

6 June 2017

## **HIGH LEVEL PRINCIPLES FOR BANKS' FEEDBACK ON DECLINED SME CREDIT APPLICATIONS**

### **SIGNING CEREMONY ON 6 JUNE 2017**

#### **COMMENTS BY DANIEL CLOQUET DIRECTOR FOR ENTREPRENEURSHIP & SMEs, BUSINESSEUROPE**

As we all know, Europe must do much better in the area of entrepreneurship if it wants to go back to sustained growth.

From that angle, whenever an SME applies for a loan, it's great news from an entrepreneurship point of view. And we must encourage the entrepreneurial drive that is behind that loan application.

If an SME application is not convincing, the feedback should not be just a routine administrative message. Nor should it be an obscure message, leaving the SME without any clue about how to succeed next time.

On the contrary, the feedback should result in safeguarding and sharpening the entrepreneurial ambitions of the SME.

It should turn into a positive learning experience for the SME. And it should leave room for a dialogue between the SME and the bank, if the SME asks for it.

This philosophy has been very well captured by the agreement on the High Level Principles, which BusinessEurope is very pleased to support and to sign today.

We will encourage our members to assist in the design of national initiatives implementing the principles.

Implementation will be particularly important in those countries where little or no initiatives exist in the area of banks' feedback.

We believe that the principles have a strong win-win potential for both SMEs and banks.

Therefore, the planned national dialogues should have ambitious goals regarding the quality of feedback.

Concluding, we would like to thank very much Vice-President Dombrowski and DG FISMA for having initiated the important policy initiative that is materialising today.

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