

European Union – United States SME Best Practices Exchange

(Brussels, 28-29 June 2011)

Joint report

Small and medium-sized enterprises (SMEs) are vital for the EU and U.S. economies and represent critical engines of job creation and innovation. SMEs create over 60% of private jobs in the EU and 2/3 of all new job creations for the last 15 years in the U.S. But the potential of SMEs to promote job growth and innovation can only be fully tapped if our respective policy frameworks create the right conditions for SMEs to compete in the transatlantic market and beyond. SMEs, by their very nature, may face challenges in such areas as export performance, entrepreneurship, access to finance, administrative burdens, access to standardisation, and public procurement - challenges that may differ from the ones faced by large companies.

Therefore, the EU and the U.S. decided at the December 2010 meeting of the Transatlantic Economic Council (TEC) to enhance cooperation in the development of policies that support SMEs and their increased participation in transatlantic and international commerce.

Following-up on this commitment, an SME “Best Practices” conference on 28 and 29 June in Brussels brought together government officials and SME executives from both sides of the Atlantic. The conference was hosted by the European Commission, with active participation by major SME business organisations. It was opened by the SME Envoy Mr. Daniel Calleja Crespo from DG Enterprise and Mrs. Signe Ratso, Director in DG TRADE for Market Access and Industry, for the EU side and by Mr. Thomas White, Deputy Chief of US Mission to the EU, for the U.S. side. After presentations of the EU and U.S. general SME policy frameworks, participants discussed a number of specific topics, including the reduction of trade barriers impacting SMEs, standardisation and regulation, reduction of administrative burdens, environmental challenges and green technologies, access to markets and market access cooperation in third countries, and the new transatlantic online portal on intellectual property.

SMEs are particularly dependent on a local business-friendly environment and easily available services addressing their needs, ranging from streamlined administrative procedures to innovation and financing support measures. In addition, to access attractive third country markets, SMEs rely on a rules-based and fair international trading system, which is being developed in multilateral and bilateral negotiations. National policies play a crucial role in achieving these objectives at the local and international level.

The SME seminar helped each side develop a better understanding of the numerous activities on both sides of the Atlantic to improve the regulatory framework for SMEs and foster SME participation in transatlantic and global trade. The seminar also explored future joint initiatives to assist SMEs. Participants on both sides agreed that the ongoing exchange of experiences can increase the effectiveness of EU and U.S. SME policies and provide opportunities for expanded input from stakeholders, who welcomed the lively discussions and expressed interest in a continuation of the exercise.

In view of the above, the EU and the U.S. agreed to hold a follow-up seminar in Washington D.C., in the autumn, which will revisit certain issues raised at the Brussels event and also consider additional topics, such as regulatory cooperation, access to finance, entrepreneurship, second chance or serial entrepreneurship for entrepreneurs, export promotion and support for SME access to export markets.