

# Position Paper

## UEAPME's<sup>1</sup> comments on "A renewed EU Industrial Policy Strategy" COM(2017) 479

### Executive Summary

**Crafts and SMEs are highly relevant for the industrial sector.** Therefore, UEAPME asks for

- a specific focus on SMEs within an EU Industrial Policy Strategy and
- the recognition of the specific situation and needs of SMEs in all implementation actions.

This includes:

- an adequate role for SMEs during the "Industry Day" and
- that SMEs are represented in the up-upcoming High Level Industrial Roundtable.

**The specific problems and challenges for SMEs to be tackled** with a renewed EU Industrial Policy Strategy are:

- SMEs suffer from labour shortage, especially in the area of ITC and vocational skills
- SMEs need better access to finance, especially for investments and riskier projects linked to innovation
- SMEs suffer from administrative burdens and unnecessary bureaucratic regulation
- SMEs in Europe have significant difficulties to grow fast in Europe
- More and more SMEs arguing for more fairness in competition within the Single Market, but also at global level
- SMEs need support to adapt to the digital as well as to the green and circular economy

### 1) General comments

The communication "A renewed EU Industrial Policy Strategy" shows that the European Commission wants to continue with its general policy approach based on the ten political priorities outlined by President Jean-Claude Juncker at the start of the current European Commission.

<sup>1</sup> UEAPME subscribes to the European Commission's Register of Interest Representatives and to the related code of conduct as requested by the European Transparency Initiative. Our ID number is [55820581197-35](#).

UEAPME sees the communication mainly as a compilation of policy measures from the 10 priority areas, which are already implemented, under discussion or planned for the near future. However, it provides a comprehensive overview about the activities set out to strengthen Europe's industry and UEAPME fully supports the general aim to strengthen the industrial base of Europe and to increase the contribution of the industrial sector to Europe's GDP.

With this document, UEAPME wants to underline the relevance of industrial policy for Crafts and SMEs in Europe and to present its position as regards the general outline of the renewed EU industrial policy strategy and the request for a policy approach, which fully integrates the needs and expectations of SMEs.

## 2) The relevance of Crafts and SMEs for the industrial sector

In the European Union, about 2.1 million enterprises are active in the industrial (manufacturing) sector. 99.4% of them are SMEs, which employ 58.3% of the 30 million workers in the sector and are responsible for 44.9% of its 1710 billion € of added value. Furthermore, a huge number of SMEs provides different types of services to the industry.

Many SMEs and especially high-tech start-ups are drivers for innovation and crucial for the global competitiveness of Europe's industry.

**Therefore, UEAPME asks for a specific focus on SMEs within an EU Industrial Policy Strategy and the recognition of the specific situation and needs of SMEs in all implementation actions.**

**This includes an adequate role for SMEs during the "Industry Day", which relates to the role of SMEs in the sector and UEAPME will insist that SMEs are represented in the up-upcoming High Level Industrial Roundtable.**

## 3) Specific comments on the renewed strategy

The draft communication rightly points to some specific problems of SMEs in the industrial sector and UEAPME welcomes the initiatives taken by the European Commission in these areas:

- **SMEs suffer from labour shortage, especially in the area of ITC and vocational skills**  
Therefore, UEAPME supports the new skills agenda for Europe as well as the framework for quality apprenticeships.
- **SMEs need better access to finance, especially for investments and riskier projects linked to innovation**  
Therefore, UEAPME supports the initiatives taken to create a Capital Market Union and especially the initiative to increase the capacity of banks to lend to SMEs as well as the prolongation and extension of the European Fund for Strategic Investment.
- **SMEs suffer from administrative burdens and unnecessary bureaucratic regulation**  
Therefore, UEAPME supports the work done within the REFIT framework, but sees the need for more efforts to change the bureaucratic burdens on the ground.

- **SMEs in Europe have significant difficulties to grow fast in Europe**

Therefore, UEAPME welcomes the scale-up initiative which points to the right problems. Scaling-up is not only a problem of access to adequate finance, but also hold back by barriers coming from 28 different regulations in many areas. Here, UEAPME sees the need for additional initiatives in the area of taxation, business law and consumer protection.

- **More and more SMEs arguing for more fairness in competition within the Single Market, but also at global level.**

Therefore, UEAPME asks for improved implementation and enforcement of agreed legislation within the Single Market, especially as regards labour market and environment regulations. Furthermore, UEAPME supports the initiatives of the European Commission in trade policy aiming for more advanced trade agreements and for trade defence measures accessible for SMEs.

- **SMEs need support to adapt to the digital as well as to the green and circular economy**

Therefore, UEAPME asked for awareness raising and support structures to help SMEs to catch-up with these global trends.

In general, the renewed EU Industrial Policy Strategy builds on the ten political priorities of the current European Commission. Many of the initiatives included in the new strategy are already in the legislative process or officially started by the European Commission. UEAPME is involved in all these initiatives as far as they are relevant for SMEs and will also contribute to the debate about new initiatives as announced in this communication.

The most relevant new initiatives for SMEs are:

- the IPR package
- the goods package
- activities to support cyber security
- the free flow data initiative and
- national competition authorities.

UEAPME will follow-up on these initiatives and asks the European Commission to involve SME representatives as early as possible in the preparation of them.

Brussels, 30<sup>th</sup> January 2018

---

**For further information on this position paper, please contact:**

Gerhard Huemer  
 Director Economic and Fiscal Policy  
 g.huemer@ueapme.com