

**HEADING 1A: Competitiveness for growth and jobs****Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME)****Lead DG: GROW****I. Overview*****What the programme is about?***

COSME is the EU programme for competitiveness and small and medium-sized enterprises (SMEs), with a total budget of EUR 2.3 billion over 2014-2020. It has four main objectives:

1. Access to finance (at least 60 % of the budget)
2. Access to markets (indicatively 21.5 % of the budget)
3. Promoting a favourable environment for businesses and competitiveness of enterprises (indicatively 11 % of the budget)
4. Promoting entrepreneurship (indicatively 2.5 % of the budget)

***EU added value of the programme***

The additional value for action at the Union level relies on the following four main sources:

- Strengthening the Single Market, by overcoming market fragmentation in areas such as venture capital investment, cross-border lending and credit enhancement as well as informational and organizational constraints which prevent SMEs from taking advantage of the opportunities that the Single Market offers.
- Demonstration and catalytic effects through the dissemination of industrial and policy best practices.
- Economies of scale in areas where it would be difficult for individual Member States to achieve the required critical mass. For instance, in the field of support to SMEs abroad, European added value is created by the bundling of national efforts and, by establishing services that would lack critical mass if provided at national level, like for intellectual property rights enforcement). Union intervention can also contribute to avoid duplication of effort, promote cooperation between Member States and coordination with relevant non-Member States.
- Coherence and consistency in national measures through the exchange of best practices at European level and benchmarking.

The European Investment Fund, entrusted with the implementation of the financial instruments, has a long experience in designing and implementing SME-friendly financing schemes. The Enterprise Europe Network has achieved tangible results by putting emphasis on promoting the internationalisation of SMEs (in the Internal Market and beyond) through providing information on Union matters as well as the possibility to feed into the decision-making process.

***Implementation mode***

The COSME financial instruments are implemented by the European Investment Fund on behalf of the European Commission. The Delegation Agreement, signed with the European Investment Fund in 2014, ensures that the COSME financial instruments are accessible to a broad range of financial intermediaries. The European Investment Fund is responsible for evaluating and selecting the financial intermediaries in line with the Delegation Agreement based on a continuous call for expression of interest. The two related calls are published by the European Investment Fund.

Actions in the other three objectives are implemented via calls for proposals, ad hoc grants and all forms of procurement.

**II. Programme Implementation Update*****Implementation status (2017-2019)******The financial instruments***

The calls for expressions of interest launched by the European Investment Fund in 2014 in accordance with the COSME Delegation Agreement attracted great interest from financial intermediaries across the EU and non-EU countries participating in COSME, especially for the Loan Guarantee Facility. Since 2015, as part of the Investment Plan of the Commission, funding opportunities under the COSME Loan Guarantee Facility has been enhanced with the support of the European Fund for Strategic Investments (i.e. additional risk-taking capacity has been added). By end of 2019, an additional risk bearing capacity of EUR 1.3 billion has been foreseen, including for transactions related to a digitalisation pilot launched in the course of 2019. Therefore, thanks to the European Fund for Strategic Investments, it will be possible to support twice as many SMEs throughout the programming period than could have been supported by the Loan Guarantee Facility resources alone. As of 31 December 2019, the Loan Guarantee Facility provided more than 553,000 SMEs with almost EUR 32 billion financial support in 32 countries.

Signing agreements for the Equity Facility for Growth continued to take longer, as equity entails more complex due diligence and fund-raising processes. As of 31 December 2019, the European Investment Fund invested through the Equity Facility for Growth in 17 funds, for a total amount of EUR 242 million. Of these, six were multi-stage funds combined with the InnovFin Equity Facility for Early Stage set up under Horizon 2020. Two out of the six multi-stage funds were fund-of-funds under the VentureEU programme <sup>(1)</sup>. Almost all of these funds are now in their investment period, i.e. fund managers are screening potential companies for investments. In the case of the fund-of-funds programme, it means that fund managers are screening the market for potential investments into venture capital funds.

As of 31 December 2019, these Equity Facility for Growth funds had already invested EUR 660 million into more than 100 companies in 13 countries.

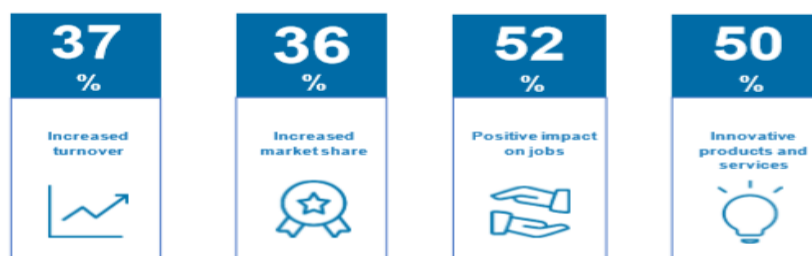
#### The Enterprise Europe Network

About two thirds of the yearly budget for access to markets has been devoted to the Enterprise Europe Network (EEN) since the start of the COSME programme. The EEN helps SMEs to internationalise in particular with advisory services and by finding business, technology and innovation partners abroad. The EEN is present in 66 countries with 603 partner organisations. A total of 535 partner organisations grouped in 94 consortia cover 39 countries from EU Member States and countries associated to the COSME programme. Additionally, 6 Network partners covered 4 countries only associated to the Horizon 2020 programme <sup>(2)</sup>. They signed seven-year framework partnership agreements and specific grant agreements for which the last one covers the activities for the years 2020-2021. These ‘core Network partners’ worked with 67 EEN Business Cooperation Centres grouped in 29 consortia covering 27 third countries.

Enterprise Europe Network partners actively contribute to the visibility of the COSME programme with their involvement in the Open4Business campaigns and further enhanced their regional integration, for example with the organisation of business-to-business events on DG Regio macro-regional events. This is when EEN organisations cooperate with regional stakeholders (organizing these macro-regional events) to mobilize SMEs participation, especially for the business and matchmaking events.

EEN partner’s contribution on the implementation of the new European Innovation Council is much appreciated by SME beneficiaries, for which they provided 1.215 assessments. EEN Key Account Managers (KAMs) provide an assessment (gap analysis) of the needs for SMEs that need to select a coach as beneficiary of an EIC grant (former H2020 SME Instrument), to help implement their innovation project and prepare for the market. Feedback information received from the SMEs showed that these EEN services were much appreciated by SMEs.

The analysis of impact on SME’s shows that nearly 90 % of them expect their market situation to improve thanks to Network support; the actual impact on different business aspect is shown below <sup>(3)</sup>:



Earlier findings on the impact evaluation of the Network (2008-2014) <sup>(4)</sup> concluded that the average net of effect for SMEs participating in the Network was approximately three percentage points increased annual growth (compared to SMEs not receiving EEN services).

Based on the positive results from its 12 years of experience with providing support to SMEs, the EEN continues its efforts to improve the quality, the efficiency and the relevance of its services for European SMEs. The definition of the new EEN strategic vision will be finalized in the course of 2020. The overall objective is to adapt its services to changing business needs and to further increase the concrete positive impact on its SME clients’ businesses. ‘EEN Scale-Up Advisors’ are operational in all regions of the EU, building on the results from a pilot phase. It inspired many Network partners to further tailor their services to the specific needs of scale-ups, for example with tailored advice on access to finance and organising pitching events with investors.

#### Erasmus for Young Entrepreneurs

Erasmus for Young Entrepreneurs (EYE) holds annual calls for proposals resulting in EASME signing 24-month grant agreements and framework partnership agreements as of 2016. Not all projects that passed the evaluation could be funded in recent years due to budget constraints. In 2014 the budget was EUR 6.5 million, in 2015 EUR 7.8 million, in 2016 EUR 7.6 million, in 2017 EUR 9.4

<sup>(1)</sup> [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_18\\_2763](https://ec.europa.eu/commission/presscorner/detail/en/IP_18_2763)

<sup>(2)</sup> Activities co-funded by Horizon 2020

<sup>(3)</sup> These numbers are calculated by EASME based on surveys of EEN client SMEs where the questionnaire addresses different aspects of possible impacts (in particular for partnership services and specialised advisory services).

<sup>(4)</sup> <https://publications.europa.eu/en/publication-detail/-/publication/d4cf03ed-972c-11e5-983e-01aa75ed71a1>

million, in 2018 EUR 10 million, and in 2019 EUR 16 million. Currently there are 194 local contact points in 37 countries (in 26 EU Member States and 11 other COSME countries). In order to strengthen the scheme, a longer-term Framework partnership agreement (2016-2021) was signed with experienced intermediary organisations (99) of the programme. This offers a longer term stability for the intermediary organisations which results in better use of promotion of the programme done and increase of matched entrepreneurs. Entrepreneurs benefit from longer support by the same experienced organisation without need to change every two years.

#### *Other actions (including SME Policy, clusters, tourism)*

The 2019 SME Performance Review reports were published and contributed to the Commission's analyses of SME relevant issues at European and national level in the context of the European Semester. Different events were organised to discuss and share information on the SME situation in Europe and on the best initiatives to support entrepreneurs. They included the annual SME Assembly, held in Helsinki on 25-27 November 2019, the Single Market Forum workshops and closing event, held in Bucharest in June 2019, and the SME week events.

The 'Cluster excellence programme', enabled the establishment of 13 EU cluster partnerships in 2019 supporting 69 clusters from 21 EU and COSME participating countries to raise their capacity in supporting their SME members.

The European Cluster Collaboration Platform includes 1112 industrial cluster organisations. They reach out to 120 000 SMEs, ca. 8,000 large firms and 11,000 research organisations or technology centres. The Platforms act as multipliers and bridge-builders to connect industrial ecosystems actors and serve as policy accelerators for Europe's industrial strategy. For instance, there are 400 digital clusters and 250 green-tech clusters registered on the platform that are ready to team and help implement the European Green Deal.

The projects implementing the Start-up/Scale-up initiative have been continued with the aim to link startups and more traditional mid-size companies through matchmaking, and to foster collaboration among regional ecosystems (based on the European Entrepreneurial Label of the Committee of the Regions), in order to build bottom up single market for start-ups and especially scale-ups.

COSME funded capacity building amongst SMEs in the tourism sector (i.e. by increasing their ability to adapt more sustainable business models, or to come up with more sustainable products). Exchange of best practice also encouraged the EU tourism industry to adapt to challenges and emerging global trends. In particular, six cross-border and cross-sectoral cooperation and capacity building schemes will now work with SMEs on innovative solutions for sustainable tourism and foster the capacities and skills of companies (more than 360 SMEs) to improve their sustainable management practices and increase the standards. The results of the COSME support to tourism SMEs, and best practices developed under specific projects, were showcased to more than 200 stakeholders in a dedicated conference in March. The European-wide campaign for awareness raising and promotion of European Destinations of Excellence (EDEN) will result in increased business opportunities for SMEs operating in these more than 350 lesser-known tourist destinations in Europe.

The work in the context of Blueprint for Skills Cooperation in tourism continued with specific stakeholders' and industry workshops. The European Tourism Forum, held in October in Helsinki, was an opportunity for over 200 stakeholders to discuss the potential of digitalisation for the EU tourism industry and the ways tourism companies can rely on data for growing their businesses. The March meeting of the Digital Tourism Network looked into framework conditions enabling tourism SMEs' digital transformation and framed the areas for future cooperation of the stakeholders in this informal forum.

The European Capitals of Smart Tourism initiative (promoting cities' excellence and innovation in tourism) continued with the award of the 2020 title to two outstanding cities, Gothenburg and Malaga, and grew into a network of associated metropolis sharing their best practices and expertise.

The programme also continued to support other activities such as the Intellectual Property Rights SME Helpdesks and helping SMEs improve their access to public procurement.

#### **Key achievements**

Thanks to the reinforcement of the COSME Loan Guarantee Facility resources from the SME window of the European Fund for Strategic Investments <sup>(5)</sup> (doubling the available resources), it was possible to achieve the targets set for the overall programming period (2014-2020) already in the course of 2018. In 2019, the high performance continued to benefit SMEs in need of finance. As of 31 December 2019, more than 553,000 SMEs in 32 countries already received financing for almost EUR 32 billion <sup>(6)</sup>. Especially start-ups and smaller SMEs which find it hardest to access finance due to their perceived higher risk or lack of sufficient collateral, continued to benefit from the enhanced Loan Guarantee Facility. It continues making financial support available to SMEs with more than 88 % of SMEs having less than 10 employees and almost 50 % being start-ups with an operational history of less than 5 years.

<sup>(5)</sup> Since 2015, as part of the Investment Plan of the Juncker Commission, funding opportunities under the COSME Loan Guarantee Facility have been enhanced with the support of the SME Window of the European Fund for Strategic Investments. In 2019, this enhancement can provide up to EUR 1.3 billion of additional risk taking capacity from the European Fund for Strategic Investments guarantee.

<sup>(6)</sup> [http://www.eif.org/what\\_we\\_do/guarantees/single\\_eu\\_debt\\_instrument/cosme-loan-facility-growth/implementation\\_status.pdf](http://www.eif.org/what_we_do/guarantees/single_eu_debt_instrument/cosme-loan-facility-growth/implementation_status.pdf)

The Enterprise Europe Network's services range from information on EU matters, company visits and awareness-raising campaigns to specialised advisory services, company missions and matchmaking and technology brokerage events. Numbers for 2019 are not available yet, however it is expected that about 250 000 SMEs received support in 2019. Some 3 000 network staff have been active in local events, provided specialised advisory services to 70 000 SMEs on access to finance, intellectual property rights, business and technology, resource efficiency services individual partnering support etc., about 80 000 meetings between SMEs were organized in matchmaking events. Since its renewal in 2015, the Enterprise Europe Network reached 13 953 partnership agreements between SMEs thanks to Network partnering services. The new Network advisory support services gave 7 580 clients a significant impetus to improve their competitiveness and innovation at European level; nearly 90 % of SMEs served expect their market situation to improve thanks to Network support and 92 % would recommend its services to others.

At the end of 2019 about 8,300 matches have taken place under the Erasmus for Young Entrepreneurs mobility scheme, involving over 16,500 entrepreneurs. 95 % of host entrepreneurs consider their exchange successful, while the satisfactory rate of new entrepreneurs reaches 97 %. New entrepreneurs participating in the programme between 2014 and 2016 have created 251 new companies so far, and over 1 000 new jobs. Host entrepreneurs also confirmed the positive effects – as well as over 1 100 new jobs created on their side, 58 % of experienced entrepreneurs have seen an increase in turnover and 41 % in increased employment (7).

#### ***Evaluation/studies conducted***

The key findings of the latest programme evaluation based on the supporting study have been presented in the programme statement 2019, and the Staff Working Document is now available (8).

An evaluation of the COSME cluster support actions will be launched in 2020 to identify the best practices, but also synergies with other upcoming programmes, with a view to the scaling-up of the best performing actions in the future Joint Cluster initiatives, especially to support the sustainable green transition of European SMEs. An assessment will be carried out of the overall EU Open for Business communication campaign.

The reported findings of the Executive Agency evaluation are summarised in the Annual Activity Report of DG Internal Market, industry, entrepreneurship and SMEs.

#### ***Forthcoming implementation***

The work programme adopted for 2020 has a total budget of EUR 406 million of which some 60 % is allocated to financial instruments and some 20 % to activities promoting enterprises' access to markets – the two main priorities of the programme. The work programme is structured according to the four action areas and linked to the Commission's policy priorities, in particular on promoting jobs, growth and investment, upgrading the single market and digital single market and implementing better regulation.

#### ***The financial instruments***

The 2020 budget for the financial instruments (EUR 269 million) could potentially be allocated to the Loan Guarantee Facility. The market demand for the Loan Guarantee Facility remains high and it is expected that available budget resources (including the current European Fund for Strategic Investments enhancements) may not be enough to fully cover the demand until the end of the implementation period. The allocation of budgetary resources between the Loan Guarantee Facility and the Equity Facility for Growth will be carefully calibrated in the course of the year based on market demand and in strong coordination with the European Investment Fund. Request for payment appropriations is expected to increase in 2021 as the rate of guarantee calls under the Loan Guarantee Facility is increasing exponentially.

The Equity Facility for Growth is expected to continue meeting market demand from geographical areas such as the Western Balkans. Demand from Member States is largely allocated (i.e. committed) to the Equity product set up under the SME window of the European Fund for Strategic Investments. Furthermore, the implementation of the budgetary contribution towards the Pan-European Venture Capital Funds-of-Funds started in 2018, with the signatures of agreements with selected Funds-of-Funds managers. In terms of payment appropriations, fund managers are only moderately increasing their drawdowns for investments into portfolio companies under the Equity Facility for Growth, which results in a slightly increased need for payment appropriations in 2021.

#### ***Enterprise Europe Network***

More than two-thirds of the COSME budget for access to markets will be devoted to the Enterprise Europe Network (EEN). The specific grant agreements for the EEN for the fourth and last operational period (years 2020-2021) were signed with a continued focus on advisory services bringing real added value to SMEs, and the full implementation of the scale-up advisors. The preparation of new strategic vision for the EEN will be finalised by mid 2020. The objective is to ensure that EEN delivers services that address SME's future needs in areas such as internationalisation, innovation services, regional integration, access to finance, single market and SME capacity building. Initial testing of some new concepts defined in the new EEN vision is already planned for the last operational period 2020-2021.

(7) According to COSME evaluation study – <https://ec.europa.eu/docsroom/documents/28084>

(8) <http://www.cc.ccc.sg/vista/home?documentDetails&DocRef=SWD/2019/374&ComCat=SPINE>

Erasmus for Young Entrepreneurs

The Erasmus for Young Entrepreneurs scheme (EYE) has signed longer term Framework partnership agreements (2016-2021) using specific grant agreements (2017-2019 and 2019-2021) with 99 experienced intermediary organisations of the programme in order to allow EYE experienced implementing organisations to realise full potential and outreach in matching interested entrepreneurs.

The COSME budget also continues to support the most successful actions such as the European Cluster Collaboration Platform with 1039 registered European cluster organisations (that reach out to 109.741 SMEs, ca. 12.000 large firms and 10,000 research organisations) and the Cluster Go International action that supports EU cluster partnerships in jointly accessing international markets beyond the EU. These also pave the way for the launch of Joint Cluster Initiatives envisaged under the Single Market Programme.

Further support is envisaged in tourism actions, procurement and access to markets. The networks of SME Envoys and the input to SME policy development continues in particular linked to the SME Strategy <sup>(9)</sup>.

**Outlook for the 2021-2027 period**

The Commission has proposed the establishment of a single European Investment Programme, InvestEU, which will have four distinct policy windows, including a dedicated window for SMEs. The successor facilities to the COSME Loan Guarantee Facility and the Equity Facility for Growth will be established under the SME window of InvestEU <sup>(10)</sup>.

The Commission has also proposed the Single Market Programme <sup>(11)</sup>, and as part of its overall proposed budget, an amount is earmarked for COSME follow up activities, which will enable the continuation of actions of concern to SMEs, such as the access to markets, competitiveness, improvement of business environment, modernisation of industry and promotion of entrepreneurship. Successful actions to maintain include those such as the Enterprise Europe Network, the Erasmus for Young Entrepreneurs scheme, clusters actions, and tourism.

The text is still in the legislative process for adoption by the Council and Parliament, and it is foreseen to continue the most successful actions, following the orientations of the SME Strategy.

**III. Programme key facts and performance framework****1. Financial programming**

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 – 2020) and repealing Decision No 1639/2006/EC	2014 – 2020	2 298,2

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	2020	Total Programme
Administrative support	4,2	3,9	2,8	2,6	3,5	2,8	3,1	22,9
Operational appropriations	243,4	292,2	302,2	337,9	341,3	354,5	404,5	2 275,8
Executive Agency	6,5	8,0	7,0	8,8	9,5	9,9	10,5	60,3
<b>Total</b>	<b>254,1</b>	<b>304,1</b>	<b>311,9</b>	<b>349,4</b>	<b>354,2</b>	<b>367,2</b>	<b>418,1</b>	<b>2 359,0</b>

**2. Implementation rates**

	2019				2020			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	367,177	100,00 %	244,221	99,07 %	418,102	66,69 %	371,514	58,05 %
Authorised appropriations (*)	413,244	96,40 %	331,631	89,37 %	433,574	64,43 %	407,039	53,47 %

(\*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

**3. Performance information**

<sup>(9)</sup> <https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX:52020DC0103>

<sup>(10)</sup> [https://ec.europa.eu/commission/publications/investeu-programme\\_en](https://ec.europa.eu/commission/publications/investeu-programme_en)

<sup>(11)</sup> [https://ec.europa.eu/commission/publications/single-market-programme-legal-texts-and-factsheets\\_en](https://ec.europa.eu/commission/publications/single-market-programme-legal-texts-and-factsheets_en)

## Programme performance

The COSME interim evaluation, covering the period from 2014 to 2016, found that COSME actions are highly relevant in addressing the challenges related to fostering economic growth and jobs. The Programme has a good proximity to SMEs thanks to an extended network of intermediaries, has a high multiplier effect and shows EU added-value. It supports all types of SMEs (e.g. LGF and EEN). The programme is small but has shown flexibility in adapting quickly to new priorities.

However, 20 % of the budget is fragmented in a number small actions with a low potential for effectiveness and cost-efficiency. In relation to monitoring, the evaluation points out to a lack of centralised data about implementation and indicators are mostly based on outputs rather than on long-term effects. Some efforts are still needed to centralise the data that at present is dispersed between the coordinating team, the units managing individual actions and the delegated entities. The programme delivers in terms of jobs and growth creation but it does not address directly global and societal challenges. The programme is coherent and works without big overlaps with other EU programmes and national/regional SMEs' support schemes, however there is scope for improving synergies, mainly at national and regional level. It is noted that the implementation of the COSME actions during 2014-2016 were on track to reach the milestones.

The COSME programme addresses the challenges of SMEs in their entirety. For example, the objective related to access to finance does not just provide financial support to numerous SMEs that have difficulties in finding such support. The implementation of this objective related to access to finance is found to positively affect also the SMEs' assets, share of intangible assets, sales, employment rates and even to lower SMEs' probability of default. This is empirically demonstrated by the econometric work carried out from various studies <sup>(12)</sup> on the COSME predecessor activities related to access to finance.

Regarding the objectives, it is noted that under the general objective of 'strengthening the competitiveness and sustainability of the Union's enterprises, particularly SMEs' several activities of the COSME programme indirectly contribute. Looking at the time and cost to establish a business, the baseline of 5.4 working days to set up a business is now measured online at 2.7 days, which puts it below the target of the Industrial Policy Communication of 2012. On cost, there is a marked decrease from EUR 372 to EUR 271 (online), but still above the target in the Communication target of EUR 100, showing that there is still work to do on improving the business environment.

The work of the SME envoys and SME Performance Review ensure a flow of information for businesses and policy-makers, contributing indirectly to improve the business framework and the competitiveness of SMEs.

The second general objective to encourage entrepreneurial culture and to promote the creation and growth of SMEs

EU-28 SMEs have followed a solid growth path in recent years in the 'non-financial business economy'. In 2014-2018, SME value added increased by 16.2 %, and SME employment increased by 8.2 %. The main drivers of growth in SME value added were micro firms, generating value-added growth of 18.3 % in this period. Nevertheless, the growth in value added of large firms was even higher, at 19.5 %. Most recently, in 2017-2018, SMEs in all EU Member States generated growth in both value added and employment, of 4.1 % and 1.8 % respectively. Micro firms grew fastest in 2017-2018, with a rise of 5.4 % in value added and 2.6 % in employment. This meant they outperformed the growth in all other business size classes, including that of large firms. (EU-28 fact sheet, p.3)

SMEs have made a much stronger contribution to the growth in value added in recent years (i.e. from 2016 to 2018) compared to the longer period of 2013 to 2018. The increase in the SME contribution is almost entirely due to micro SMEs. The contribution of medium-sized SMEs has declined during this period. (Annual Report, p. 11).

SME value added and employment grew in all Member States in 2018 for the first time in years. Overall, in 2018, EU-28 SME value added grew by 4.1 % and EU-28 SME employment by 1.8 %. Micro SMEs have driven this recovery – they recorded by far the strongest value added and employment growth of all SME size classes. (Annual Report, p. 11). The employment growth remain above the 1 % annual target at 1.7 % in 2017 and 1.8 in 2018.

Promoting entrepreneurial culture and related actions still have strong demand from stakeholders which has nevertheless proved challenging to measure <sup>(13)</sup>. Using the Global Entrepreneurship Monitor, we can see that the choice of an entrepreneurial career for example varies across the EU, with 16 EU countries falling between 40-60 %, and only 2 above 80 %.

The continuing success of the Erasmus for Young Entrepreneurs mobility scheme (active since 2009 as a pilot action, and continued under COSME) demonstrates the need for entrepreneurial exchange whereby would-be or newly established entrepreneurs receive practical support from experienced entrepreneurs. Experienced entrepreneurs in return increase their knowledge and access to other markets as well as gain new ideas and techniques for their business. It has a broad geographical spread, implemented by a network of 194 local intermediary organisations in 37 countries (out of 39 participating), and as of 1.2.2020 it is expected that there will be local intermediary organisations present for the first time in Kosovo\* and in Martinique (EU outermost region).

## General objectives

<sup>(12)</sup> [https://www.eif.org/news\\_centre/publications/EIF\\_Working\\_Paper\\_2019\\_56.pdf](https://www.eif.org/news_centre/publications/EIF_Working_Paper_2019_56.pdf)

<sup>(13)</sup> New Eurobarometer with input on entrepreneurial questions takes place in 2020

**General Objective 1:** to strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs

Indicator 1: Performance of SMEs as regards sustainability								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
26 %	Actual results							Increase

Narrative: Share of EU SMEs producing green products (goods and services): 2013 = 20.5 %  
 Comment: Data from the Flash Eurobarometer 456 on SMEs, Resource Efficiency and Green Markets, December 2017. Next Eurobarometer scheduled for Q2/2020.  
 Unit of measure: Share of Union SME producing green products

Indicator 2: Changes in unnecessary administrative and regulatory burdens on both new and existing SMEs								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
days: 5.4	3.5			4.0			Marked reduction of number of days to set-up a new SME	Marked reduction of number of days to set-up a new SME
	Actual results							
	3.5	3.6	3.5	3.1				
2012	Milestones foreseen							2020
EUR: 372	313			300			Marked reduction of number of days to set-up a new SME	Marked reduction of number of days to set-up a new SME
	Actual results							
	335	339	320	311				

Comment: In some countries there is a possibility to have a simplified or online registration to set up an SME under certain conditions. Taking electronic/simplified registration into account, the results are 2.7 days, EUR 271.  
 Availability of Data: Data for 2018 will be available by end March 2019, 2019 data not yet available.  
 Unit of measure: Days and EUR respectively

Indicator 3: Changes in the proportion of SMEs exporting within or outside the Union								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2009	Milestones foreseen							2020
within EU: 25 %						0	Increase	Increase
	Actual results							
	0							
2009	Milestones foreseen							2020
outside EU: 13 %						0	Increase	Increase
	Actual results							
	0							

Comment: Eurobarometer data will be available in 2020. Current figures (Eurostat) 16.56 % intra EU and 9.8 % extra-EU. SAFE survey (39 % exporting SMEs in 2019).  
 Source: 2015 Eurobarometer survey on the internationalisation of SME, based on figures for 2014.  
 Unit of measure: Share of SMEs exporting and increase in the share of SMEs exporting outside the Union

**General Objective 2:** to encourage entrepreneurial culture and to promote the creation and growth of SMEs

Indicator 1: Changes in SME growth: Total EU turnover (Gross Value Added)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target

2010	Milestones foreseen							2020
5.8 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	Increase of SME output (value added)	Increase of SME output (value added)
	Actual results							
	4.0 %	5.3 %	2.0 %	3.8 %	4.1 %	4.1 %		

Methodology: Data is based on forecasts, figures updated according to current data.

**Indicator 2: Changes in SME growth: Employees**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010	Milestones foreseen							2020
Total number of employees in SMEs: 87.50							95.50	95.50
	Actual results							
	90.35	90.84	94.37	95.96	97.74	99.27		
2010	Milestones foreseen							2020
The annual growth of employees in SMEs: -0.4 %	1.00 %	1.00 %	1.00 %	1.00 %	1.00 %	1.00 %	0.00 %	
	Actual results							
	2.10 %	0.54 %	2.30 %	1.97 %	1.50 %	1.60 %		

Narrative: The annual growth of employees in SMEs: 2011: 0.2 %

Comment: Data from the SME Performance Review 2018 based on figures for 2016/17. SME's value added grew in 2015 by 5.5 % and employment by 0.54 %. NB: data has been revised back in time by Eurostat.

Source: Figures from the SME performance review 2015: [http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm)

**Indicator 3: Changes in the proportion of Union citizens who wish to be self-employed**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
37 %				0			Increase in share of EU citizens	Increase in share of EU citizens
	Actual results							

Comment: No Eurobarometer on Entrepreneurship has been performed since 2012. To note that the Global Entrepreneurship Monitor measures every year the percentage of the adult population between the ages of 18 and 64 years who believe that entrepreneurship is a good career choice. According to the GEM report (2018) EU countries have in general a low belief in entrepreneurship as a good career with a few exceptions such as Cyprus, Poland and the Netherlands where more than 70 % of adults interviewed considered entrepreneurship as a good choice.

Source: <http://www.gemconsortium.org/report> – please note that no aggregated results for the EU as a whole are available.

**Specific objectives**

**Specific Objective 1:** to improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector

**Performance**

As mentioned in the overall performance comment, while the programme has been successful in fostering economic growth and helping to create employment opportunities, there is scope for strengthening its responsiveness to EU objectives (such as sustainable and inclusive growth). The programme's main instruments address all SMEs regardless of sector, and only indirectly address challenges such as climate change, gender mainstreaming or youth unemployment.

Within actions, SME policy activities have encouraged the use of the SME test, where the 2017 results showed an increase from 15 Member States prior to the start of the programme, to 27 Member States in 2017. Continuous support (such as that from the Enterprise Europe Network) has contributed to the information and education on sustainable business practices and specific COSME projects such as those in the construction sector seek to ensure a more sustainable use of materials. The 2017 Eurobarometer results on resource efficiency measured 90 % of SMEs taking at least one action to be more resource efficient, and 81 % planning additional actions in the following two years. The 2019 COSME project on a sustainable and circular fashion industry aims to have 40 partnerships, while the 2016 WORTH project aimed to strengthen the competitiveness of SMEs in the fashion/lifestyle sector and increase their innovation capacities successfully created 150 partnerships.



Tourism projects have continually increased their participation, such as the number of destinations using sustainable tourism development models from a baseline of 98 to 158 in 2018.

Indicator 1: Activities to improve competitiveness – Number of simplification measures adopted								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
3	4						At least 7	At least 7
	Actual results							
	5	4						

Comment: The indicator refers to the number of simplification measures adopted and accompanied by an impact assessment, and in 2018 this was carried out for Supplementary Protection Certificates in the area of patents and intellectual property.

Source: [https://ec.europa.eu/growth/industry/intellectual-property/patents/supplementary-protection-certificates\\_en](https://ec.europa.eu/growth/industry/intellectual-property/patents/supplementary-protection-certificates_en)

Indicator 2: Activities to improve competitiveness – Making the regulatory framework fit for purpose								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
5	6	8	6	4	5		20	20
	Actual results							
	8	6	6	4	5			

Indicator 3: Activities to improve competitiveness – Number of Member States using the competitiveness proofing test								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
0	1			7			Marked increase	Marked increase
	Actual results							
	6							

Comment: Data from SBA Fact sheets and DG GROW internal sources, Q1 2015.

Unit of measure: Number of Member States using the competitiveness proofing test.

Indicator 4: Activities to improve competitiveness – Resource efficiency (which may include energy, materials or water, recycling, etc.) actions taken by SMEs								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
At least one action: 93 %							Increase	Increase
	Actual results							
		87 %		90 %				
2013	Milestones foreseen							2020
Planning additional resource efficiency: 80 %							Increase	Increase
	Actual results							
		71 %		81 %				

Narrative: Target: Increase in the share of Union SMEs that are taking at least one action to be more resource efficient (which may include energy, materials or water, recycling, etc.) compared to baseline (initial measurement).

Comment: Flash Eurobarometer 456 on SMEs, Resource Efficiency and Green Markets, December 2017. Next Eurobarometer scheduled for late 2019 or 2020.

Indicator 5: Developing SME policy – Number of Member States using SME test								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
15	18			19			Marked increase in the number of Member States using SME test	Marked increase in the number of Member States using SME test
	Actual results							
	20			27				

Availability of Data: No new report is foreseen at the current time.

Source: 2015 Report 'EU Member States reporting about their SME test', May 2015, [http://www.eurochambres.eu/custom/Report\\_-\\_EU\\_member\\_states\\_reporting\\_about\\_their\\_SME-test-2015-00224-01.pdf](http://www.eurochambres.eu/custom/Report_-_EU_member_states_reporting_about_their_SME-test-2015-00224-01.pdf); 2017 Report 'EU Member States about their SME-test 2017', December 2017, <http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeeting&meetingId=2270>

Unit of measure: Member states

Indicator 6: Tourism – Participation in transnational cooperation projects								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2011	Milestones foreseen							2020
Countries covered: 3	4			5	4	4	Increase	Increase
	Actual results							
	4	5		4	5			
2011	Milestones foreseen							2020
Projects awarded:				5-7	5-7	2-10	Increase	Increase
	Actual results							
				6	7			

Narrative: Target: Increase in the number of Member States participating in transnational cooperation projects and in the number of the transnational projects funded by the Programme

Comment: Complementary information for the above indicator:

Baseline target in 2013 of 33 projects support under calls for proposals for transnational partnerships.

In 2014, 42 transnational cooperation projects supported involving SMEs, 52 in 2015, 58 in 2017 and 65 in 2018.

2020 target will also aim for better integration of SMEs in transnational tourism products funded by COSME.

Unit of measure: Countries covered per project and number of projects

**Indicator 7: Tourism – Number of destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
98	119						> 200	> 200
	Actual results							
	120	140	140	158	158			

Narrative: Baseline: On average 20 per year

Comment: From 2011 the selection of EDEN destinations takes place every second year in alternation with a year dedicated to the promotion of the awarded destinations.

2019: planned +/-176 awarded EDEN destinations (ie +/-18 destinations expected to be awarded under the theme Health and well-being tourism)

**Indicator 8: New Business Concepts – Number of new products/services in the market**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
				5	15		Increase	Increase
Actual results								
		10 projects under the call for proposals design-based consumer goods (published twice)	150 partnerships under the call for tender WORTH	40 start-ups under call for proposals European Incubator Networks for Creativity-driven innovation				

Methodology: Cumulative number of new products/services (initial measurement)

Comment: For 2018 30 partnerships planned under the call for tender 'Light industries (textile/clothing, leather and footwear sectors) Innovation and Technology project'

For 2019 40 partnerships planned under the call 'Accelerate and scale-up innovation applications for a sustainable and circular fashion industry'

**Expenditure related outputs**

1.Activities to improve European Competitiveness – Studies, impact assessments, evaluations, conferences	F	44	51	55	60	65	70	75
	P	70	*	*				

2.Activities to develop SME policy and promote SMEs competitiveness -Meetings, reports, databases	F	102	115	120	122	128	130	132
	P		*	*				
3.Tourism – Projects, prizes, surveys, events	F	10	16	16	18	20	22	25
	P	27	52	28	37	34	Planned: 35	
4.New business concepts for consumer goods – Market replication-type projects	F	8	11	12	12	14	15	15
	P		10	150 partnerships	40	30	Planned: 40 partnerships	

Beyond launching financial instruments under COSME, the Commission took action in 2014 to support SMEs’ access to finance (e.g., by monitoring national policies, raising awareness on the Late Payment Directive and disseminating information on how best using the European Structural and Investment Funds (ESIF) to support SMEs).

In addition, several reports on the competitiveness of enterprises across Europe, the SME Performance Review and the SBA Factsheets have been published.

Under the Green Action Plan for SMEs adopted on 2 July 2014, the Commission announced new specific actions to be implemented as from 2015 to boost resource efficiency in SMEs, in particular a guide on how to support resource efficiency in SMEs through ESIF and a resource efficiency self-assessment tool for SMEs which will be used to monitor the achievement of the related result indicator.

3. Tourism data:

2014: 22 projects under calls for proposals, 1 Eurobarometer survey, 1 tender, 1 contract under framework contract, 2 events

2015: 44 project under calls for proposals, 1Eurobarometer Survey, 2 ad-hoc grants, 1 direct contract, 1 tender, 3 events

2016: 18 projects (under EDEN ad-hoc grant scheme), 1 tender, 2 contracts under framework contracts, 1 ETC ad-hoc grant agreement, 6 events

2017: 18 projects (under EDEN ad-hoc grant scheme-selection), 7 projects (under calls for proposals), 5 contracts under framework contracts (two studies/reports, organisation of three events), 1 ad-hoc grant agreement with ETC, 6 workshops on collaborative economy and tourism.

2018: 14 projects under EDEN ad hoc grant scheme-promotion7 projects under call for proposals, 3 contracts under framework contracts (org. of ETD EDEN awards, EDEN Network meetings, 1 workshop, 1 conference (European Tourism Forum), 6 events and 2 actions in the framework of the EU-China Tourism Year

2019: Planned: 18 projects (under EDEN ad hoc grant scheme-selection), 2-10 projects to be awarded under call for proposals, 4 contracts under framework contracts (EDEN evaluation, awareness raising & promotion campaign), 3 events (Digital Tourism Network meetings; European Tourism Forum)

4. Consumer goods

2014: n/a

2015: 10 projects under the call for proposals consumer-based goods (published twice)

2016: 150 partnerships under the call for tender WORTH

2017: 40 start-ups under call for proposals European Incubation Networks for Creativity-driven Innovation

2018: 30 partnerships under call for tender ‘Light industries innovation and technology project

2019: Planned: 40 partnerships under the call ‘Accelerate and scale-up innovation applications for a sustainable and circular fashion industry’

**Specific Objective 2: to promote entrepreneurship and entrepreneurial culture**

**Performance**

The Erasmus for Young Entrepreneurs mobility scheme (launched in 2009 as a pilot action, and continued under the COSME programme) has provided a solid focus for acquisition of entrepreneurial skills and exchange of experience throughout Europe. Over 25,000 registrations have been received in the scheme with 61 % of those declared as new entrepreneurs, wishing to take part. Over 8,000 exchanges have taken place, covering a wide range of business sectors.

However, the scale of the activities within the mobility scheme has imposed limits to its growth.

Measuring results within other actions is challenging as surveys and projects do not necessarily provide breakdown of interest groups.

**Indicator 1:** Number of Member States implementing entrepreneurship solutions based on good practice identified through the programme

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010	Milestones foreseen							2020
22				25			28	All MSs
	Actual results							
	28	28	28	28	28	28	28	

Comment: All EU Member States have specific measures in place to increase the number of entrepreneurs and new companies, with most also having a strong focus on entrepreneurial education for both teachers and students. During 2018-Q1/2019, over 60 policy measures were adopted/implemented under the entrepreneurship principle. This is a lower level of policy activity compared with the previous reference period (2017-Q1/2018). As in previous years, most of the measures aimed to promote an entrepreneurial mind-set.

**Indicator 2:** Number of Member States implementing entrepreneurship solutions targeting potential, young, new and female entrepreneurs, as well as other specific target groups

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
12 Member States in the European Network of Mentors for Women Entrepreneurs 6 Member States and 2 regions have a specific strategy for Entrepreneurship Education 10 Member States have incorporated national objectives related to entrepreneurship education in broader lifelong learning strategies and in 8 Member States entrepreneurship strategies are currently under discussion		New data on entrepreneurship education anticipated in 2015		12 MS implementing new initiatives in this area (potential, young, new and female entrepreneurs)			Marked increase in number of Member States	Marked increase in number of Member States
Actual results								

Comment: 2015: Member States (MS) and 1 region have a specific strategy for Entrepreneurship Education

14 MS and 2 regions have national objectives related to entrepreneurship education in a broader strategy

2 MS have a specific strategy in development

All MS implement specific actions for women entrepreneurs. Croatia has a national strategy for women entrepreneurship.

The Women Entrepreneurship network (WES) is a policy network from national government or agencies working on women entrepreneurship and includes the 28 EU MS plus 3 COSME countries.

All MS will join the European e-platform that the Commission is currently preparing by providing links to national/ regional one stop shops to assist women to start-up and grow their enterprises as well as to mentor and network.

18 MS took part at the European Network of Female Entrepreneurship Ambassadors plus 4 COSME associated European countries

12 MS took part at the European Network of Mentors for Women Entrepreneurs plus 5 COSME associated European countries

2016: 6 COSME countries and 4 regions have a specific strategy for Entrepreneurship Education while 18 countries/regions have a broader strategy that is related to entrepreneurship education. All MS join the European e-platform for women entrepreneurs that the Commission launched in 2016, providing links to national/ regional one stop shops to assist women to start-up and grow their enterprises as well as to mentor and network.

The new EU Women Business Angels Network covers 14 MS.

2017: Data on entrepreneurship education and on women entrepreneurship for 2016 remain valid

In addition, 11 MS participate in projects to improve and extend support programmes for migrant entrepreneurs

2018: Data on entrepreneurship education and on women entrepreneurship for 2016 remain valid

12 MS participated in projects on migrants entrepreneurs.

The main focus of EU action in entrepreneurship is on support to entrepreneurship education, as this is one of the areas showing the best return on investment and on Erasmus for Young Entrepreneurs (EYE). This programme gives new entrepreneurs know-how on starting and running a business through exchanges with experienced entrepreneurs in another Member State. It offers a unique opportunity for cross-border mobility with the goal of strengthening the business skills and knowledge of both new and experienced entrepreneurs. EYE has been evaluated positively in 2014 and is now being ramped up.

2019: Data on entrepreneurship education and on women entrepreneurship from 2016 remain valid & data on migrants entrepreneurs from 2018 remain valid.

**Expenditure related outputs**

		Number	EUR million
Studies, campaigns, events	02 02 01		
Number of exchanges	02 02 01		
<b>Total</b>			

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014(*)	2015	2016	2017	2018	2019	2020
1.Studies,campaigns, events	F	6	10	11	11	12	12	12
	P	17	10	11	6			
2.Number of exchanges	F	663	800	1241	1398	1635	1806	1993
	P					1422+746		

\* currently there has been an overall total of 8300 exchanges. Cycle 9 (implemented between 1/2/2017-31/1/2019) has delivered 2844 exchanges, cycle 10 (running from 1/2/2018-31/1/2020) has delivered 1584 matches. Cycle 11 (running from 1/2/2019-31/1/2022) has delivered 2078 out of 5643 planned matches. Cycle 12 is running from 1/2/2020-31/12/2023 with 1969 matches planned.

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

**Performance**

The COSME financial instruments continued to improve access to finance for SMEs.

As of 31 December 2019, the COSME Loan Guarantee Facility as enhanced by the European Fund for Strategic Investments provided more than 553,000 SMEs with almost EUR 32 billion financial support. These two indicators surpassed already in 2018 the initially foreseen long-term targets for 2020. Some of the drivers behind that performance were:

Even though overall access to finance concerns eased on average in Europe, access to finance remained a major concern for SMEs in a number of Member States, and continued to be a challenge especially for those viable businesses that were considered more risky by potential lenders, such as very small businesses and start-ups.

The market demand for the COSME Loan Guarantee Facility continued to be high and the European Investment Fund signed a number of transactions in jurisdictions previously not covered.

As of 31 December 2019, the funds supported by the COSME Equity Facility for Growth had invested EUR 660 million into more than 100 companies. More than EUR 400 million – from those EUR 660 million – was invested in more than 50 SMEs in their growth and expansion stage out of those 100 companies. The latter two indicators (EUR 400 million and 50 SMEs) were below the initially foreseen long-term targets for 2020. Some of the drivers behind that performance were:

- Signing agreements for the COSME Equity Facility for Growth continued to take longer, as equity entails more complex due diligence and fund-raising processes.
- The COSME Equity Facility for Growth prioritised funds focused on investments in COSME third countries participating in the programme. These third countries cannot be supported under the SME window of the European Fund for Strategic Investments, however, demand from these jurisdictions continues to be limited.

In 2019, the European Court of Auditors published its special report on the implementation of EU centrally managed venture capital instruments (17/2019). The audit encompassed all EU equity financial instruments initiated over the past 20 years. The COSME Equity Facility for Growth was also part of the scope of that performance audit. The European Court of Auditors made a number of recommendations for the Commission to improve the added-value of EU interventions in the venture capital market.

Based on lessons learned from that audit and also other assessments highlighted in the Programme Statements of operational expenditure for the financial year 2020 (COM(2019)400-June 2019), the Commission proposed to set up one single programme (InvestEU Programme 2021-2027) establishing one single fund (InvestEU Fund). It builds on the successful model of the European Fund for Strategic Investments. The InvestEU would ensure a streamlined approach towards the management and reporting on financial instruments/budgetary guarantees. Under the InvestEU fund, financial products catering towards the Commission’s policy priorities, including the financing of SMEs, will be established.

Indicator 1: Number of firms benefiting from debt financing								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
Expressed in volume: Loan Guarantee Facility: 16.1	Actual results							14.3 to 21.5
		1.3	5.5	12.8	22.9	31.7		

2013	Milestones foreseen							2020
Expressed in numbers: Loan Guarantee Facility: 312 000							220 000 to 330 000	220 000 to 330 000
	Actual results							
		53 433	143 344	274 964	414 739	553 925		

Methodology: The European Investment Fund collects the data from the financial intermediaries and transmits it in aggregated format to the Commission.

Narrative: See Programme Statement 2021

Comment: The data for the baseline is based on the latest EIF quarterly report as of 31 December 2013 for the SME Guarantee Facility (SMEG) under the 2007-2013 Competitiveness and Innovation Programme (CIP).

No results were available for 2014, because the COSME Delegation Agreement was signed on 22/07/2014 and the Call for expression of interest was published on 04/08/2014.

The result data for 2015-2019 is based on the latest European Investment Fund (EIF) quarterly operational report for the COSME Loan Guarantee Facility as of 31 December for the respective reporting year.

Source: The European Investment Fund

Unit of measure: billion EUR and number of SMEs financed respectively

Indicator 2: Number of venture capital investments from the COSME programme and overall volume invested								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
COSME Equity Facility for Growth: 2.80							2.60 to 3.90	2.60 to 3.90
	Actual results							
			0.06	0.20	0.30	0.40		
2013	Milestones foreseen							2020
SMEs financed COSME Equity Facility for Growth: 334							360 to 540	360 to 540
	Actual results							
			12	28	38	51		

Methodology: The European Investment Fund collects the data from the financial intermediaries and transmits it in aggregated format to the Commission.

Narrative: See Programme Statement 2021

Comment: The data for the baseline is based on the latest EIF quarterly report as of 31 December 2013 for the High Growth and Innovative SME Facility (GIF) under the 2007-2013 Competitiveness and Innovation Programme (CIP). No results were available for 2014 and 2015 because the COSME Delegation Agreement was signed on 22/07/2014, the call for expression of interest was published on 04/08/2014 and the first fund agreements were signed end of 2015.

The result data for 2016-2019 is based on the latest European Investment Fund (EIF) quarterly operational report for the COSME Equity Facility for Growth as of 31 December of the respective reporting year.

Source: The European Investment Fund

Unit of measure: Equity Facility for Growth: EUR Billion

SMEs financed: Natural numbers

Indicator 3: Leverage ratio								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Leverage COSME Loan Guarantee Facility: 1:32							1:20 – 1:30	1:20 – 1:30
	Actual results							
			1:9	1:15	1:18	1:20		
2012	Milestones foreseen							2020
Leverage COSME Equity Facility for Growth: 1:6.7							1:4 -1:6	1:4 -1:6
	Actual results							
			1:0.4	1:0.5	1:1	1:1.1		

Methodology: The European Investment Fund collects the data from the financial intermediaries and transmits it in aggregated format to the Commission.

Narrative: See Programme Statement 2021

Comment: Loan Guarantee Facility: No results were available for 2014 and 2015, because the COSME Delegation Agreement was signed on 22/07/2014 and the call for expression of interest was published on 04/08/2014. The result data for 2016-2019 is based on the latest European Investment Fund (EIF) quarterly operational report for the COSME Loan Guarantee Facility as of 31 December for 2016, 2017, 2018 and 2019. The result data is the expected actual leverage. It is the actual amount of financing made available to SMEs divided by the total amount of guarantee agreements signed. However, the total amount of guarantee agreements signed is higher than the total EU Contribution Committed,

because the latter is increased by the actual European Fund for Strategic Investments exposure (the enhancement of the COSME Loan Guarantee Facility backed by the European Fund for Strategic Investments).

Equity Facility for Growth: Target from the legal basis: EUR 1 from the Union budget will result in EUR 4-6 in equity investments over the lifetime of the COSME programme. No results were available for 2014 and 2015, because the COSME Delegation Agreement was signed on 22/07/2014, the call for expression of interest was published on 04/08/2014 and the first fund agreements were signed end of 2015. The result data for 2016-2019 is based on the latest European Investment Fund quarterly operational report for COSME Equity Facility for Growth as of 31 December for 2016, 2017, 2018 and 2019. The result data is the achieved leverage. It is the actual amount invested into eligible final recipients divided by the total EU Contribution Committed towards the Equity Facility for Growth.

Source: The European Investment Fund

Unit of measure: Natural numbers

Indicator 4: Additionality of the EFG and LGF								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Additionality COSME Loan Guarantee Facility: 64 %							Increase share	Increase share
	Actual results							
			63 %					
2012	Milestones foreseen							2020
Equity Facility for Growth and GIF: 62 %							Increase share	Increase share
	Actual results							

Methodology: Contractor performed anonymised survey with some of the final recipients within the mid-term evaluation.

Narrative: See Programme Statement 2021

Target for both sub-indicators: Increase in the share of final beneficiaries that consider the Equity Facility for Growth or the Loan Guarantee Facility to provide funding that could not have been obtained by other means compared to baseline.

Comment: COSME additionally will be measured in the context of the COSME final evaluation.

Source for 2016: COSME mid-term evaluation (December 2017)

Unit of measure: Percentage

**Expenditure related outputs**

Outputs	Budget line	Budget 2020						
		Number	EUR million*					
No. of SME beneficiaries (loan guarantees)	02 02 02							
Loan volume (EUR million)								
No. of SME beneficiaries (equity)	02 02 02							
EUR million leveraged (equity)								
<b>Total</b>								
Outputs	Cumulative number of outputs foreseen (F) <sup>(14)</sup> and produced (P)							
	2014(*)	2015	2016	2017	2018	2019	2020	
1.No. of SME beneficiaries (loan guarantees)	F	25,905	51,952	78,136	106,501	139,198	176,195	220,649
	P	0	53,433	143,344	274,964	414,739	553,925	
Loan volume (EUR million)	F	1,684	3,377	5,079	6,923	9,048	11,453	14,342
	P	0	1,292	5,547	12,802	22,862	31,747	
No. of SME beneficiaries (equity)	F	42	85	128	175	228	289	362
	P	0	0	12	28	38	51	
EUR million leveraged (equity)	F	311	623	938	1,278	1,670	2,114	2,648
	P	0	0	64	157	300	403	

(\*)The 2014 financial year focused on a smooth transition between the financial instruments under the former Competitiveness and Innovation Programme (CIP) and the COSME programme. Financial instruments under the former CIP demonstrated their European added value over 2007-2013.

**Specific Objective 4: to improve access to markets, particularly inside the Union but also at global level**

**Performance**

(14) The cumulative numbers related to ‘outputs foreseen’ are computed on the basis of the adopted 2014-2020 MFF figures for BL 02.0202, with an allocation of 52 % towards the LGF and 48 % towards the EFG, in accordance with the legislative financial statement accompanying the Commission proposal for the establishment of the COSME programme.

The Enterprise Europe Network currently provides support services to 250,000 SMEs annually <sup>(15)</sup>. The partnership results have continually exceeded the target since the start of the programme, and it also has 16.2 million SMEs using digital services (such as the electronic information services). The network also provides advice on international growth and targeted support. The Enterprise Europe Network is also present in 27 third countries through Business Cooperation Centres to facilitate the access of European SMEs to international growth markets.

SME Policy Dialogues are carried out to share best practices and develop framework conditions, which are conducive for the development of small businesses. Actions to support SMEs protecting their intellectual property in international markets were continued through the SME IPR Help Desks (and will continue with the foreseen expansion to India).

The EU-Japan centre for industrial cooperation continues to provide a wide variety of activities including innovation, business services and training. Clusters go international calls are very successful, providing a way for clusters to work together across sectoral boundaries and exploit synergies, improve collaboration across borders and encouraging SMEs to internationalise.

However, as pointed out in the interim evaluation of the programme, fragmentation of actions and limited budget has an impact on further growth of successful actions.

**Indicator 1: International Industrial Cooperation – Number of cases of improved alignment between Union and third countries’ regulations for industrial products**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
2			Regulatory cooperation with 3 of our main trading partners (China, Japan and USA) an average than 2 relevant areas of significant alignment of technical regulations.	3 relevant areas	More than 4 relevant areas		4	4
	Actual results							

Narrative: Baseline: It is estimated that in regulatory cooperation 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

Comment: The indicator ‘Number of cases of improved alignment between Union and third countries’ regulations for industrial products’ should be measured with caution as we cannot require a third country – US, Japan, China, Canada – to align with our EU technical regulations. Actually, neither party can impose its system on the other. What we do with some of these countries is to have a regulatory cooperation/dialogue in view of seeking more convergence or compatibility in technical regulations and conformity assessment procedures. With respect to standards we promote greater acceptance of international standards.

Thus when it comes to specific results requested by the indicator there are not any specific achievements. Regulatory cooperation with trade partners have been more relevant with China, Taiwan, Japan.

In the case of Japan, our regulatory dialogues have contributed, in addition to previous sectors such as automotive, medical devices, cosmetics and chemicals to further alignment of technical regulations in the sector of robots and regulations related to the circular economy. In the case of China regulatory dialogues have been conducted to progress on the areas of industrial policy, conformity assessment, standardisation, motor vehicles’ safety and emissions, pressure equipment, medical devices, cosmetics, SME policy, raw materials, energy efficiency and emissions reduction in industry, tourism and public procurement. We also have an industrial dialogue with Taiwan, covering digitalisation of industry /ICT, circular economy, SMEs internationalisation and cluster cooperation since 2015.

Unit of measure: Relevant areas of significant alignment of technical regulations

**Indicator 2: Enterprise Europe Network – Number of partnership agreements signed**

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
2 295				7500 in three years			2500/per year	2 500
	Actual results							
	2 636	2 924	2 924	2 397	2 611	2 722		

Methodology: Encoding partnership agreements in EASME database

Narrative: 2012: 2 475

Target: 2 500 per year

Source: EEN final reports submitted by the 92 consortia that have signed a framework partnership agreement

Unit of measure: Number of SMEs per year

**Indicator 3: Enterprise Europe Network – Recognition of the Network amongst SME population**

<sup>(15)</sup> The Network has reduced administrative burden by only reporting on high value added services, therefore the total number of information services provided would be higher.



Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2015-2016	Milestones foreseen							2020
		Milestone to be determined once baseline has been set in 2015-2016					Increase in the recognition of the Network amongst SME population compared to baseline.	Increase in the recognition of the Network amongst SME population compared to baseline.
	Actual results							
		0	0					

Unit of measure: Percentage of SMEs

**Indicator 4:** Enterprise Europe Network – Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service provided by the Network)

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
86 %				80 %			> 82 %	> 82 %
	Actual results							
				86 %		88 %		

Availability of Data: Surveys are organized every 2-3 years only.

Source: Survey amongst SMEs that received EEN services

Unit of measure: Percentage of SMEs who rated services as Good/Very good

**Indicator 5:** Enterprise Europe Network – Number of SMEs receiving support services

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2020
435 700							500 000/year (original calculation method) 275 000/year (revised calculation method)	500 000/year (original calculation method) 275 000/year (revised calculation method)
	Actual results							
	522 725	254 057	254 057	226 908		250 000		

Methodology: The revised calculation method follows the Network request to reduce the administrative burden, and asks the Network to report on high-value-added services only. Network partners keep on providing information services to large numbers of SME clients, but no longer need to record them.

Narrative: 2012: 490 000, 2011: 435 000

Availability of Data: Numbers for 2018 are not available yet because of the final reports are still to be received and processed, however it is expected that about 250.000 SMEs received support in 2018. The result is lower than the originally target value because of a new method for calculating this indicator (and not because of lower service level from the Network).

Source: EEN final reports submitted by the 92 consortia that have signed a framework partnership agreement; final numbers for 2019 to be received when final reports are received and evaluated by EASME (May 2020)

Unit of measure: Number of SMEs

**Indicator 6:** Enterprise Europe Network – Number of SMEs using digital services (including electronic information services) provided by the Network

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
2.0				2.2			2.3	2.3
	Actual results							
		10.5	15.5	16.2		8.4		

Methodology: Encoding partnership agreements in EASME database.

Source: EEN final reports submitted by the 92 consortia that have signed a framework partnership agreement; final numbers for 2019 to be received when final reports are received and evaluated by EASME (May 2020)

Unit of measure: Number of SMEs

**Expenditure related outputs**

Outputs	Budget line	Budget 2020	
		Number	EUR million
Enterprise Europe Network – Partnership proposals	02 02 01	6671	-
Enterprise Europe Network – SMEs receiving support services (per 1000 SMEs)	02 02 01	230	54.5*
SME business support in markets outside the EU – Studies	02 02 01		
SME business support in markets outside the EU – SME centres; SME helpdesks	02 02 01		
SME business support in markets outside the EU – Platforms, events, promotion activities	02 02 01		
International Industrial Cooperation –Workshops, meetings	02 02 01		
<b>Total</b>			

\*Total amount of EEN grants for 2020

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014(*)	2015	2016	2017	2018	2019	2020
1.Enterprise Europe Network – Partnership proposals	F	5 697	5 793	5 901	6 041	6 122	6 337	6 576
	P	9169	7500	7750	6672	6 302	6671	
2.Enterprise Europe Network – SMEs receiving support services (per 1000 SMEs)	F	403	250	250	260	265	270	275
	P	522	254	254	255	227	230	
3.SME business support in markets outside the EU – Studies	F	10	12	15	14	15	18	20
	P	11						
4.SME business support in markets outside the EU – SME centres; SME helpdesks	F	5	6	7	9	10	12	14
	P	5						
6.International Industrial Cooperation – Workshops, meetings	F	5	8	8	9	7	7	7
	P	6	7	7	7			

The actual final numbers for 2019 for the EEN will become available with the final reporting in April 2020.

#### 4. Contribution to Europe 2020 Strategy and mainstreaming of policies

##### Contribution to Europe 2020 headline targets

##### Table Contribution to Europe 2020 headline targets

75 % of the population aged 20-64 should be employed
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##### Contribution to mainstreaming of climate action

##### Relevant objective/output

Relevant objective/output	Budget 2019	Budget 2020
Equity facility for Growth	10,5	11,5
Enterprise Europe network	15,0	15,0
<b>Total</b>	<b>25,5</b>	<b>26,5</b>

##### Programming climate action

2014-2018					2019-2020 estimates		Total
2014	2015	2016	2017	2018	2019	2020	
21,2	21,6	21,1	23,9	23,8	25,5	26,5	163,6

(\*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

##### Justification

##### Contribution to mainstreaming

As of 31 December 2019, COSME Equity Facility for Growth has invested EUR 6.7 million in a Venture Capital fund focusing its activities on clean technologies

[[https://www.eif.org/what\\_we\\_do/equity/single\\_eu\\_equity\\_instrument/cosme\\_efg/intermediaries.pdf](https://www.eif.org/what_we_do/equity/single_eu_equity_instrument/cosme_efg/intermediaries.pdf)].

Overall, the COSME Equity Facility for Growth has facilitated EUR 19 million of investments in SMEs operating in the ‘Energy and Environment’ sector [[https://www.eif.org/what\\_we\\_do/equity/single\\_eu\\_equity\\_instrument/cosme\\_efg/cosme-efg-implementation-update.pdf](https://www.eif.org/what_we_do/equity/single_eu_equity_instrument/cosme_efg/cosme-efg-implementation-update.pdf)].

**Some examples:**

- Scale-up of intelligent energy efficiency services: [https://www.eif.org/what we do/guarantees/case-studies/efsi-cosme-energus-lithuania.htm](https://www.eif.org/what_we_do/guarantees/case-studies/efsi-cosme-energus-lithuania.htm)
- energy-efficiency: [https://www.eif.org/what we do/guarantees/case-studies/efsi-cosme-bul-greece.htm](https://www.eif.org/what_we_do/guarantees/case-studies/efsi-cosme-bul-greece.htm)
- energy efficiency sustainability: [https://www.eif.org/what we do/guarantees/case-studies/cosme\\_sonnen\\_germany.htm](https://www.eif.org/what_we_do/guarantees/case-studies/cosme_sonnen_germany.htm)

**Gender mainstreaming**

While no specific objective/target is available in the COSME legal basis, COSME actions take the gender dimension into account. For example, this dimension is tracked in the biannual analyses carried out by the European Investment Fund. The latest analyses demonstrate that as of 2018 (i) almost every 4 out of 10 SMEs – that have received a debt financial support thanks to the COSME Loan Guarantee Facility – have either female Chief Executive Officer, General Manager or Company Director and (ii) every 2 out of 10 SMEs – that received an equity investment thanks to the COSME Equity Facility for Growth – have at least one female in an executive position.

Concerning Erasmus for Young Entrepreneurs, the programme is open equally to men and women. The statistics for applicants shows that since the beginning of the programme:

–New entrepreneurs – 50.49 % of applied NEs are women (49.51 % men)

–Host Entrepreneurs – 27.22 % of applied HEs are women (72.78 men).

Out of 175 active Intermediary organisations (IO), 4 IOs have specific focus on support of women Entrepreneurs.

COSME also supports women entrepreneurs with specific entrepreneurship activities, for example via the WeGate project.

**5. Programme contribution to the Sustainable Development Goals*****SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all***

Continuing work to encourage entrepreneurship, provide mentoring and best practice review. Support to the Single Market Strategy and the Single Digital Gateway. Social economy projects work to strengthen the links between traditional and social economy enterprises.

***SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation***

Examples of projects include those improving digital skills, facilitating public procurement of innovation and the co-financing by innovation consortia. Other projects aim to accelerate the take up of sustainable and innovative applications in industry (in 2019 the focus will be on the fashion industry), and results of the previous WORTH partnership projects continue to provide impetus to new applicants <sup>(16)</sup>. The programme also continues to provide targeting financing for SMEs, and work on Cluster partnerships.

The Enterprise Europe Network advisors have long and rich history in helping SMEs increase their competitiveness and create growth and jobs in a wide range of sectors of activities. As an example, the EEN runs 17 sector groups that organize business matchmaking and R&I partnering events. This is in particular the case for the sector groups on sustainable construction, intelligent energy and environmental technologies. EEN advisors provide innovation management capacity assessments and guidance for about 4.000 SMEs per year. In addition, EEN helps SMEs obtain financing. With regards to the future, the EEN plans to put sustainability advisors in place to help SMEs exploit the opportunities or face the challenges of the Single Digital Gateway.

**6. Information about financial instrument(s) and trust fund(s) financed by the Programme**

Financial Instruments (trust funds n/a)

[https://ec.europa.eu/growth/access-to-finance/cosme-financial-instruments\\_en](https://ec.europa.eu/growth/access-to-finance/cosme-financial-instruments_en)

<sup>(16)</sup> <https://www.worthproject.eu/zero-waste-productsnew-copy/>