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Subject:	*Preparation of the Council meeting ('Competitiveness': Internal Market, Industry, Research and Space) on 30-31 May 2012* 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) – Partial general approach

I. INTRODUCTION

1. On 30 November 2011 the Commission submitted to the European Parliament and to the Council its proposal for a Regulation of the European Parliament and the Council establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (2014 - 2020) (COSME).

2. The proposal aims at encouraging the competitiveness of European enterprises.

COSME will provide better access to finance, deliver business support services and promote entrepreneurship notably for small and medium-size enterprises (SMEs). Subject to the approval by the Council and the European Parliament, COSME will run from 2014 to 2020 with a foreseen budget of € 2.5 billion.

COSME is a continuation of the CIP Programme except for the innovation part which will be covered by Horizon 2020.

Impact of COSME for the Competitiveness of enterprises and SMEs

COSME is expected to contribute to an increase of the EU GDP of €1.1 billion per year. The Enterprise Europe Network is expected to assist 39,000 companies with partnership agreements, resulting in 29,500 jobs created and/or safeguarded, helping to launch 900 new business products, services or processes per year and contributing to € 200 million additional turnover for assisted enterprises per year. Access to finance will be easier for entrepreneurs, in particular those willing to launch cross-border activities, resulting in an expected increase of €3.5 billion in additional lending and/or investment for European enterprises per year.

Political relevance

This Programme is part of the approach taken by the "Innovation Union" flagship of the Europe 2020 Strategy. The aim of the COSME Programme is to further develop the actions in favour of competitiveness and entrepreneurship and to enhance employment.

3. Since the proposed Regulation is one of the package of proposals linked to the Multiannual Financial Framework (MFF), all provisions with budgetary implications have been set aside - and thus excluded from the general approach aimed for. These provisions, which appear between square brackets in the text, concern the budget (Art. 5.1) and the support measures (Art. 14.2). Similarly, all provisions linked to the current negotiations on the new Financial Regulation (Art. 13.2, 16, 17.1 & 17.13) and on drafting a standard article (Art. 18) concerning the protection of the Union's financial interests have been placed between square brackets. Therefore, only a partial general approach can be agreed.

4. The European Parliament's Committee on Industry, Research and Energy (ITRE) appointed Mr Jürgen Creutzmann (ALDE/DE) as rapporteur and is expected to vote on a draft report in November 2012. The plenary vote is expected to take place in December 2012.

5. The European Economic and Social Committee adopted and delivered its opinion on 29 March 2012[1], while that of the Committee of the Regions is still pending.

6. FR and UK delegations have entered a parliamentary scrutiny reservation.

II. WORK WITHIN THE COUNCIL

1. The detailed work on the proposal began at the COMPCRO Working Party (COMPCRO WP) level on 13 January 2012.

2. The COMPCRO WP examined the Commission's proposal intensively since 13 January 2012 until May 2012.

3. The COREPER examined the Presidency's compromise text and solved some outstanding issues on 16 May 2012.

[1] CESE 808/2012

3. The Presidency's compromise text, which includes the outcome of the COREPER on 16 May 2012, is included in the Annex to this note.

Moreover, the following editorial changes have been done :

- The order of the articles (articles 8, 9, 10 and 11) and of the indicators in annex I of the annex have been reshuffled in order to reflect the order of the specific objectives as listed in Article 4.1.
- Recital 30 has been redrafted according to the standard provision on the protection of the financial interests of the Union in spending programmes under the new MFF (direct expenditure and external aid) as laid down in doc. 10044/12 of 16/05/2012.
- A wrong reference indicated in footnote 6 has been corrected.
- Few editorial corrections have been done in the indicators.

III. <u>OUTSTANDING ISSUES</u>

The COREPER on 16 May 2012 examined the Presidency compromise proposal and managed to solve most of the remaining outstanding issues. However, there are still some concerns on the following items :

- ***Budget*** : In Article 5.1 which proposes a minimum part of the overall budget to be dedicated to financial instruments, <u>AT</u>, would like to replace "no less than" with the word "approximately".

- ***Annual work programmes*** :
  - On Article 13.1 (e), which mention the percentage per year which could be allocated to Loan Guarantee Facility above € 150.000, <u>DE</u>, <u>NL</u> and <u>SI</u> would like the deletion of the paragraph.
  - On Article 13.1 (f), on financial instruments, <u>DE</u> and <u>NL</u> would like the deletion of the words " e.g. guarantee cap".

- The Commission fully reserves its position on the entire compromise proposal. Its reservation pertains in particular to the introduction of a no-opinion-clause (Article 19) and to the changes introduced to the Loan Guarantee Facility (Article 17.11).

IV. CONCLUSION

The Competitiveness Council is therefore invited to examine the compromise proposal presented by the Presidency and to address the outstanding issues with a view to adopting the partial general approach at its meeting on 30 May 2012.

2011/0394 (COD)

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)

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 173 and 195 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee,

Having regard to the opinion of the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure, Whereas:

(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 the 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 aimed at making the Union more dynamic and competitive. It also emphasises the importance of reinforcing the growth of the European economy while delivering a high level of employment, a low carbon, resource and energy-efficient economy and social cohesion.

(2) In order to ensure that enterprises, in particular SMEs, play a central role in delivering economic growth in the Union, 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 Council of December 2010. This is a flagship initiative of the Europe 2020 Strategy. The Communication sets out a strategy aiming at boosting growth and jobs by maintaining and supporting a strong, diversified and competitive industrial base in Europe, in particular by improving framework conditions for enterprises and strengthening several aspects of the Single Market, including business-related services.

[2] doc. 7110/10
[3] doc. 15483/10

(3) In June 2008 the Commission adopted the Communication entitled "Think Small First - A "Small Business Act for Europe"[4], which was welcomed by the 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 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.

(4) The Commission Communication entitled "Review of the Small Business Act for Europe"[5] of February 2011, on the basis of which the Council of May 2011 adopted Council conclusions, 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 access to finance and 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.

(5) With the proposal for a Council Regulation laying down the multiannual financial framework for the years 2014-2020[6], 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 European Union will be achieved.

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4 doc.11262/08
5 doc.7017/11
6 doc.12474/11

(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.

(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”[7] of February 2012.

(8) 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.

(9) The competitiveness policy of the Union is intended to put into place the institutional and policy arrangements that create conditions for the sustainable growth of enterprises, in particular SMEs. Improved productivity is the dominant source of sustainable income growth. 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 more than half of the total added value created by enterprises in the Union. SMEs are a key driver for economic growth, employment and social integration.

(10) Competitiveness has been put under the spotlight of Union policy-making in recent years because of the market, policy and institutional failures that undermine the competitiveness of Union enterprises, particularly SMEs.

[7] doc. 6708/12

(11) The Programme should therefore address market failures affecting the competitiveness of the Union economy on a global scale and which undermine the capacity of enterprises, in particular SMEs, to compete with their counterparts in other parts of the world.

(12) 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[8]. Particular attention should be paid to micro enterprises, enterprises engaged in craft activities, and social enterprises. Attention should also be paid to potential, new, young and women entrepreneurs, as well as to specific target groups and to the promotion of business transfer, spin-offs, spin-outs and second chances for entrepreneurs.

(13) 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 *inter alia* 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' 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 Union resources.

[8] OJ L 124 20.5.2003, p. 36

(14) The Commission Communication entitled “A Framework for the next generation of innovative financial instruments – the EU equity and debt platforms”[9] 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”[10] of December 2011.

(15) The Enterprise Europe Network has proven its added value for European SMEs as an EU one-stop-shop to identify appropriate EU business support programmes 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.

[9] doc. 16301/11
[10] doc. 18619/11

(16) 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 Union provides financial assistance to several initiatives such as the China Intellectual Property Rights SME helpdesk. EU added value is created by promoting cooperation and by offering non-core trade promotion services 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"[11] 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.

(17) 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 also necessary in order to exchange information and knowledge on a European scale and digital services can be particularly cost-effective in this area. Such actions can help develop a level playing field for SMEs.

(18) 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 (according to the 2009 Eurobarometer survey on entrepreneurship). Promotion of entrepreneurship education, demonstration and catalytic effects, for example European Awards, as well as coherence and consistency enhancing measures such as benchmarking and exchanges of best practices provide a high EU added value.

[11] doc.17851/11

(19) Global competition, demographic changes, resource constraints and emerging social trends generate challenges and opportunities for many sectors. For example, design-based sectors need to adapt in order to benefit from the untapped potential of high demand for personalised, inclusive products. As these challenges apply to all SMEs in the Union in many sectors, a concerted effort at Union level is necessary in order to create additional growth.

(20) 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"[12], which was welcomed by the Council of October 2010, tourism is an important sector of the Union economy. Enterprises in this sector contribute with 5 % of the Union's Gross Domestic Product (GDP). The Lisbon Treaty acknowledges the importance of tourism outlining the Union competences in this field. The European tourism initiative 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 exchange of good practices. Actions can include 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.

(21) The Programme indicates actions for the objectives, the total financial envelope for pursuing those objectives, a minimum financial envelope for financial instruments, different types of implementing measures, and the arrangements for monitoring and evaluation and for protection of the Union's financial interests.

(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.

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[12] doc.11883/10

(23) The Programme complements 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, the Structural Funds and other Union programmes.

(24) 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 actions.

(25) 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 17 May 2006 between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on budgetary discipline and sound financial management[13], for the budgetary authority during the annual budgetary procedure.

(26) 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 State aid rules of the Union.

(27) 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.

(28) The Programme should be monitored and evaluated so as to allow for adjustments.

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[13] OJ C 139, 14.6.2006, p.1

(29) 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.

(30) 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, 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[14].

(31) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission, to adopt annual work programmes for the implementation of the Programme. Those 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 powers[15].

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14 OJ C […], […], p. […].

15 OJ L 55, 28.2.2011, p. 13

(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 concerning additions to the indicators and concerning changes to certain specific details regarding the financial instruments. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. 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.

HAVE ADOPTED THIS REGULATION:

CHAPTER I
Subject matter

Article 1
Establishment

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.

Article 2
Definition

For the purposes of this Regulation "SME" shall mean micro, small and medium sized enterprises as stated in the Commission Recommendation 2003/361/EC.

Article 3
General objectives

1. The Programme shall contribute to the following general objectives, paying particular attention to the specific needs of SMEs 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, particularly 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:

(a) better performance of SMEs as regards sustainability;

(b) reduction of administrative and regulatory burden on SMEs;

(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;

(e) SME growth;

(f) increase in share of Union citizens that would like to be self-employed;

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.

CHAPTER II
Specific objectives and fields of action

Article 4
Specific objectives

1. The specific objectives of the Programme shall be:

   (a) to improve access to finance for SMEs in the form of equity and debt;

   (b) to improve access to markets, particularly inside the Union but also at global level;

   (c) to improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, in all sectors including in the tourism sector;

   (d) to promote entrepreneurship and entrepreneurship culture;

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.

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.

4. The annual work programmes referred to in Article 13 shall specify in detail all actions to be implemented under this Programme.

Article 5

Budget

1. The financial envelope for implementing the Programme shall be EUR [2,522 billion], of which no less than EUR [1,4 billion/55,5 %] shall be allocated to financial instruments.

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 they will cover, in a cost effective manner, 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.

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 of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)[16]. 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.

[16] OJ L 310, 9.11.2006, p. 15.

Article 6

Participation of third countries

1. The following countries may participate in all or part of the Programme:

   (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;

   (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;

   (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.

2. An entity established in a country referred to in paragraph 1 may participate in parts of the Programme where that country participates under the conditions laid out in the respective agreements described in paragraph 1.

Article 7

Participation of entities of non-participating countries

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.

2. 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.

Article 8

Actions to improve access to finance for SMEs

1. The Commission shall support actions which aim to improve access to finance for SMEs in their start-up, growth and transfer 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 actions shall 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.

2. In addition to actions referred to in paragraph 1, Union support may also be given to actions to improve cross-border and multi-country financing, subject to market demand and without creating market distortions, thereby assisting SMEs to internationalise their activities in compliance with Union law.

3. Details of the actions referred to in paragraph 1 are laid down in Article 17.

Article 9

Actions to improve access to markets

1. To continue improving the competitiveness and access to markets of EU enterprises, the Commission may support actions to improve SMEs access to the Single Market such as information provision (including through digital services) and awareness-raising.

2. Specific measures may aim to facilitate SMEs access to markets outside the Union, in particular by providing information on market-entry barriers and business opportunities and by improving support services 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.

3. 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 industrial policy and the improvement of the business environment.

Article 10

Enterprise Europe Network

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:

(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;

(b) facilitation of cross-border business, R&D, technology and innovation partnerships;

(c) provision of a communication channel between SMEs and the Commission.

Implementation of the Network shall be closely coordinated with the Member States to avoid duplication of activities in accordance with the subsidarity principle.

Article 11

Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises

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.

2. The Commission may support actions intended to develop new competitiveness strategies. Such actions may include the following:

   (a) measures to improve the design, implementation and evaluation of policies affecting the competitiveness and sustainability of enterprises, including promoting the development of sustainable products, services, and processes, sharing best 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;

   (b) measures to address international aspects of competitiveness policies, focusing particularly on policy cooperation between Member States, other countries participating in the Programme and the Union's global trade partners;

   (c) measures to improve SME policy development, cooperation between policy makers, peer-reviews and exchange of good practices among Member States, particularly with a view to improving the ease-of-access to programmes and measures for SMEs in line with the Small Business Act Action Plan;

   (d) measures to promote the competitiveness and sustainability of Union SMEs in the tourism sector by promoting cooperation between Member States, particularly through the exchange of good practices.

3. The Commission may support the member states in their initiatives accelerating the emergence of competitive industries with market potential. Such initiatives may include 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.

Article 12

Actions to promote entrepreneurship

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 start-up, growth, business transfer, second chance (re-start), as well as spin-offs and spin-outs.

2. Particular attention shall be paid to potential, new, young, and women entrepreneurs, as well as to specific target groups.

3. The Commission may support Member States' measures to build and facilitate entrepreneurial education, training, skills and attitudes, in particular among potential and new entrepreneurs

CHAPTER III

Implementation of the Programme

Article 13

Annual work programmes

1. In order to implement the Programme, the Commission shall adopt annual work programmes in accordance with the examination procedure referred to in Article 19. Each annual work programme shall set out in detail:

   (a) the objectives pursued, the expected results, the method of implementation and their total amount;

   (b) a description of the actions to be financed, an indication of the amount allocated to each action, an indicative implementation timetable and a payment profile;

   (c) appropriate qualitative and quantitative indicators for analysing and monitoring effectiveness in delivering outcomes and achievements of the objectives;

   (d) the priorities, the essential evaluation criteria of the measures and the maximum rate of co-financing as regards grants;

   (e) the concrete details regarding the percentage of the financial envelope for the Loan Guarantee Facility which will be allocated to loans above € 150.000;

(f) a separate detailed chapter on the financial instruments including information such as the level of guarantee, eg. guarantee cap, and the relationship with Horizon 2020 financial instruments.

2. The Commission shall implement the Programme in accordance with the Financial Regulation (Regulation (EU) No XXX/2012 [New Financial Regulation]).

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 15(3), and that they are relevant to evolving markets, economy and changes in society.

Article 14

Support measures

1. In addition to the measures covered by the work programmes referred to in Article 13, the Commission shall regularly undertake support measures, including the following:

(a) improving the analysis and monitoring of sectoral and cross-sectoral competitiveness issues;

(b) the identification of good practices and policy approaches, and their further development;

(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;

(d) the evaluation of legislation affecting enterprises, specific industrial policy and competitiveness-related measures.

2. The total cost of those support measures shall be no more than [2,5 %] of the Programme's financial envelope.

Article 15

Monitoring and evaluation

1. The Commission shall monitor the implementation and management of the Programme.

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 beneficiaries, when possible, for each call for proposals, information on the amount of climate-related expenditure and the impact of support to climate-change objectives and information on support measure costs to the extent that the collection of such information does not create an unjustified administrative burden for enterprises, especially SMEs. The monitoring report shall include the annual report on each financial intrument as required by article [131(6)] of Regulation (EU) nº xxxx/2012.

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.

4. The Commission shall establish a final evaluation report on the longer-term impacts and the sustainability of effects of the measures.

5. The Commission shall develop a set of key performance indicators as a basis for assessing the extent to which the objectives of the actions supported under the Programme have been achieved. Such objectives shall be measured against pre-defined baselines reflecting the situation before implementation of the actions.

6. All grant beneficiaries and other parties involved who have received Union funds under this Regulation shall provide the Commission with the appropriate data and information necessary to permit the monitoring and evaluation of the measures concerned.

CHAPTER IV

Financial provisions and forms of financial assistance

Article 16

Forms of financial assistance

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].

Article 17

Financial instruments

1. Financial instruments under the Programme, set up in accordance with Title VIII of Regulation (EC) No XXXX/2012 [New Financial Regulation of 2012] shall be operated with the aim of facilitating access to finance for SMEs, in their start-up, growth and transfer phases. The financial instruments shall include an equity facility and a loan guarantee facility. The allocation of funds to different facilities shall take into account the demand from financial intermediaries.

2. The financial instruments for 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 XXX/201X [New Regulation on Structural Funds]], and with grants funded by the Union, including under this Regulation.

3. The 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]).

4. The equity facility of the 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) up 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.

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 funds in conjunction with the equity facility for RDI under Horizon 2020 and provide coinvestment facilities for business angels. In the 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 Commission may decide to amend the 20 % threshold in light of changing market conditions in accordance with Article 20.2.

6. Support from the EFG shall be in the form of one of the following investments:

(a) directly by the European Investment Fund (EIF) or other entities entrusted with the implementation on behalf of the Commission; or

(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.

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.

8. The Loan Guarantee Facility (LGF) shall provide:

(a) counter-guarantees and other risk sharing arrangements for guarantee schemes including, where appropriate, co-guarantees;

(b) direct guarantees and other risk sharing arrangements for any other financial intermediaries meeting the eligibility criteria.

9. The 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). The LGF shall consist of:

(a) 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;

(b) 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 individually with each originating institution.

The LGF shall be operated by the EIF or other entities entrusted with the implementation on behalf of the Commission. Individual guarantees under the LGF may have a maturity of up to 10 years.

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.

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.

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.

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 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.]

14. The equity and loan guarantee facilities shall comply with the provisions regarding financial instruments in the Financial Regulation.

15. The financial instruments shall be implemented in compliance with the relevant State aid rules of the Union.

Article 18

Protection of the financial interests of the Union

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.

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.

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 2185/96[17] 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.

4. Without prejudice to the first and second 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.]

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[17] 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

Article 19

Committee procedure

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. 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.

Article 20

Delegated acts

1. The Commission shall be empowered to adopt delegated acts in accordance with Article 21 concerning additions to the indicators provided in the list in Annex I to this Regulation where those indicators could help measure the progress in achieving the Programme's general and specific objectives.

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 21 concerning changes to some specific details 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.

Article 21

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.

2. The power to adopt delegated acts referred to in Article 20 shall be conferred on the Commission for a period of seven years from …[*]

3. The delegation of power referred to in Article 20 may be revoked at any time by the European Parliament or by the Council. A decision 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.

5. A delegated act adopted pursuant to Article 20 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.

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

Article 22

Repeal and transitional provisions

1. Decision No 1639/2006/EC is repealed with effect from 1 January 2014.

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.

3. The financial allocation referred to in Article 5 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. The Commission shall inform the budget authorities of those expenses.

Article 23

Entry into force

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at,

For the European Parliament	For the Council
The President	The President

ANNEX I to ANNEX

Indicators for general and specific objectives [18]

General objective: **1. To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs**

A. Impact indicator	Current situation (baseline)	Long term target (2020)
A.1 Better performance of SMEs as regards sustainability	Will be measured in regular surveys	Increase in the share of Union SME producing green, i.e. environmentally friendly products[19] compared to baseline (initial survey results)

[18] 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.

[19] 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".

A.2 Reduction of administrative and regulatory burden on SMEs	Number of days to start-up new SME: 7 working days Cost of start-up: € 397	Reduction of the average time and costs for setting up a new enterprise and costs of doing business in the Union compared to baseline
A.3 Increase in share of SMEs trading across borders within or outside the Union	25 % of SMEs are internationally active within the Union;13 % of SMEs are internationally active outside the EU (2009)	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
A.4 Increased competitiveness of SMEs of the European Union compared to competitiveness of SMEs of main competitors	Growth of industrial competitiveness: 2009: -3.1%, 2008: -0.3%, 2007: +0.7%	Increased growth of industrial competitiveness[20] compared to baseline and compared to main competitors

20 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

General objective: **2. To encourage an entrepreneurial culture and promote the creation and growth of SMEs**

B. Impact indicator	Current situation (baseline)	Long term target (2020)
B.1 Growth of SMEs	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)	Increase of SME output (value added) and employees compared to baseline
B.2 Increase in share of EU citizen that would like to be self employed	Figures from 2007 and 2009 are stable at 45%	Increase in share of EU citizens that would like to be self-employed compared to baseline

Specific objective: **3. To improve access to finance for SMEs in the form of equity and debt**

C. Financial Instruments for growth	Latest known result (baseline)[21]	Long term target 2020
C.1 Number of firms receiving loans benefiting from an COSME guarantee (credit guarantees) and value of lending.	As of 31 December 2011 € 10.2 billion in lending mobilised, reaching 171 000 SMEs (SMEG).	Number of firms receiving loans benefiting from a COSME guarantee (+/- 344,000) and value of lending (+/- €22 billon)
C.2 Number of firms receiving COSME VC investments and overall volume invested	As of 31 December 2011 €1.9 billion in VC funding mobilised to 194 SMEs (GIF)	Number of firms receiving COSME VC investments and overall volume invested:: (+/- 560) and (+/- €4.7 billions)
C.3 Leverage ratio	Leverage ratio for the SMEG facility 1:32 Leverage ratio for GIF: 1:6.7	Debt instrument 1:20 - 1:30; Equity instrument 1:4 - 1:6[22]

21 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.

22 € 1 from the EU budget shall result € 20-30 in loans and € 4-6 in equity investments over the lifetime of the Programme.

C.4 Increased additionality of the EFG and LGF	Additionality of the SMEG: 64% of beneficiaries indicated that support was crucial to find the finance they needed Additionality of the GIF: 62% of GIF beneficiaries indicated that support was crucial to find the finance they needed	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.

D. International Industrial Cooperation	Latest known result (baseline)	Long term target 2020
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	4 relevant areas in total of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada, India)

Specific objective: **4. To improve access to markets, particularly inside the Union and at global level**

E. Enterprise Europe Network	Latest known result (baseline)	Long term target 2020
E.1 Number of partnership agreements signed	Partnership agreements signed: 2.000 (2011)	Partnership agreements signed: 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: not measured yet. Survey will be launched.	Increased recognized Network brand and brand Culture compared to initial survey results
E.3 Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service provided by the Network)	Clients satisfaction rate (% SMEs stating satisfaction, added-value of all Network services): 78%	Clients satisfaction rate (% SMEs stating satisfaction, added-value of all Network services): >85%
E.4 Number of SMEs receiving support services	Number of SMEs receiving support services: 435.000 (2011)	Number of SMEs receiving support services 500.000/year
E.5 Number of SMEs using digital services (including electronic information services) provided by the Network	2 million SMEs per year using digital services	2.3 million SMEs per year using digital services

Specific objective: **5. To improve framework conditions for the competitiveness and sustainability of EU enterprises, particular SMEs, in all sectors including in the tourism sector**

F. Activities to improve Competitiveness	Latest known result (baseline)	Long term target 2020
F.1 Making the regulatory framework fit for purpose	Four "fitness" checks including stakeholders were launched in 2010 for environment, transport, employment and industrial policies. 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 simplifications impacting positively on industry. Up to 20 "fitness" checks are foreseen, with the objective of better regulation.
F.2 Number of simplification measures adopted for SMEs	5 simplification measures per year (2010).	At least 7 simplification measures per year

G. Developing SME policy	Latest known result (baseline)	Long term target 2020
G.1 Increase in number of Member States using SME test and competitiveness proofing test	Number of Member States using SME test: 15 MS Number of Member States using competitiveness proofing test: 0 MS	Increase of the number of Member States using SME test and competitiveness proofing test compared to baseline
G.2 Increased EU-wide publicity of the European Enterprise Promotion 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

H. Tourism	Latest known result (baseline)	Long term target 2020
H.1 Participation in transnational cooperation projects funded by COSME	3 countries covered per project in 2011	Increase in the number of Member States participating in transnational cooperation projects funded by COSME compared to baseline
H.2 Number of destinations voluntarily 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)	More than 200 destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence (about 30 every two years).

I. New business Concepts	Latest known result (baseline)	Long term target 2020
I.1 Increase in number of new sustainable products/services in the market	So far this activity was restricted to analytical work of limited scale. A survey will be carried out on I.1 and I.2 among beneficiaries as from 2017	Increase in the cumulative number of new products/services compared to baseline
I.2 Increase in positive assessment of quality and value-added of COSME activities (increase in turnover)		Increase in the share of SMEs expressing a positive impact on their turnover compared to baseline (initial survey results)

Specific objective: **6. To promote entrepreneurship and entrepreneurship culture**

J. Support for entrepreneurship	Latest known result (baseline)	Long term target 2020
J.1 Increase in number of Member States implementing entrepreneurship solutions based on good practice identified through COSME programme	Number of Member States implementing entrepreneurship solutions: 22 (2010)	Increase in number of Member States implementing entrepreneurship solutions compared to baseline
J.2 Increase in number of Member States implementing entrepreneurship solutions targeting potential, young, new and women entrepreneurs, as well as specific target groups	Currently, 12 MS participate in the European Network of Mentors for Women Entrepreneurs. Currently, 6 MS and 2 regions have a specific strategy for Entrepreneurship Education, 10 MS have incorporated national objectives related to entrepreneurship education in broader lifelong learning strategies and in 8 MS entrepreneurship strategies are currently under discussion.	Increase in number of Member States implementing entrepreneurship solutions targeting potential, young, new and women entrepreneurs, as well as specific target groups compared to baseline.