

PRESS RELEASE**EUROCHAMBRES thumbs up EC Communication on financing growth support for SMEs, but...**

EUROCHAMBRES welcomes the Communication issued by the European Commission today, facilitating access to growth finance for European SMEs by encouraging the creation of a single market for venture capital.

Arnaldo Abruzzini, Secretary General of EUROCHAMBRES, said: *“Developing a single market for venture capital will make investment in European risk capital markets more attractive and will open more channels for finance.”*

Currently, raising venture capital funds and investing across Europe is made difficult by 25 different sets of operating conditions. Improved access to finance for SMEs can only be achieved with a broad based policy approach that tackles also the legal, regulatory and tax framework in the Member States.

However, EUROCHAMBRES urges the Commission to take into account the following points:

- The Commission should not divert its attention from the importance of **traditional bank lending forms**. Loan guarantees can have a large effect on lending to SMEs. This is especially true for financial instruments such as the CIP and JEREMIE programme. While it is true that Europe has too few ‘business angels’ and has an undeveloped risk capital market, in continental Europe there is an entrepreneurial culture that does not accept too much influence on business management;
- EUROCHAMBRES would like to see more **tax incentives** for raising the equity percentage in the company’s balance sheets;
- Finally, European Chambers underline the gravity of obstacles faced by their member companies when investing across borders. That’s why EUROCHAMBRES supports the Commission’s efforts to implement the principle of **mutual recognition** here, as outlined in the communication on home state taxation.

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