>Reduction in start-up time and complexity for new enterprises</u>	<u>Reduction in start-up time: 7 working days</u>	<u>Reduction in start-up time: 5 working days</u>

⁴⁴ In the PGA the position of this specific objective has been moved but the numbering of PGA has been maintained

<i>Compromise text</i>		
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector	
Impact indicator	Current situation	Long term target and milestone (2020)
Developing SME policy		

<i>Text proposed by the Commission</i>	
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector
Result indicator	Latest known result
New Business Concepts	Medium term target (result) 2017
Number of new products/services in the market	Target for the cumulative number of new products/services to be 5 in 2017(increasing to 15 in 2018 and 25 in 2019).
Level of additional exports and corresponding monetary amounts	As for exports, no expected impact in 2017 yet. The share of exports of the first generation of participating SMEs will appear in 2018 with a target increase of 20%.
Feedback from stakeholders on quality and value-added of activities	At least 70% of SMEs participating in 2014 shall express a positive impact on their turn over in a survey done end 2017

<i>Amendment by the Parliament <u>AMD 89</u></i>			
To improve framework conditions for the competitiveness and sustainability of EU Union enterprises, in particular SMEs , including in the tourism sector			
Specific objective:	Latest known result	Medium term target (result) (2017)	Long term target (2020)
New business Concepts			
Number of new products/services in the market	So far this activity was restricted to analytical work of limited scale.	Target for the cumulative number of new products/services to be 5 in 2017 (increasing to 15 in 2018 and 25 in 2019).	Target for the cumulative number of new products/services to be 30 in 2020.
Level of additional exports and corresponding monetary amounts	So far this activity was restricted to analytical work of limited scale.	As for exports, no expected impact in 2017 yet. The share of exports of the first generation of participating SMEs will appear in 2018 with a target increase of 20%.	The share of exports of participating SMEs in 2020 should achieve a target of 25%.
Feedback from stakeholders on quality and value-added of activities	So far this activity was restricted to analytical work of limited scale.	At least 70% of SMEs participating in 2014 shall express a positive impact on their turn over in a survey done end 2017	At least 80% of SMEs participating in 2014 shall express a positive impact on their turnover in a survey done end 2020.

Amendment by the Council

	<p>⁴⁵ 5. To improve framework conditions for the competitiveness and sustainability of EU enterprises, <u>particular SMEs, in all sectors</u> including in the tourism sector</p>	<p><u>Long-Medium term target (result) 2017-2020</u></p>
<p>Result indicator ⁴⁶ I. New Business Concepts</p>	<p>Latest known result (<u>baseline</u>)</p>	<p>Target for Increase in the cumulative number of new products/services compared to baseline to be 5 in 2017 (increasing to 15 in 2018 and 25 in 2019).</p>
<p>I.1 Increase in <u>Number of new sustainable</u> products/services in the market</p>	<p>So far this activity was restricted to analytical work of limited scale. <u>A survey will be carried out among beneficiaries as from 2017.</u></p>	<p>As for exports, no expected impact in 2017 yet. The share of exports of the first generation of participating SMEs will appear in 2018 with a target increase of 20%.</p>
<p>Level of additional exports and corresponding monetary amounts</p>		<p>At least 70% of SMEs participating in 2014 shall express a positive impact on their turnover in a survey done end 2017</p> <p>Increase in the share of SMEs expressing a positive impact on their turnover compared to baseline (initial survey results)</p>
<p>Feedback from stakeholders on quality and value-added of activities I. 2 Increase in positive assessment of quality and value-added of COSME activities (increase in turnover)</p>	<p>So far this activity was restricted to analytical work of limited scale. <u>A survey will be carried out on I.1 and I.2 among beneficiaries as from 2017.</u></p>	

⁴⁵

In the PGA the position of this specific objective has been moved but the numbering of PGA has been maintained

⁴⁶

In the PGA the position of this indicator has been moved but the numbering of PGA has been maintained

<i>Compromise text</i>		
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector	
Impact indicator	Current situation	Long term target and milestone (2020)
New Business Concepts		

<i>Text proposed by the Commission</i>	
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises including in the tourism sector
Result indicator	Latest known result
Tourism	Medium term target (result) 2017
Number of applications to funding	Number of applications to funding (to all calls for proposals) in total: around 75 per year (average for 2011)
Percentage of SMEs (and trend) in applications for tourism-related funding opportunities	Up to date, no calls for proposals were directly addressed to SMEs
Number of entities adopting European Tourism Quality Label	Up to date no entity adopting European Tourism Quality Label (action in elaboration)
Number of destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence	Number of European Destinations of Excellence awarded in total 98 (on average 20 per year – in 2007-10, in 2008-20, in 2009-22, in 2010-25, in 2011-21)
	Number of applications to funding (to all calls for proposals) in total: more than 100 per year
	30% of calls for proposals directly addressed to SMEs
	Coverage of 50% of the evaluation schemes eligible to participate in the European Tourism Quality Label
	200 and more destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence (up to 30 per year).

<i>Amendment by the Parliament <u>AMD 90</u></i>	
Specific objective: :	To improve framework conditions for the competitiveness and sustainability of EU-Union enterprises, particularly SMEs , including in the tourism sector
Result indicator	Latest known result Medium term target (result) 2017
Tourism	
Number of applications to funding	Number of applications to funding (to all calls for proposals) in total: around 75 per year (average for 2011)
Percentage of SMEs (and trend) in applications for tourism-related funding opportunities	Up to date, no calls for proposals were directly addressed to SMEs
Number of entities adopting European Tourism Quality Label	Up to date no entity adopting European Tourism Quality Label (action in elaboration)
Number of destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence	Number of European Destinations of Excellence awarded in total 98 (on average 20 per year – in 2007-10, in 2008-20, in 2009-22, in 2010-25, in 2011-21)
	30% of calls for proposals directly addressed to SMEs
	Coverage of 50% of the evaluation schemes eligible to participate in the European Tourism Quality Label
	200 and more destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence (up to 30 per year).

<i>Amendment by the Council</i>	
Specific objective:	⁴⁷ <u>5.</u> To improve framework conditions for the competitiveness and sustainability of EU enterprises, <u>particular SMEs, in all sectors</u> including in the tourism sector
Result indicator <u>H.</u> Tourism	<u>Long-Medium term target (result) 2017-2020</u>
Number of applications to funding	Number of applications to funding (to all calls for proposals) in total: more than 100 per year
Percentage of SMEs (and trend) in applications for tourism-related funding opportunities	30% of calls for proposals directly addressed to SMEs
Number of entities adopting European Tourism Quality Label	Coverage of 50% of the evaluation schemes eligible to participate in the European Tourism Quality Label
<u>H.1 Participation in transnational cooperation projects funded by COSME</u>	<u>Increase in the number of Member States participating in transnational cooperation projects funded by COSME compared to baseline</u>

⁴⁷ In the PGA the position of this specific objective has been moved but the numbering of PGA has been maintained

<p><u>H.2</u> Number of destinations <u>voluntarily</u> adopting the sustainable tourism development models promoted by the European Destinations of Excellence</p>	<p>Number of European Destinations of Excellence awarded in total 98 (on average 20 per year – in 2007-10, in 2008-20, in 2009-22, in 2010-25, in 2011-21)</p>	<p><u>More than 200</u> and more destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence (<u>about 30 every two per years</u>).</p>
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<i>Compromise text</i>		
Specific objective:	To improve framework conditions for the competitiveness and sustainability of EU enterprises, including in the tourism sector	
Impact indicator	Current situation	Long term target and milestone (2020)
Tourism		

<i>Text proposed by the Commission</i>		
Specific objective:	To promote entrepreneurship, including among specific target groups	
Result indicator	Latest known result	
Support for entrepreneurship	Medium term target (result) 2017	
Feedback on the public perception of entrepreneurship (% of EU citizens that would like to be self employed as measured by Eurobarometer)	Figures from 2007 and 2009 are stable at 45%	Increase in EU citizens that would like to be self employed to 50%
Number of States implementing entrepreneurship solutions developed at the EU level	Number of states implementing entrepreneurship solutions developed at EU level: 22 (2010)	Number of states implementing entrepreneurship solutions developed at EU level: 25
Number of nationally run programmes available to SMEs from other MS	Number of nationally run programmes available to SMEs from other MS: 5	Number of nationally run programmes available to SMEs from other MS: 10
Number of simplification measures adopted for SMEs	5 simplification measures per year (2010)	About 7 simplification measures per year

<i>Amendment by the Parliament <u>AMD 91</u></i>				
To promote entrepreneurship, including among specific target groups				
Specific objective:	Latest known result	Medium term target (result) (2017)	Long term target (2020)	
Support for entrepreneurship				
Feedback on the public perception of entrepreneurship (% of EU citizens that would like to be self-employed as measured by Eurobarometer)	Figures from 2007 and 2009 are stable at 45%	Increase in EU citizens that would like to be self-employed to 50%		
Number of States implementing entrepreneurship solutions developed at the EU level <i>Increased number of Member States implementing entrepreneurship solutions based on good practices identified through Programme.</i>	Number of <i>Member States</i> implementing entrepreneurship solutions developed at EU level: 22 (2010)	Number of <i>Member States</i> implementing entrepreneurship solutions developed at EU level: 25	Number of <i>Member States</i> implementing entrepreneurship solutions: 28.	

<i>Increased</i> number of nationally run programmes available to SMEs from other MS	Number of nationally run programmes available to SMEs from other MS: 5	Number of nationally run programmes available to SMEs from other MS: 10	<i>Number of nationally run programmes available to SMEs from other MS: 15.</i>
<i>Number of simplification measures adopted for SMEs</i>	<i>5 simplification measures per year (2010)</i>	<i>About 7 simplification measures per year</i>	

<i>Amendment by the Council</i>	
Specific objective:	<u>6.</u> To promote entrepreneurship <u>and entrepreneurship culture, including among specific target groups</u>
Result indicator	Latest known result (<u>baseline</u>)
<u>J.</u> Support for entrepreneurship	Figures from 2007 and 2009 are stable at 45%
Feedback on the public perception of entrepreneurship (% of EU citizens that would like to be self-employed as measured by Eurobarometer)	Increase in EU citizens that would like to be self-employed to 50%
<u>J.1</u> Increase in number of <u>Member States</u> implementing entrepreneurship solutions based on <u>good practice identified through COSME programme</u> developed at the EU level	Number of <u>Member States</u> implementing entrepreneurship solutions developed at EU level: 22 (2010)
<u>J.2</u> Increase in number of <u>Member States</u> implementing entrepreneurship solutions targeting potential, young, new and women and women entrepreneurs, as well as <u>specific target groups</u>	Increase in number of <u>Member States</u> implementing entrepreneurship solutions targeting potential, young, new and women entrepreneurs, as well as <u>specific target groups</u> compared to baseline.

Number of nationally run programmes available to SMEs from other MS	Number of nationally run programmes available to SMEs from other MS: 5	Number of nationally run programmes available to SMEs from other MS: 10
Number of simplification measures adopted for SMEs	5 simplification measures per year (2010)	About 7 simplification measures per year

<i>Compromise text</i>		
Specific objective:	To promote entrepreneurship, including among specific target groups	
Impact indicator	Current situation	Long term target and milestone (2020)
Support for entrepreneurship		

<i>Text proposed by the Commission</i>		
Specific objective:	To improve access to finance for SMEs in the form of equity and debt	
Result indicator	Latest known result	Medium term target (result) 2017
Financial Instruments for growth		
Number of firms receiving loan (credit) guarantees and value of lending	Proposed instruments not yet launched and not the same as current instruments, so data from current instruments may not be comparable	Number of firms receiving loan (credit) guarantee (+/- 95 000) and value of lending (+/- €10.7 billion)
Number of VC-backed firms and value of investments (of which cross border deals)		Number of VC-backed firms: (+/- 180) and value of investments (+/- €220m)

<i>Amendment by the Parliament <u>AMD 92</u></i>				
To improve access to finance for SMEs in the form of equity and debt				
Specific objective:				
Result indicator	Latest known result	Medium term target (result) (2017)	Long term target (2020)	
Financial Instruments for growth				
Number of firms receiving loans (credit) <i>benefiting from a Programme</i> guarantee and value of lending	Proposed instruments not yet launched and not the same as current instruments, so data from current instruments may not be comparable <i>As of 31 December 2011 € 10.2 billion in lending mobilised, reaching 171.000 SMEs (SMEG).</i>	Number of firms receiving loan (credit) <i>benefiting from a</i> guarantee (+/- 95 000) and value of lending (+/- 10.7 billion €9.6 billion)	Number of firms receiving loan (credit) <i>benefiting from a</i> guarantee (+/- 344 000) and value of lending (+/- €22 billion)	
Number of VC-backed firms and value of investments (of which cross-border deals) receiving VC- investments from the Programme and overall volume invested.	<i>As of 31 December 2011 € 1.9 billion in VC mobilised, reaching 194 SMEs (GIF).</i>	Number of VC-backed firms receiving VC investments from the Programme and overall volume invested : (+/- 180 240) and overall value of investments (+/- €220m €2.0 billion)	Number of firms receiving VC investments from the Programme and overall volume invested : (+/- 560) and overall value of investments (+/- €4.7 billion)	

Amendment by the Council

Specific objective:			To improve access to finance for SMEs in the form of equity and debt
Result indicator	Latest known result (<u>baseline</u>) ⁴⁸		<u>Long-Medium term target (result) 2017-2020</u>
<u>C. Financial Instruments for growth</u>			
<u>C.1</u> Number of firms receiving loans <u>benefiting from an COSME guarantee</u> (credit) guarantees) and value of lending	Proposed instruments not yet launched and not the same as current instruments, so data from current instruments may not be comparable <u>As of 31 December 2011 € 10.2 billion in lending mobilised, reaching 171 000 SMEs (SMEG).</u>	Number of firms receiving loans <u>benefiting from an COSME</u> (credit) guarantees (+/- 95 000 <u>344 000</u>) and value of lending (+/- € 10.7 <u>22</u> billion)	
<u>C.2</u> Number of firms receiving <u>COSME</u> VC-backed firms and value of investments (of which cross-border deals) <u>and overall volume invested</u>	<u>As of 31 December 2011 €1.9 billion in VC funding mobilised to 194 SMEs (GIF)</u>	Number of firms receiving <u>COSME</u> VC-backed firms: (+/- 180) and value of investments (+/- €220m) <u>VC investments and overall volume invested:: (+/-560) and (+/- €4.7 billions)</u>	
<u>C.3 Leverage ratio</u>	<u>Leverage ratio for the SMEG facility 1:32</u> <u>Leverage ratio for GIF: 1:6.7</u>	<u>Debt instrument 1:20 - 1:30;</u> <u>Equity instrument 1:4 - 1:6⁴⁹</u>	

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The data provided refers to the Financial Instruments implemented under the Competitiveness and Innovation Framework Programme which covers investment in and lending to innovative and non-innovative firms.

⁴⁹ € 1 from the EU budget shall result € 20-30 in loans and € 4-6 in equity investments over the lifetime of the Programme.

<p><u>C.4 Increased additionality of the EFG and LGF</u></p>	<p><u>Additionality of the SMEG: 64% of beneficiaries indicated that support was crucial to find the finance they needed</u> <u>Additionality of the GIF: 62% of GIF beneficiaries indicated that support was crucial to find the finance they needed</u></p>	<p><u>Increase in the share of beneficiaries that consider the EFG or the LGF to provide funding that could not have been obtained by other means compared to baseline.</u></p>
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<i>Compromise text</i>		
Specific objective:	To improve access to finance for SMEs in the form of equity and debt	
Impact indicator	Current situation	Long term target and milestone (2020)
Financial Instruments for growth		

<i>Text proposed by the Commission</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Result indicator	Latest known result	Medium term target (result) 2017
Enterprise Europe Network	Enterprise Europe Network	Enterprise Europe Network
Number of partnership agreements signed	Partnership agreements signed: 1.950 (2010)	Partnership agreements signed: 3.000/year
Increased recognized Network brand and brand Culture (e.g. brand awareness among SME population)	Increased recognized Network brand and brand Culture: not measured yet	Increased recognized Network brand and brand Culture: 30% of SMES reached
Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service)	Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service): 78%	Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service): >80%
Number of SMEs receiving support services	Number of SMEs receiving support services: 435.000 (2010)	Number of SMEs receiving support services 500.000/year
Number of SMEs participating in brokerage events and company missions	Number of SMEs participating in brokerage events and company missions: 45.000 (2010)	Number of SMEs participating in brokerage events and company missions: 60.000/year

Amendment by the Parliament AMD 93

To improve access to markets inside the Union and globally				
Specific objective:	Latest known result	Medium term target (result) (2017)	Long term target (2020)	
Enterprise Europe Network	Enterprise-Europe-Network	Enterprise-Europe-Network	Enterprise-Europe-Network	
Number of partnership agreements signed	Partnership agreements signed: 1.950 (2010)	Partnership agreements signed: 3.000 2.200/year	Partnership agreements signed: 2.500/year	
Increased-recognized <i>recognition of the Network brand and brand-Culture among SMEs</i> (e.g. brand awareness among SME population)	Increased recognized <i>recognition of the Network brand and brand-Culture among SMEs</i> : not measured yet. <i>Survey will be launched.</i>	Increased recognized <i>recognition of the Network brand and brand-Culture: 30%-of SMEs among by: 20% reached compared to initial survey result.</i>	Increased recognition of the Network brand SMEs among by: 30% reached compared to initial survey result.	
Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service)	Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service): 78%	Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service): >80%	Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service): >82%	
Number of SMEs receiving support services	Number of SMEs receiving support services: 435.000 (2010)	Number of SMEs receiving support services 500.000 470.000/year	Number of SMEs receiving support services 500.000/year	

Number of SMEs participating in brokerage events and company missions	Number of SMEs participating in brokerage events and company missions: 45.000 (2010 2011)	Number of SMEs participating in brokerage events and company missions: 60.000 48.000/year	Number of SMEs participating in brokerage events and company missions: 50.000/year
<i>Share (%) of SMEs exporting in the Single Market</i>	<i>25% of SMEs export in the Single Market</i>	<i>27% of SMEs export in the Single Market</i>	<i>30% of SMEs export in the Single Market</i>

Amendment by the Council

Specific objective:		4. To improve access to markets, <u>particularly</u> inside the Union and <u>globally at global level</u>	
Result indicator		Long-Medium term target (result) 2017-2020	
E. Enterprise Europe Network			
E.1 Number of partnership agreements signed		Partnership agreements signed: 3.000 2 500/year	
E.2 Increased recognized Network brand and brand Culture (e.g. brand awareness among SME population)		Increased recognized Network brand and brand Culture: 30% of SMEs reached compared to initial survey results	
E.3 Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service <u>provided by the Network</u>)		Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific <u>all Network services</u>): >80 >85%	
E.4 Number of SMEs receiving support services		Number of SMEs receiving support services 500.000/year	
Number of SMEs participating in brokerage events and company missions		Number of SMEs participating in brokerage events and company missions: 60.000/year	
E.5 Number of SMEs using digital services (including electronic information services) <u>provided by the Network</u>		2.3 million SMEs per year using digital services	

<i>Compromise text</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Impact indicator	Current situation	Long term target and milestone (2020)
Enterprise Europe Network		

<i>Text proposed by the Commission</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Result indicator	Latest known result	Medium term target (result) 2017
SME business support in markets outside the EU		
Share (%) of SMEs involved in international activities (exports, imports, FDI and other activities) outside the EU	13 % (2009)	17 % (2017)

Amendment by the Parliament AMD 94

To improve access to markets inside the Union and globally			
Specific objective:	Latest known result	Medium term target (result) (2017)	Long term target (2020)
SME business support <i>in the Single Market and</i> in markets outside the EU			
Share (%) of SMEs involved in international activities (exports, imports, FDI and other activities) <i>exporting</i> outside the EU	13 % (2009) <i>(for the period 2006-2008)</i>	17 % (2017)	20%

<i>Amendment by the Council</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Result indicator	Latest known result	Medium term target (result) 2017
SME business support in markets outside the EU		
Share (%) of SMEs involved in international activities (exports, imports, FDI and other activities) outside the EU	13 % (2009)	17 % (2017)

<i>Compromise text</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Impact indicator	Current situation	Long term target and milestone (2020)
SME business support in markets outside the EU		

<i>Text proposed by the Commission</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Result indicator	Latest known result	Medium term target (result) 2017
International Industrial Cooperation		
Number of cases of improved alignment between EU and third countries' regulations for industrial products	It is estimated that in regulatory co-operation with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) there is an average of 2 relevant areas of significant alignment of technical regulations	3 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) (2017)
Number of areas and good practices of the EU Small Business Act which have been introduced in neighbourhood and candidate countries	It is estimated that on average in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) of the 10 policy areas of the SBA at least 3 of those have been regulated in these countries.	5 policy areas of the SBA in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) (2017)

Amendment by the Parliament AMD 95

		To improve access to markets inside the Union and globally		
Specific objective				
Result indicator	Latest known result	Medium term target (result) (2017)	Long term target (2020)	
International Industrial Cooperation				
Number of cases of improved alignment between EU and third countries' regulations for industrial products	It is estimated that in regulatory co-operation with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) there is an average of 2 relevant areas of significant alignment of technical regulations	3 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) (2017).	4 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) (2017).	
Number of areas and good practices of the EU Small Business Act which have been introduced in neighbourhood and candidate countries	It is estimated that on average in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) of the 10 policy areas of the SBA at least 3 of those have been regulated in these countries.	5 policy areas of the SBA in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) (2017).	5 policy areas of the SBA in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED).	

Amendment by the Council

		⁵⁰ <u>3. To improve access to markets inside the Union and globally To improve access to finance for SMEs in the form of equity and debt</u>		<u>Long-Medium term target (result) 2017-2020</u>
Result indicator	Latest known result (baseline)			
D. International Industrial Cooperation				
D.1 Number of cases of improved alignment between EU and third countries' regulations for industrial products	It is estimated that in regulatory co-operation with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) there is an average of 2 relevant areas of significant alignment of technical regulations	3-4 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) (2017)		
Number of areas and good practices of the EU Small Business Act which have been introduced in neighbourhood and candidate countries	It is estimated that on average in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) of the 10 policy areas of the SBA at least 3 of these have been regulated in these countries.	5 policy areas of the SBA in the three policy regions (candidate countries region, neighbourhood East and neighbourhood MED) (2017)		

⁵⁰ In the PGA, the indicator 'International Industrial Cooperation' has been moved under the Specific objective, titled 3. To improve access to finance for SMEs in the form of equity and debt

<i>Compromise text</i>		
Specific objective:	To improve access to markets inside the Union and globally	
Impact indicator	Current situation	Long term target and milestone (2020)
International Industrial Cooperation		