

THE DIRECTOR GENERAL

Mr Thomas Oberreiter

Permanent Representation of Austria to the EU
European Parliament
Avenue de Cortenbergh 30
BE-1040 Brussels
BELGIUM

12 October 2018

Re: The Single Market Programme (2021-2027)

Dear Ambassador,

BusinessEurope welcomes the Commission's intention to support the Single Market and the competitiveness of enterprises, including SMEs, through a dedicated programme of €4 billion proposed under the next Multi-annual Financial Framework (2021-2027). We note the increase of financing by 10% in real terms (on the EU-27 basis, excluding the UK), compared to the respective instruments under the previous financial framework, as the Commission's effort to highlight the importance of the programme's objectives for businesses and citizens.

Synergies of the Single Market Programme with the Digital Europe Programme and other instruments need to be ensured, procedures of access to the programme should be as simple as possible, and the focus on results that meet the EU added value principle should be maintained. We stress the need to avoid overlaps of objectives of different funding instruments and to rationalise the EU funding. The Programme should also be geared to support implementation of the Single Market rules, including enforcement, and serve well its future needs.

BusinessEurope supports the planned budget of €1 billion for the initiatives facilitating SME access to markets and promoting favourable business environment for SMEs. However, the budget of €1 billion must be set as the absolute minimum. BusinessEurope has consistently stressed the need to deepen selected policy lines of the current COSME programme (in particular better regulation and SME internationalization), and this approach calls for improvements in the present proposal too.

BusinessEurope would like to submit the following comments and recommendations for an efficient design of the programme, and its right positioning at political level:

- With regard to the support of the Single Market, the Programme's general objectives under Article 3 rightly refer to facilitation of the Union law enforcement and market access as well as enhanced cooperation among the Member States' competent authorities.



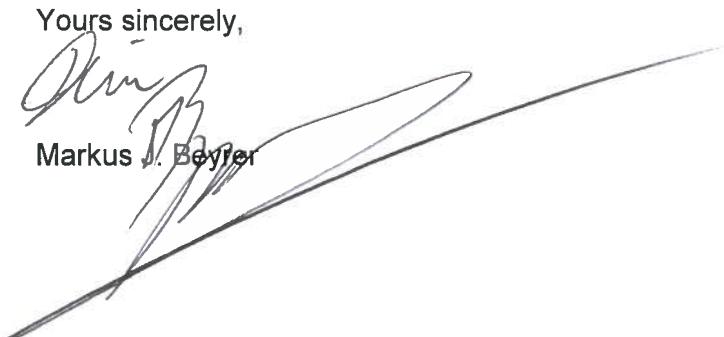
- We support the specific objectives outlined in Article 3 (2) and, among others, a specific reference made to enforcement of rules in the areas of goods and services, market surveillance and public procurement. The Single Market governance, including the IT tools for cooperation and transparency among the Member States' administrations and stakeholders, such as the Internal Market Information System, SOLVIT, Single Digital Gateway and databases for notifications under the EU acquis, should be substantively supported.
- It is however unclear why the proposal's Article 4 (2) with indicative amounts does not explicitly refer to the amounts allocated for each of the Article 3 (2) objectives, for example the specific objective (2)(a) which we find important for reinforcement of market surveillance in the EU. It is not clear how Article 4 provisions link up with eligibility provisions for the grant schemes and their recipients (Articles 8-10) in this regard and, consequently, it is not clear how coordination of market surveillance enforcement and other objectives under Article 3 (2) (a) will be financed.
- With regard to the SMEs, BusinessEurope shares the general spirit of Article 3 (2)(b) and Articles 8(3)(a) to (e) which aim at defining the SME-geared actions that are eligible for funding under the Single Market Programme. Nevertheless, these articles should be refined in order to provide continuity and a meaningful forward-looking agenda for SME-geared support as it is the case with the current COSME programme. Article 3 should in particular be more specific regarding the scope of the support services that the EEN (Enterprise Europe Network) should provide to SMEs in many areas (such as access to the Single Market, access to markets outside the EU, business cooperation).
- Article 8(3)(c) should cover actions aimed at enhancing the quality of information used in EU law-making, so that it is truly evidence-based with accurate measurement of cost impacts for SMEs in particular. While a focus on SMEs is justified, administrative burdens ought to be kept at the necessary minimum for all economic actors.

Therefore, in order to ensure transparency in terms of foreseen financial support in its entirety, better links between the objectives, amounts and eligibility provisions could be established in terms of all the elements of the programme.

The Programme needs to get the right positioning at political level. The planned SME-geared support measures should not simply represent a collection of technical initiatives but reflect a move towards developing a renewed and consistent EU SME policy action agenda.

BusinessEurope stands ready to discuss these matters further with you.

Yours sincerely,



Markus J. Beyrer