

EU Budget Summit: safeguard growth actions

As rumours circulate that the 2014-20 draft EU Budget could be slashed by member states at the 22-23 November Summit, EUROCHAMBRES is alarmed that the programmes for innovation, education & training and small & medium enterprises (SMEs) may be vulnerable. EUROCHAMBRES thus urges Heads of State to safeguard three programmes that it considers key instruments for economic growth: Horizon 2020, Erasmus for All and COSME.

1. **Horizon 2020:** high growth SMEs often do not have a dedicated R&D strategy or resources. The demand-driven, innovation-focused approach of Horizon 2020's SME Instrument is well suited to this important group and would help a wide range of smaller businesses to access tailored research and capitalise on market opportunities. The budget allocated to Horizon 2020 must remain at 80 billion euro and 20% of this should be dedicated to the SME Instrument.
2. **Erasmus for All:** the annual cost to the EU of its almost 14 million NEETs (young people who are not in education, employment or training) is over 153,000 billion euro, or 1,21% of the EU's GDP*. This figure, significantly more than the entire EU Budget package, highlights the value of a strong EU education and training programme. Chambers thus insist that Erasmus for All's 19 billion euro is maintained, with a significant proportion allocated to improving skills through vocational training.
3. **COSME (Programme for the Competitiveness of Enterprises and SMEs):** SMEs represent 98% of EU businesses and are the main source of growth and jobs. It is therefore unacceptable that the programme proposed to provide much needed support for SMEs' access to finance and markets, to reduce their regulatory burdens and stimulate entrepreneurship represents merely 0.2% of the total EU Budget. This should be increased considerably.

"Heads of State must resist the temptation for political posturing over the EU Budget and instead focus on better spending. In the current economic climate, it's imperative that every euro of public money is spent smartly and contributes to the pursuit of growth and jobs. This includes strong EU actions to stimulate innovation, enhance skills and improve conditions for SMEs," said Arnaldo Abruzzini, Secretary General of EUROCHAMBRES.

*Eurostat data.

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