SME Visions

[EU 2030]

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ACKNOWLEDGEMENTS

This **SME Visions [EU 2030] forward-looking process** is based on **the experience and visions of company directors**. **It would not have been possible without their involvement**.

We therefore thank **Mrs Fany Ruin, 1st Vice-President of CCI France, President of CCI Amiens-Picardie**, **Mr Michel Bossi, President of CCI Tarn** and **Mr Philippe Dutruc, President of CCI Les Deux-Sèvres** up to 2021. Prior to the survey, they allowed the process to benefit from the conclusions of the work carried out by **Task Force Europe** during the 2016-2021 CCI France mandate, under the **presidency of Pierre Goguet**.

Our thanks also go to the directors of all the SMEs who took the time to respond to the survey conducted in December 2021 on the challenges moving towards 2030.

These thanks also go to those directors who took their time to participate in the SME Visions [EU 2030] workshops, organised in January 2022 on the themes of market development, human resources, digitisation/innovation and ecological transition, and in additional telephone conversations.

Our thanks therefore go to:

Sylvie Salinié, President of Agiscom and Vice-President of the Seine-et-Marne CCI (Ile-de-France)

Created in 2006, **AGISCOM** is based in Quincy-Voisins in Seine-et-Marne. It employs over 150 people and has 6 sites in France. AGISCOM’s historic activity is telecommunication network management (copper, fibre optics). It also specialises in energy with the installation of “Linky” meters for ENEDIS in the field of gas. In 2018, it launched on the market for electric vehicle terminals.

Jean-Paul Mignard, Director and Founder, Axsol (Ile-de-France)

AXSOL, based in Trappes in the Yvelines, has specialised in devices for persons of reduced mobility (ramps, stair lifts, wheelchairs, commode chairs, evacuation chairs, etc.) for over 10 years. It has 15 employees. In 2021, it acquired a business from its defaulting British supplier and relocated the production of fibre glass access ramps to its Trappes site.

Florian Cortes, Chief Technical Officer, BIO-UV Group (Occitanie)

BIO-UV Group is a French designer and manufacturer of water treatment devices using ultraviolet, Ozone and salt electrolysis. The group’s technical solutions address the water treatment problems of the private spa and swimming pool market, public swimming pools, aquaculture and aquariums as well as the reuse of waste water, purification or industrial process water and fountains. Since 2011, the company has also marketed ballast water treatment systems and has thus become the only French company to benefit from dual international certification (IMO & USCG). The BIO-SEA ballast water treatment systems combines mechanical filtration and high UV dose disinfection, without any chemical treatment, manufactured with high quality marine components. BIO-UV Group has been listed for trading on Euronext Growth since July 2018.

Olivier Remoissonnet, Chief Executive Officer, La Brosserie française (Hauts-de-France)

Based in Beauvais in the Oise since 1845, **LA BROSSERIE FRANCAISE** employs 30 people. It specialises in the manufacturing of toothbrushes with its make Bioseptyl, labelled *Origine France Garantie* and *Entreprise du Patrimoine Vivant*. It is the only 100% French ecological toothbrush manufacturer, with expert know-how.

Delphine Kaufmann, Managing Director, Camping de la Verdière (Provence-Alpes-Côte d'Azur)

A 3-star camp site located in La Verdière, near the Verdon Gorges, in the Verdon Regional Natural Park, an extraordinary natural site, in the Haut Var and very close to the Alpes de Haute Provence. This camp site has a swimming pool, tennis courts, boules pitch, table tennis and a children's playground: 38 well appointed spaces over 2 hectares right in the middle of nature.

Philippe Coignat, Head of Exports, Les Celliers Associés (Bretagne)

Created in 1953, the **Cooperative LES CELLIERS ASSOCIES** based in Pleudihen-sur-Rance in the Côtes d'Armor, is one of the major cider and cider apple juice operators in France. The Val de Rance ciders are found in most crêperies, in big chain stores, restaurants and in bakeries and cake shops. The Cooperative includes 355 member producers and the cidery has a team of 120 full-time employees. Approximately 20% of the turnover is made in exports.

Emmanuel Brugger, Chief Executive Officer, Cristel (Bourgogne-Franche-Comté)

Located in Fesches-Le-Châtel in the Nord Franche-Comté in a historic site dating back to 1826, the family company **CRISTEL** is the number one French manufacturer of top-of-the-range culinary items (pots, pans, kitchen equipment). The company, which has 100 employees, is labelled "*Entreprise du Patrimoine Vivant*" and "*Origine France Garantie*".

Ludovic Toledo, Chief Executive Officer, Dedienne Santé (Occitanie)

DEDIENNE SANTÉ, based in Mauguio in the Hérault, is a company of the French group MENIX. It was created in 1986 under the name SOCIETE MEDICAL EQUIPEMENT and changed its name to DEDIENNE SANTÉ in 2000. It specialises in the design, manufacture and marketing in its own name of orthopaedic implants. The company's lead products are its hip prostheses and its implants for sport-related surgery.

Alain Auger, CEO, Dieau Edafim (Auvergne-Rhône-Alpes)

Based in Ardèche and just about to take possession of its new Livron factory (Drôme), **DIEAU-EDAFIM** specialises in the manufacture of water fountains for all types of professional environments in France. It employs 40 people.

Elsa Lomont, Co-founder and Director of Ethikis ad Civis (Occitanie)

Created in 2017 and based in Toulouse in Haute-Garonne, **ETHIKIS AD CIVIS** is a cooperative and participative company whose object is to promote, by all means, ethics in the domains of consumption and uses. It developed the LONGTIME® label, a tool designed to inform consumers clearly on the longevity, the robustness and the reparability of manufactured products, and has been in operation since October 2019.

Pierre-Emmanuel Casanova, Co-founder, Hysilabs (Provence-Alpes-Côte d'Azur)

Created in 2015 and based in Aix-en-Provence in the Bouches du-Rhône, **HYSILABS** facilitates the transportation and storage of hydrogen thanks to its liquid vector which is unique in the world. In 2022, it employs 15 people.

Sami Lallahem, President, Ixsane (Hauts-de-France)

Created in 2008, **IXSANE** is a technological transfer and research company in the field of urban and environmental engineering based in Villeneuve d'Ascq in the North and Montesson in the Parisian region, which has 20 employees. It specialises in the fields of water and sanitation, contaminated sites and soil, sustainable development and the circular economy.

Gérard Tétu, CEO, Kleuster (Auvergne-Rhône-Alpes)

Created in 2012, **KLEUSTER**, based in Vénissieux in the Rhône, is part of the JEAN LAIN AUTOMOBILE group. It designs, develops and manufactures electrically-assisted cargo bikes (last mile delivery, catering, urban cleanliness, upkeep of green areas, etc.).

Stefan Kirstetter, CEO, Malengé (Hauts-de-France)

Created in 1908, **MALENGE**, based in Flers-en-Escrebieux in the North, specialises in the production of flexible packaging using various printed mediums (plastic, paper, aluminium, etc.). It has 22 employees.

Bertrand Lenoir, CEO, NA Wave (Nouvelle-Aquitaine)

NA WAVE, based in Brive-la-Gaillarde in Corrèze, is a group created in 2019, which represents 40 jobs and is comprised of two companies with complementary activities, INOVEOS and PRÂNA. NA WAVE offers electronic and hyperfrequency solutions: hyperfrequency systems and components, printed circuit prototyping solutions, RF amplifiers and broad band hyperfrequencies.

Marine Laville, President, Novaptech (Nouvelle-Aquitaine)

A biotechnology company based in Pessac and Bordeaux in Gironde, created in 2016 from over 20 years' expertise in a large French academic laboratory in the field of aptamers, **NOVAPTECH** is a world recognised expert in the development of aptamers. These molecules, also called synthetic antibodies, are fragments of DNA, RNA or modified RNA, targeting proteins, peptides, cells, small molecules, toxins and bacteria. Their applications concern the development of new therapies, in addition to new diagnostic and analytical tools. NOVAPTECH works in close collaboration with industrialists in the pharmaceutical, cosmetic, agro-food and environmental sectors. The Research and Development activities carried out by NOVAPTECH aim at developing biosensors in order to detect pesticides and endocrine disrupters in food raw materials and water.

Sébastien Cauquot, Deputy Director General, Orfix (Nouvelle-Aquitaine)

ORFIX France, whose registered office is based in Meymac in Corrèze, manufactures and sells a wide range of products for the automatic processing of fiduciary and book-money values (one of Orfix's main specialities since 1950). Thanks to its reactivity, flexibility and location, ORFIX France is also a fine logistics hub. The ORFIX group owns production and distribution companies in Germany, France, Italy, Poland, Russia and Serbia.

Julien Amacher, COO, Oxibox (Ile-de-France)

Founded in 2014 and based in Saint-Quentin-en-Yvelines and Toulouse, **OXIBOX** is a start-up of 16 people offering cybersecurity solutions in terms of smart back-ups, continuity of business, cloud orchestration and cyber-resilience. It has developed full vertical expertise, from collecting data to their quick restore, including their secure storage, allowing its clients to comply immediately with ANSSI requirements.

Sébastien Porquet, CEO, Le Saltimbanque / Auberge du Moulin (Hauts-de-France)

Based in Eaucourt-sur-Somme in the Somme, **LE SALTIMBANQUE** is a gastronomic restaurant with a panoramic view of the Somme valley at the foot of the Moulin Guidon. The establishment also offers guest rooms for gourmands.

Armel Segretain, Managing Director, Sanisphère (Auvergne-Rhône-Alpes)

A company created in 1991 and based in Nyons in the Drôme, **SANISPHERE** is the national number one in the manufacture and installation of large capacity outdoor public ecological toilets. With innovative technology, they require neither water nor electricity. It has 20 employees.

Eric Fanio, Chairman & CEO, SEF Technologie (Occitanie)

Created in 1981, **SEF**, based in Labège in the Occitanie region, manufactures bobbins and electromagnets used in the manufacture of particle accelerators (synchrotrons, cyclotrons, linear accelerators) designed for Research and Industry. It has gained unique know-how in this high tech sector. Acquired at the start of 2020, SEF has set about developing its business (particularly in Europe and in the medical sector) and currently has 18 employees.

Guy Baret, R&D Manager, Selvert (Auvergne-Rhône-Alpes)

Created in 2012, **SELVERT**, based in Tullins in Isère, specialises in the design and production of biodegradable snow removal brine, natural weed-killer and PNPP (environmentally-friendly natural preparations authorised in organic farming for defined uses, fertilisers).

Luc Julien-Saint-Amand, Lawyer, Valoris (Grand Est)

Based in Strasbourg, Lyon, Paris and Geneva, **Valoris Avocats** has been a business law firm since 2014, which advises its clients, private and institutional players from industry, health and services, on legal, tax and company matters. It has recognised expertise in the international domain in general and Franco-German in particular.

Anouck Chapuzet-Varron, CEO, Vinea SAS (Nouvelle-Aquitaine)

The **VINEA** cooperage is an independent family structure created in 1994, based in Saint-Germain-de-Lusignan in Charente-Maritime, which has around twenty employees. It operates in the complex and specialised world of oak wood for wines and spirits: design, manufacture and sale of barrels and oenological wood products of high organoleptic quality.

Cyrille Viellard, President, VMC Pêche and Elected Member of the Territoire de Belfort CCI (Bourgogne-Franche-Comté)

VMC PECHE, a subsidiary of the company Viellard Migeon & Cie**,** a bicentennial family holding company, founded in 1796, and member of the Rapala VMC group, has been manufacturing hooks (it is the world's number one in the treble hook) in its Morvillars factory (Territoire de Belfort) for over 100 years**.** It has 130 employees and has subsidiaries in the United States and Indonesia. It has been labelled "Entreprise du Patrimoine Vivant" since 2010, the centenary year of hook production.

Our thanks also go to the CCIRs and the Enterprise Europe Network (EEN) correspondents from the regions of Auvergne-Rhône-Alpes, Bourgogne-Franche-Comté, Bretagne, Grand-Est, Hauts-de-France, Ile-de-France, Nouvelle-Aquitaine, Occitanie, Provence-Alpes-Côte d'Azur who allowed us to contact the companies who participated in the process.

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For more information on the SME Visions [EU 2030] process:
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KEY POINTS / RECOMMENDATIONS

- **There are many challenges along the way of their SMEs between now and 2030** for the directors who participated in the SME Visions [EU 2030] process. These challenges mainly relate to upcoming big changes - changes which no longer just concern the largest companies.

- The "horizon 2030" challenges which are **spontaneously expressed** by the SME directors come under the following themes:
  - First of all, **market development**, with the internationalisation dimension which is clearly present,
  - Then, **human resources**, with both recruitment problems and a change in competencies,
  - Then, almost at the same level, **ecological transition**,
  - Followed by **digitisation**,
  - And, finally, **innovation**,
  - With a concern for territorial equity which is expressed by several companies on certain subjects.

- Among the "prospective" challenges which were **proposed to the company directors** participating in SME Visions [EU 2030], those which they considered the most likely are:
  - "An **increased investment effort** will be necessary to deal with the requirements of **ecological transition**",
  - "The **cost of labour will be a handicap** in relation to some of your competitors outside the EU",
  - "A **move towards more upmarket products/services from emerging countries' companies** will be affirmed",
  - "**Energy consumption will have to be reduced**",
  - "**Cyber attacks** will be even more sophisticated",

- Overall, for most SMEs, there is the **stake of competitiveness** in a **changing competitive and societal environment** with ecological and digital transitions which are fully incorporated in the equation.

- These challenges, anticipated by the SME directors, are not seen only as bringing threats or risks with them. Some are also seen as **bringing opportunities**. The following are thus seen as bringing risks/threats and opportunities: ecological transition, regulation, E-commerce/services, digitisation of value chains, carbon border tax, etc.

- The SME directors have taken account of all these challenges in their entrepreneurial project. But they do nevertheless expect the public authorities to **help them on this path leading up to 2030**, ensuring firstly that **the economic and social environment that these latter generate is more favourable to the development of enterprises** and, secondly, that the **public policies take account of their SME realities**.

- These expectations of institutional players **are not restricted to direct support and financial aid**. They are broader, with a desire to take into account, from the early outset, factors which determine the challenges which SMEs expect to encounter.

- These expectations concerning the institutional environment **are not confined to European level**. Expectations of the State and all French players are also present, because the problem is, at law or in fact, at national level or because French specificities need to be taken into account in the implementation.

- **The European Union is nevertheless a clearly identified player**, whose role is perceived to be important. Asked about what the Union should be like by 2030, the **SME directors display a high level of ambition**:
  - **73%** want it to be a **large market with more harmonisation in legal, tax and social matters**. The SMEs expect a full realisation of the promise of the Single Market: to be able to sell their products directly on a large market of 450 million Europeans,
  - **69%** want **a stronger political union to better defend their interests in the world**,
  - **56%** want a **stronger political union to better cope with the economic and social challenges in its Member States**.

- Regarding the European Union, the expectations of SMEs translate into the **following recommendations, grouped by type of public intervention**.

  Recommendations related to major policies expected by SMEs

  ► **1. Achieve a European legislative framework favouring the reduction of wage cost differentials between all Member States.**

  ► **2. Promote exchanges within the EU allowing teachers to discover practices in countries where teaching is most open to the professional world.**

  ► **3. Strengthen the promotion of the Erasmus + programme for apprentices to companies, provide financing to strengthen the means of managing European mobility in the CFAs and deepen the mutual recognition of qualifications.**

  ► **4. Prevent European regulations on the status of employees of digital mobility platforms from generally complicating self-employment and from hampering legislative changes which should allow for the development of new working relationships.**

  ► **5. Fully integrate the need to respond also to the skills needs of companies in the implementation of the European Council recommendation on individual learning accounts.**

  ► **6. Relaunch and deepen the European Small Business Act process consisting of giving priorities to SMEs in defining public policies to reduce the administrative burden, improve access to markets and internationalisation and facilitate access to financing.**

  ► **7. Ensure that in certification equivalences for international trade, third countries are required to comply with the same requirements in terms of standards, so as not to penalise European SMEs for specific productions which are their strengths.**

► **8. Ensure that European companies benefit, in large third countries (the United States, China, Japan, South Korea, etc.), from the same level of consultation on policies for companies as that granted to foreign companies by European institutions and ensure that foreign companies do not dominate European standardisation work.**

The recommendations in terms of awareness-raising actions

► **9. Provide for European financing and mobilise the EU's means of communication to pursue and amplify digital transition awareness-raising campaigns, by fully incorporating the cybersecurity dimension.**

► **10. Mobilise European financing and the EU's means of communication to support the promotion of the products and services of virtuous SMEs in terms of sustainable development.**

► **11. Support initiatives aimed at assuring European leadership on the development of a voluntary standard on extra-financial reporting on environmental matters, ensuring that this is properly adjusted to the nature of SMEs.**

The recommendations to regulate less but better, by taking SMEs fully into account

► **12. Make the finalisation of the Single Market a priority, by harmonising or unifying what still has to be and by preventing national texts from creating new divergences.**

► **13. Make it a permanent imperative to simplify the legislative/regulatory framework, by rationalising the production of texts, banishing any national over-regulation and seizing all opportunities offered by digitisation. Certification procedures should also incorporate this imperative, particularly in view of limiting costs.**

► **14. Reduce the operating costs of eco-organisations through pooling, including at EU level when this is relevant, in order to reduce the burdens on businesses.**

► **15. Systematise and better structure SME consultation on draft European regulations, offer SME directors opportunities to express their expectations/specificities to legislators and regulatory decision-makers.**

The recommendations in terms of direct aid

► **16. Propose European calls for projects aimed at financing the action of networks of expertise on ecological transition, to carry out a first level of information/advice, or even audits prior to investment decisions.**

► **17. Mobilise European credits to increase the capacity for financial aid for investments in ecological transition, particularly for small projects and medium-sized projects carried out by VSEs-SMEs.**

► **18. Mobilise European credits from the "Digital Europe" programme to finance networks to support SMEs, outside the scope of EDIH (European Digital Innovation Hubs), in their appropriation of technologies and in the acquisition of advanced digital skills.**

► 19. Continue to adapt financial aid schemes for innovation to expand the population of SMEs that can benefit from them and allow the mobilisation of European funding to support non-disruptive innovation in VSEs-SMEs.

► 20. Mobilise financing to pursue open and cross-cutting coordination actions, allowing VSEs-SMEs to develop their network of potential partners to participate in innovation projects and to support these companies in forming partnerships.

► 21. Improve, for SMEs, accessibility to support services for setting up on foreign markets and develop pooling between the representations of Member States to release more means of support and contribute to the display of an " economic power" EU in third country markets.

Recommendation for the territorial dimension

► 22. Maintain financing capacities through European Regional Funds for land use planning policies, both to finance projects to correct the handicaps in terms of connection and professional attractiveness of the most isolated, least favoured territories and border areas and to support economic development policies and communication infrastructure projects in less favoured regions.

INTRODUCTION

The SME Visions [EU 2030] forward-looking process: why?

Life is never plain sailing for SMEs and there is no shortage of concerns for business leaders at the start of 2022. For many of these companies, a particularly high 5th wave of Covid has resulted in a strengthening of the health protocol. Customers were inclined to travel less. Absences have been frequent among employees, recruitment processes have become even more complex. At the same time, supply difficulties are still widely present, complicating the production process or causing customer dissatisfaction. In January 2022, even more than usual, the daily life of SME directors was punctuated by an adjustment of schedules, monitoring of cash and margins, looking for employees, following-up suppliers, the customer relationship, etc.

However, despite the imperatives of the short term, this period does not distract from the need to plan over longer term.

Firstly because in a few months, the feeling of having fallen into a new world prevailed. The risk of a global pandemic about which specialists were warning has become a reality, bringing public health and solidarity issues back to the fore and reminding us that many situations were reversible and that nothing is definitively certain. The Covid health crisis also highlighted major weaknesses in the global economy that ultimately impact everyone.

The post-Covid recovery, with the surge in the prices of oil, electricity, raw materials, components, makes it possible to measure the extent of the energy challenge, the weakness of the room for manoeuvre, even as the imperative of ecological transition is also becoming increasingly clear.

As for geopolitical news, this is also changing the global context, in a very similar way in Europe with the crisis and then the invasion of Ukraine. This conflict places our continent in a new situation of threat or brings us back to tensions that seemed to be a thing of the past. It also has economic consequences due to the energy shock and the sanctions that have been taken.

This short-term overrun is also con-substantial with the economic shock that has hit businesses with the health crisis. By achieving 7% growth in 2021, France is recording a particularly strong and rapid recovery. This recovery was made possible by the extent of public support during the health crisis, particularly with the partial unemployment scheme, the solidarity fund, loans guaranteed by the State, etc.

But this strong and rapid recovery is also the result of the tremendous resilience of French companies and their directors, who took the shock and then moved forward as soon as they could, by investing, modernising, by adapting their activity… with the feeling of favourable economic outlooks. Thus, according to the results of the major consultation of entrepreneurs CCI France/TFI/La Tribune of January 2022, in response to questions about the current situation, 38% of business leaders answer that it will be better tomorrow, 28% that it is fine now and 32% that it was better yesterday.

It is in this context that CCI France launched the SME Visions [EU 2030] forward-looking process in December 2021, with the aim of bringing French SMEs to express their future on a long-term horizon, in 2030:

- How do these SMEs, in their great diversity in terms of activity, size, territory, etc. see the path that will lead them from this exit from the health crisis to 2030?
- What challenges do they expect to encounter along this road and how do they see the impact of these challenges on their business and their development?
- How many opportunities? How many threats?
- And what are their expectations of governments to help them deal with these challenges?

These are the questions that guided this reflection.

This SME Visions process has been positioned at a European level, given the nature of the issues it addresses and for which it appears quite clearly that the responses cannot be exclusively national or for which there is at least a need to take into account the parameters which are not fully controlled at national level.

However, the avenues of support desired by SMEs, as they result from the process, may come under the European Union, the French State or local authorities, depending on their respective competences and in the logic of subsidiarity.

Based on the expression of the visions of business leaders, the purpose of the process is to provide avenues allowing the public authorities to adapt their interventions in order to support the development of SMEs by 2030. It follows the European CCI Week in May 2021 which itself brought out 53 proposals from companies in preparation for the **French Presidency of the European Union** (FPEU) in the 1st semester of 2022.

SME Visions [EU 2030] also aims to complement the reflection of the FPEU from a more forward-looking angle. President Macron wanted this French presidency to be an opportunity to launch or relaunch a number of major European projects and the time is therefore ideal to bring the needs of SMEs to a 2030 horizon. This will also be the case with the last stage of the **Conference on the Future of Europe**.

SME Visions [EU 2030] will also be able, beyond the first half of 2022, to shed light with the SME orientation during **the development and adoption of all the directives and regulations that will apply the major European policies**: European green deal, new industrial strategy, European strategy for data, trade policy and trade defence instruments, the 2030 territorial agenda, the wage directive, Global gateway, etc.

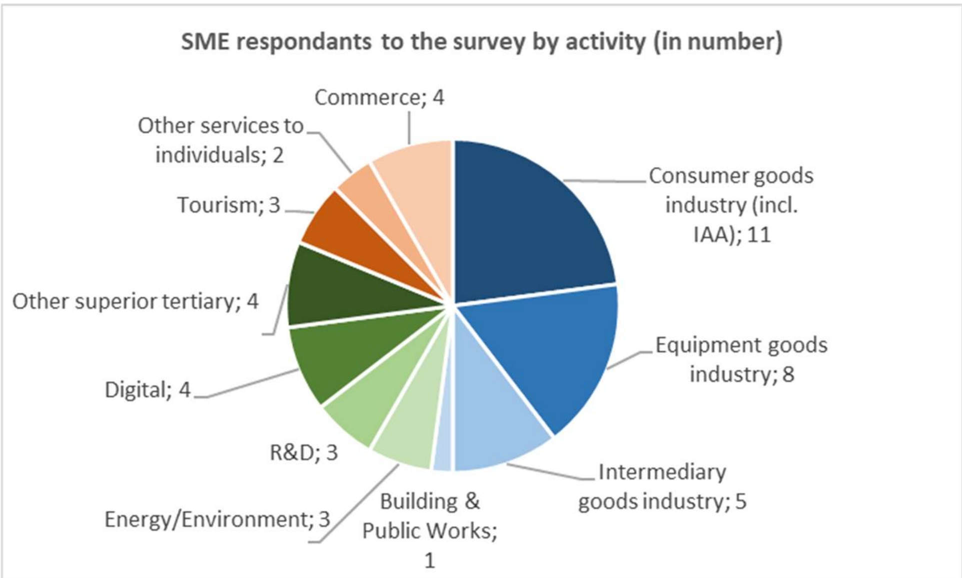
SME Visions [UE 2030] will of course also be able to **contribute to the political debate which will accompany the national elections of this spring 2022** - elections that will determine France's roadmap until 2027.

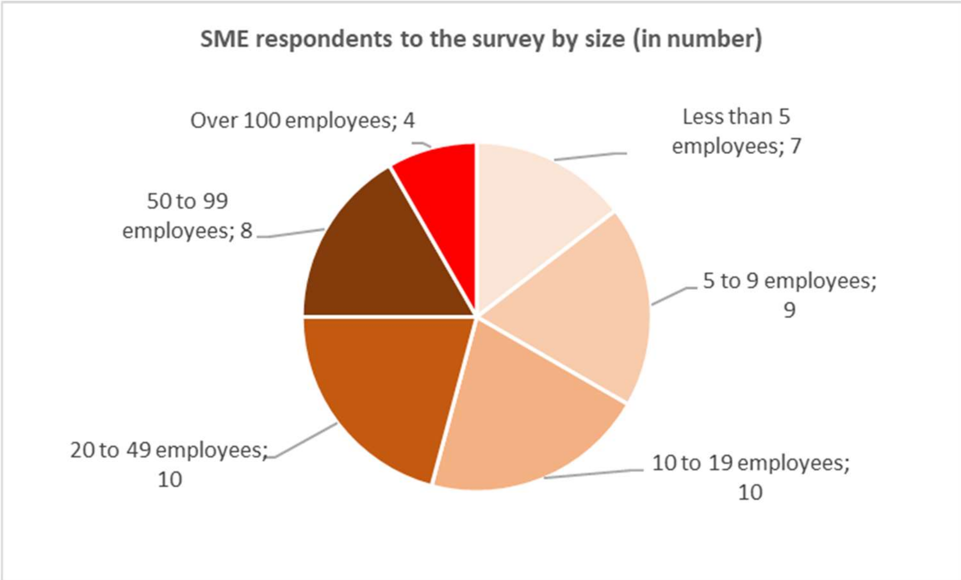
The SME Visions [EU 2030] forward-looking process: with whom and how?

The approach of the SME Visions [EU 2030] process was to conduct the most in-depth discussions possible with SME directors. CCI France and the CCIRs involved in the study would like to thank them again for the time they devoted to these exchanges in a particularly constrained period.

The process began with **interviews with members of CCI France's Task Force Europe during the 2017-2021 consular mandate**. This Task Force, made up of CCI presidents, has carried out important work analysing and reflecting on European issues in recent years. Mrs Fany Ruin, 1st Vice-President of CCI France, President of the CCI of Amiens-Picardie, Mr Michel Bossi, President of the CCI of Tarn and Mr Philippe Dutruc, President of the CCI of Deux Sèvres until 2021 were thus able to express the forward-looking visions established within the framework of this Task Force.

The 2nd phase of the process consisted of a **survey conducted in December 2021 among SME directors** to characterise their vision of the challenges that their company will encounter by 2030. Contact with these company managers had been made possible by the **Europe/EEN managers of the CCIRs of Auvergne-Rhône-Alpes, Bourgogne-Franche-Comté, Bretagne, Grand Est, Hauts-de-France, Nouvelle-Aquitaine, Occitanie, Paris-Ile-de-France and Provence-Alpes-Côte d'Azur**. Thus, about **fifty SME directors, from these 9 regions**, responded to this online survey. The material collected in this survey phase was very rich with the additional interest of coming from a wide variety of companies, whether in terms of territories (metropolises, medium-sized towns, rural areas, etc.), size of companies (from VSEs to SMEs with more than 100 employees), activity or age of the company (from SMEs over a hundred years old to start-ups).





The 3rd stage consisted, based on the elements on the challenges collected within the framework of the survey, of **the holding of four workshops in January 2022** aimed at reflecting on the courses of action of the public authorities which would enable companies to face up to these challenges.

These workshops focused on each of the following themes: **digitisation/innovation, human resources, market development and ecological transition**.

These workshops were made up of **business leaders who had participated in the survey**: one in two respondents took part in at least one of the four workshops.

Experts from CCI France and CCIR/EEN Auvergne-Rhône-Alpes, Bourgogne-France-Comté, Bretagne, Haut-de-France and Ile-de-France also took part in these workshops.

1. What challenges are ahead for SMEs leading up to 2030?

An important part of the SME Visions [EU 2030] process has been to establish what challenges SMEs expect to encounter by 2030.

This reflection was first conducted in an open manner, asking directors to spontaneously express the challenges they foresee between now and 2030.

Then, the directors reacted, using a thematic approach, to “proposed” challenges drawn in particular from European Union documents.

1.1. The global panorama of challenges for 2030: the imperative of competitiveness.

The online survey started with the following question: "What are the biggest challenges your business is likely to face as we look to 2030?”.

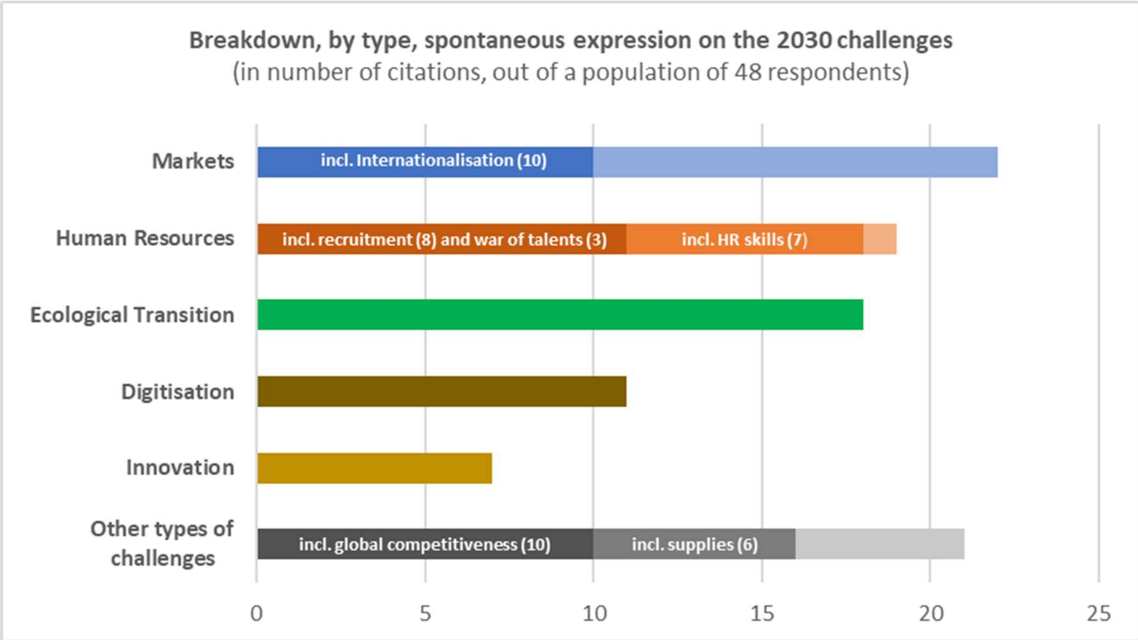
Analysing the answers thus makes it possible to draw up an overview of the main challenges anticipated since, once again, it was an open question, without any suggestion, which invited companies to focus on the essential challenges.

The greatest number of spontaneously expressed challenges relates to **market development**, in different dimensions: how to reach new customers, how to structure your business to optimally cover your markets, how to remain competitive in the face of evolving competition or given rising costs, etc.? One respondent company summarises its 2030 market challenge as follows: *“staying useful to my customers between now and 2030”*.

We can also see that on this theme of market development, the **"internationalisation" dimension is very present**, with almost one out of two expressions. The VSEs and SMEs that took part in the survey are therefore quite largely oriented towards foreign markets, either by already being positioned internationally, or by planning to do so by 2030.

This international orientation is a source of challenges because VSEs-SMEs are well aware of t**he stage of development which this represents**, the specific approaches which this requires, but also because **changes at global level are perfectly integrated**: the greatest difficulty of exchanges due to the health crisis is thus brought up, as well as the consequences of the increase in transport costs on international development.

Human resources is the theme which then brings together the greatest number of challenges expressed spontaneously, even if it is almost on a par with the 3rd. The possibility that the company will have to mobilise the skills necessary for its development in the years to come is a concern for many VSEs-SMEs, most often based on the situation they have already been experiencing for several years. Most often, the question relates to the **ability to recruit or retain within the company employees whose skills are necessary and with different levels of qualification**. But equally frequently, the question also relates to the ability to **maintain staff skills in the context of a rapid change in technologies and markets**.



The ecological transition comes in 3rd place in terms of the theme of connection of the challenges expressed spontaneously, i.e. a high level of citation. This demonstrates that this **transition is well integrated by companies, in their diversity of activity, from VSEs in commerce or tourism to large SMEs in industry**.

Then come, with slightly fewer citations, the challenges in terms of **digitisation** and then those in terms of **innovation**, with for this last theme, citations logically most often coming from technology companies.

A significant proportion of the challenges expressed spontaneously also relate to an issue that can be described as "global competitiveness".

And we can finally note that six respondents cited the subject of supplies as one of their main challenges for 2030.

This global panorama resulting from the challenges expressed spontaneously by SMEs is corroborated by the analysis of the responses of these latter when "horizon 2030" challenges were proposed to them (see below the presentation which is made, by theme, on these proposed challenges).

The proposed challenges that were deemed most likely by the largest number of respondents (at least 20 respondents) were:

- An **increased investment effort will be necessary to deal with the requirements of ecological transition**,
- The **cost of labour will be a handicap** in relation to some of your competitors outside the EU,
- A **move towards more upmarket products/services from emerging countries' companies** will be affirmed,
- **Energy consumption will have to be reduced**,
- **Cyber attacks** will be even more sophisticated.

Thus, for most SMEs, the **stake of competitiveness** in a **changing competitive and societal environment** with ecological and digital transitions which are fully taken into the equation arises.

1.2. Challenges that also bring opportunities

Before analysing the vision of challenges expected by SMEs, theme by theme, it is important to emphasise that, for them, **a challenge does not necessarily or only mean a threat or a risk**. Whilst the challenge is an essential element which will require adaptation or at least consideration by the company, **companies consider that some can also bring opportunities or progress**.

A few examples taken from responses to the online survey or from discussions during the workshops.

The best example is undoubtedly provided, as we know, by the ecological transition. This is recognised as a **necessity** by most participating companies. However, most testify that it is an **element of constraint**, with investments to be made, adaptations to the aspirations of customers/consumers to be made, regulations to be complied with and therefore products/processes to be modified, etc. But at the same time, this ecological transition can be seen as an **opportunity**: a **strengthened market** when the company is positioned on products allowing this transition to be made, an **asset when its products/services are more virtuous** than those of the competition, an **opportunity for diversification or upscaling**, etc.

Another illustration: many VSEs-SMEs experience the **rise of E-commerce/E-services** as a challenge because it requires **significant skills and resources** and because **they have to deal with very powerful players** in the field. But this rise is nevertheless seen as an **undeniable asset for the breadth of the range and the expansion of distribution**, whether for the sale of products or for services, as for example with hybridisation in events.

Similarly, the **digitisation of value chains** appears to be a major challenge due to **dominant players in technologies and on the data market**. However, for some SMEs which intend to move towards an offer primarily based on service, being able to access data is also an opportunity. Digitisation is also seen as an **opportunity to simplify administrative formalities**.

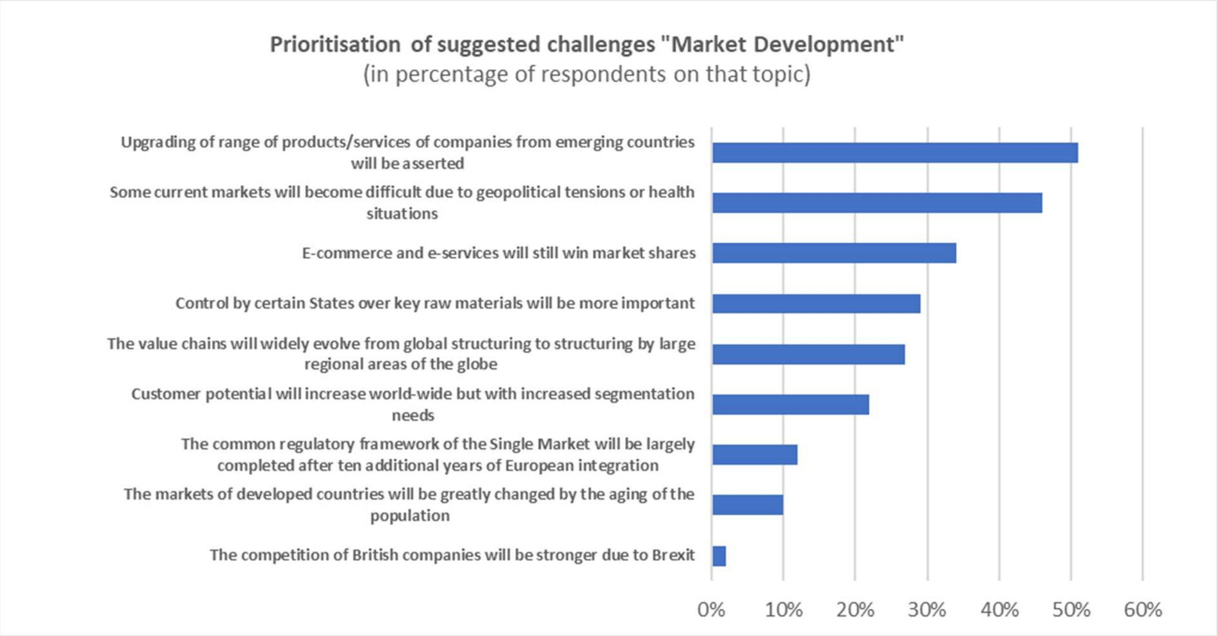
The consequences of the health crisis on the value chains is a challenge, particularly with the **problem of the congestion of the flow of goods and the sharp increase in transport costs**. But this state of affairs gives **additional advantages to attract customers "in proximity"**, by displaying a better carbon footprint or by regaining competitiveness when competitors have to collect transport costs.

The proposed **carbon border tax** (carbon border adjustment mechanism) offers a somewhat reversed example of this ambivalence. For most of the VSEs-SMEs concerned, it is an opportunity or in any case **a hope to ensure or restore a competitive balance**, taking into account the investment differential and constraints in terms of reducing greenhouse gases. . But for other companies, which import a lot or export products with imported components, this can be seen as a threat or a risk. We know that these differences of interest between European companies constitute a difficulty of the project.

Regulations in general are also ambivalent. The following developments will largely come back to the fact that it is (still) expected as a challenge, because it is experienced as a brake by many VSEs-SMEs, being considered excessive, too complex or unsuitable and, in the context of the single market, unfortunately insufficiently harmonised. Nevertheless, regulation is also considered as an opportunity, if it effectively makes it possible to consolidate changes or mark out the future.

1.3. Challenges in terms of market development

As part of the survey, SMEs were asked if they thought they would face challenges in developing their markets by 2030 and if so, to determine which would be the most likely challenges from a list of proposals, with the possibility of adding other complementary challenges.



The first observation is that nearly one in two SMEs expects to face **stronger competition due to the upscaling of products/services from companies in emerging countries**. One company illustrates the problem this way: "qualified services in the field of software with lower costs". According to some comments, this assessment can also be **extended to competitors from EU countries with low labour costs**.

The results show, on the other hand, that few companies are concerned about increasing competitive pressure from British companies as a result of Brexit, even if the UK's exit from the EU strongly penalises certain companies, with one of the respondents citing "a disaster" about it.

These conclusions thus show that **we are not in a situation where SMEs consider themselves protected in their market by proximity or by a range advantage**.

Some respondents point out that they face **competitors much bigger than themselves**, who have the ability to establish themselves very quickly in new markets. Faced with this situation, they put forward **the advantage of agility**.

This situation raises the question of the level playing field, i.e. the conditions for fair competition. We will see later that there is of course the dimension of the charges, including salary costs, as well as the important aspect of environmental requirements. But there is also the dimension of free trade agreements and compliance with regulations.

There is also a high level of SME respondents who expect **some of their markets to become difficult due to geopolitical tensions or health situations**. The state of affairs linked to the Covid crisis is certainly an explanation for this, with the difficulty it causes in terms of trade difficulties. But the **observation that can be made is that this situation is seen as having to last or being able to reproduce itself**. The **current geopolitical tensions** with the Ukrainian crisis[1], the stakes of economic exchanges with China, but also the situation in Sahelian Africa or the Middle East, also undoubtedly contribute to this level of appreciation of the challenge.

"E-commerce/E-services" is seen as a challenge for 1/3 of respondents. As indicated above, it brings opportunities. But for SMEs, it is also a challenge because effectively digitising their business requires technical skills and growing communication budgets **to be able to "stay in the game"**. The problem is all the more sensitive since **the audience is held by very large players, which is felt to be a source of vulnerability**.

While many companies are currently facing supply difficulties, nearly 1/3 of respondent SMEs expect to experience greater State control over certain raw materials by 2030, which may be considered a high level.

Around a third of the respondent SMEs also consider that the reorganisation of global value chains will be a challenge for them. This vision is **strongly linked to the increase in freight transport costs** (remember that the survey was conducted before the energy shock linked to the invasion of Ukraine). Several of the respondent companies thus indicate that this change in transport costs will pose a problem of competitiveness for them on certain "export" markets, that it may lead them to redefine these "export" markets or that it may lead them to redefine their international development strategy, moving from export to local production or seeking partners in the target country.

> ***"The cost of transport will become prohibitive, forcing exporting companies to significantly increase their prices and thus reducing their ability to win new markets." Anouck Chapuzet-Varron, CEO, Vinea SAS.***
>
> ***"For export development, it will become essential to have production sites in each country concerned, for local and competitive production. This will require us to completely modify our current strategy based on centralisation of production for economies of scale." Armel Segretain, Managing Director, Sanisphère.***

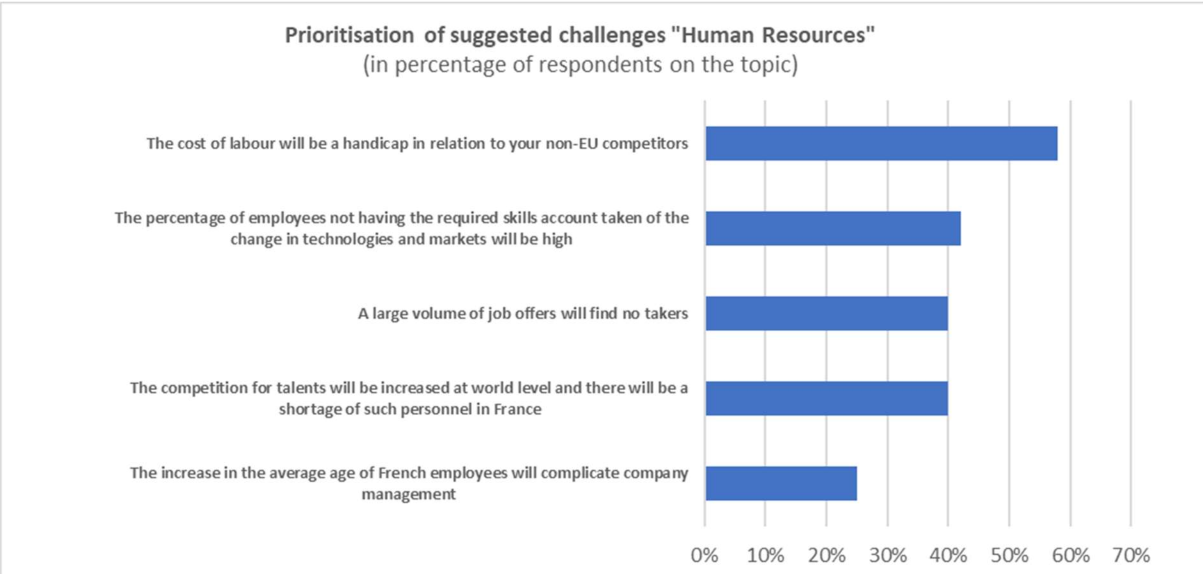
[1] The exchanges with SMEs took place before the invasion of Ukraine by Russia.

1.4. Challenges in terms of human resources

Based on the challenges that were proposed to them, it can be seen that many of the SMEs that responded to the survey **still expect to be at a disadvantage in terms of labour costs vis-à-vis competitors from third countries outside EU**. The vision of a majority of respondent SMEs is thus that by 2030 it is very likely that they will have to deal with an upscaling of the services/products of competitors from third countries while they will remain disadvantaged in terms of wage costs.

This assessment of wage cost differentials is not limited to third countries but is **also pointed out by certain companies within the European Union**. One of the SMEs that responded to the survey commented that "*there is always competition from low-cost countries in Europe which drives prices down on products with low added value*. *My company cannot follow this reduction given the cost of labour in France.* ”

Faced with this situation, companies have of course turned towards productivity gains and quality with, in particular, the digital transition and the modernisation of the production tool, innovation and the upgrading of their offer. But **this "top-down resolution" of the wage gap issue cannot be total**. A technological SME having responded to the survey points out that "*in terms of competitiveness, we must always try to stay one step ahead, but it is also essential to seek to reduce the wage cost differentials, especially given that we are seeing a real rise in human resource skills in countries like India or China*".



As seen previously in the analysis of the challenges expressed spontaneously by SMEs, the question of the development of employee skills, in a rapidly changing world, and that of recruitment difficulties, whether or not these are highly qualified jobs, clearly constitute major challenges for companies between now and 2030.

Whether **for the development of skills or for recruitment difficulties, the problem is perceived in the particular context of France**.

In terms of skills, the issue relates in particular to continuing education. The subject is experienced as a challenge for the coming years by some SMEs due to the **reform of vocational training** and the fears felt about the ability to cope with changing skills.

First, there is the **cost of training for SMEs, which has become more significant**. This cost is thus "*considered enormous for an SME to such an extent that it is financially much more interesting to make use of Pôle Emploi (a job centre) and to train a job seeker than to upgrade the skills of a current employee*".

Then there is the question of **the adequacy between the training courses financed under the CPF** (personal training account) **and the needs of companies**. The list of training courses eligible for the CPF does not always correspond to the priority needs of SMEs. One director who responded to the survey and who has work experience abroad notes that in France "*the employee always expects more from the company, that there is a certain wait-and-see attitude, including for training*" .

Regarding apprenticeship, it is also pointed out that the cost for an SME remains high, when the indirect costs of support, training and the actual time spent in the company are taken into account.

Regarding recruitment difficulties, the responses to the survey and the discussions during the workshops confirm the **high level of tension on the labour market** observed by the business climate surveys in recent months. But the respondent SMEs see it as a challenge for 2030 because **the situation is also experienced as being generated by strong structural causes**, with a **frequently pessimistic assessment** on the subject. **The delay by France in promoting manual trades and industrial trades** is thus highlighted. At the same time, in general, the **need to promote a sense of effort and a taste for work** is underscored. Companies testify to the impossibility that they permanently have to carry out certain recruitments, which leaves them no other choice than to operate with independent missions or to resort to foreign workers.

The recent "Métiers 2030" report by France Stratégie/DARES confirms these structural difficulties for certain jobs which combine the following characteristics: high number of seniors who are due to retire in the coming years, significant outgoing mobility among professionals and low appeal for young beginners. The report points out, for example, that for the trades of textile and leather workers or for skilled labourers in the structural work of buildings, the labour shortage could represent more than one in two vacancies[2].

This apprehension of lasting recruitment difficulties is felt even more intensely by SMEs located in rural areas and more widely in departments without a metropolitan area, due to the lack of attractiveness in terms of leisure activities, the problem of a spouse’s work or the issue of housing.

[2] “Les métiers qui ont du mal à attirer”, Report “Quels métiers en 2030?" France Stratégie/DARES, March 2022, p.127

In addition to the assessment of the challenges which were proposed, **several SMEs spontaneously pointed to the challenge posed by the ongoing changes in labour relations within the company, with a link that can be weakened with the employer**. The Covid 19 health crisis is an explanation for this with the widespread use of working from home and employees who have been able to change their place of residence. **But these "Covid" effects are judged to have amplified a deeper tendency towards an aspiration to get out of the traditional exercise of salaried activity**: aspiration to work as a freelancer, zapping in the trades, desire for more flexibility of organisation and hybrid mode of activity, search for a higher standard of living, etc.

> ***"There is a significant change in the employer/employee relationship and in the perception of human resources on the status of employee. There is an appetite for the search for freedom, quality of life, flexibility. It is not insignificant that there are more and more micro-entrepreneurs". Sylvie Salinié, President of Agiscom and Vice-President of the Seine-et-Marne CCI.***

This change is perceived as a challenge which is certainly a source of constraint, since it is a **dimension of recruitment difficulties**, but which can also be a **source of opportunity if we manage to bring together the interests of human resources and those of the company**.

But in this regard, SMEs feel penalised because they have **less capacity to respond to new attractiveness factors**. Furthermore, **labour legislation is not adapted** to certain new forms of collaboration.

1.5. Challenges in terms of ecological transition

The survey, like the workshop dedicated to the theme, confirmed that the ecological transition is indeed incorporated by the participating SMEs as being a dimension that they will have to take into account in the years to come, with the feeling that the need is not disputed. It can thus be noted that nearly one in three SME respondents considers that by 2030, global warming will have modified markets or production sites and that this will be a major challenge for them.

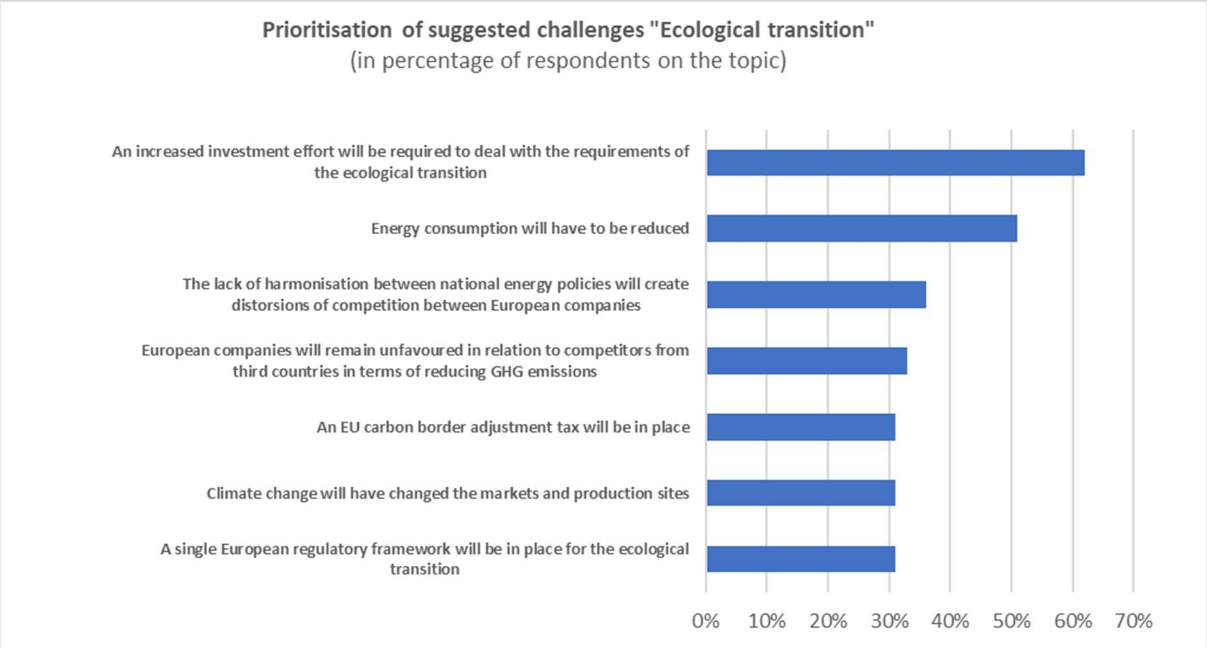
Overall, this ecological transition is seen as bringing significant challenges.

The one that SMEs most frequently expect to encounter by 2030 is the **investment effort linked to this ecological transition**. One SME thus testifies: *"We will have to invest in energy recovery systems, for insulation, lower consumption, waste sorting, heating, etc. the cost could be colossal".*

This investment effort often appears as a challenge in terms of financing. SMEs thus underscore that the question arises in particular when the investment does not enter into a classic amortisation logic, when it presents aspects of "additional costs", when it does not increase productivity, etc. Some companies also underscore that the ecological transition causes increases in post-investment operating costs.

"Some public aid allows access to virtuous installations for the environment such as the use of closed circuit process water. However, the operating costs must remain within a reasonable exploitation so as not to deter interested parties from installations that are not directly productive." Emmanuel Brugger, CEO, Cristel.

But this challenge also has a **technical or technological dimension**, with the difficulty for SMEs to make the right investment decisions for a variety of subjects: geothermal energy, energy efficiency, waste sorting, reduction of gas emissions, water treatment, etc. It appears from the testimonies that SMEs are still sometimes moving in the dark on these subjects and that they need support and recourse to expertise.



The energy constraint, which accompanies the ecological transition, is very present. One respondent SME in two expects to have to reduce its energy consumption by 2030, which is a dimension linked to the investment effort. The cost of energy is furthermore considered an important element of competitiveness for one in three respondents.

The issue of reducing greenhouse gas emissions is also considered, for one out of three SME respondents, as a major challenge by 2030, from the angle of conditions of competition with non-European players.

"We face real competition in the industry from countries with low labour costs. French companies are making a lot of effort for an exemplary ecological transition without it often being able to be valued. An EU carbon border tax should restore the balance against less invested countries". Alain Auger, CEO, Dieau Edafim.

The regulatory dimension also appears to be an important dimension of the ecological transition.

This appears to be an ambivalent challenge. On the one hand, on new themes, clear regulations can be seen as an asset for setting a clear roadmap and supporting virtuous practices. On the other hand, given the importance of the ecological transition in the political agenda, there is the fear of an abundance of regulations, bringing about inconsistencies and forgetting the objective of harmonisation within the framework of the single market. The recent national AGEC law (anti-waste and circular economy) is a topical example, with the introduction of taxes and markings specific to France. By creating new sectors with extended producer responsibility, with the obligation to affix pictograms on products, this forces producers of these sectors to modify their packaging for the French market.

In addition to the challenges which were proposed for the "Ecological transition" theme, a significant number of SMEs added that of the **growing demands of the consumer in terms of product virtues**: carbon footprint, organic, sourcing of components and raw materials, transparency on the cycle life of products and their recyclability, etc.

This sociological trend is a challenge with **positive aspects to (re)give "Made in France" products a chance** and support emerging productions.

It is also deemed a **threat when it can lead to unjustified "bashing" or when SMEs face large competing groups that have powerful means of CSR communication**, while they themselves also make the necessary efforts but "*go under the radar*".

1.6. Challenges in terms of digitisation and innovation

Among the "horizon 2030" challenges proposed as part of the survey, the respondent SMEs first and foremost most frequently identified the **increased threat in terms of cybersecurity** and the affirmation of the **digitisation of value chains**, with the corollary of data playing an increasing role in business models.

With more than one in two respondents mentioning the subject of cybersecurity, this level of responses confirms the results of many surveys as to the importance of the subject for companies. These results are encouraging in terms of awareness of the threat and its evolving nature. One respondent SME thus points to the "*risk of a total blockage of the company*".

Regarding digitisation, the discussions during the workshops showed that the challenge could still be at different levels.

For certain business sectors or for the smallest companies, there is still sometimes a **need to fully engage in the digital transition, with the proper appropriation of a first level of tools**. There seems to be a challenge for the next few years to convince all companies that taking digitisation into account is difficult to avoid.

At the second level, there is a **need to be able to develop one's digital practice** and to do so, to be able to benefit from support, access expertise and be able to carry out the necessary training. One SME points out that "*digitisation generates more complex processes and therefore delays the advancement of the company's "businesses", especially for very small companies, without a dedicated IT department*". The problem arises for the **adoption of technological solutions** (robots, IIoT, management of the machine park, increased dematerialisation thanks to blockchain, hybridisation of events, automatic translation, etc.), but also for **controlling the use of data**.

In this context, the use of artificial intelligence solutions does not yet seem to be part of the daily life of a large number of companies, but the results of the survey show that it is a widely identified challenge.

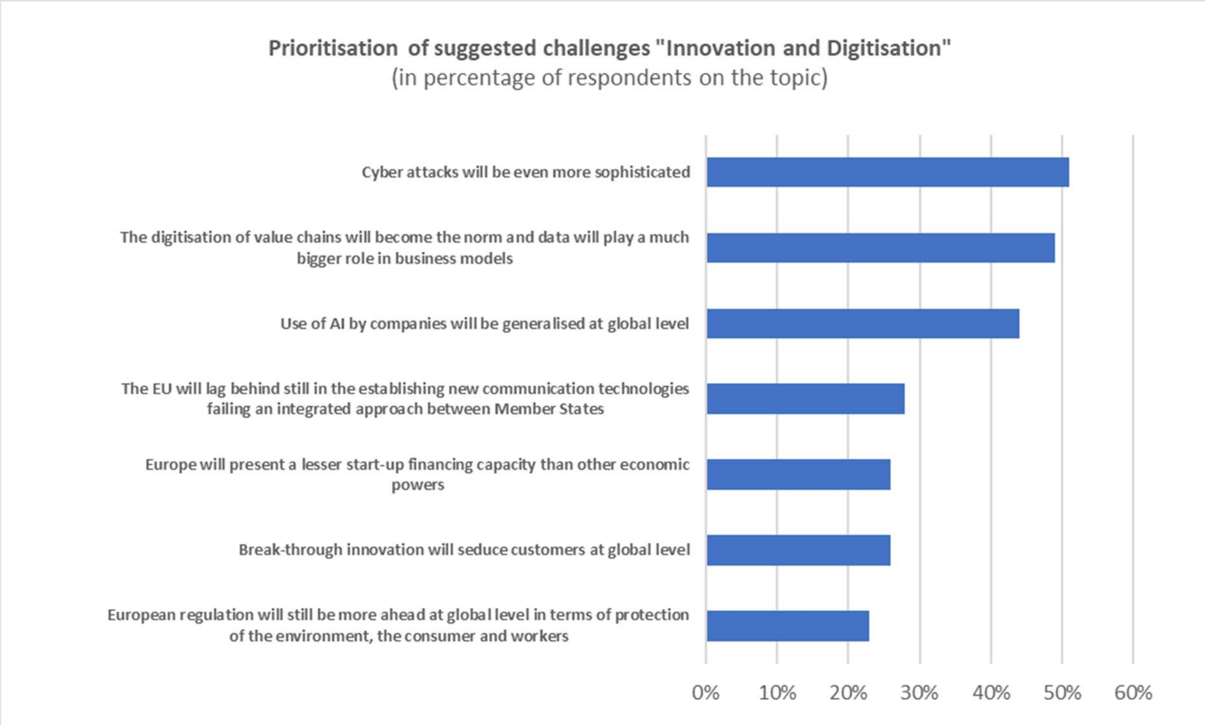
One of the aspects of the challenge felt by many SMEs is that of the **power deemed excessive by very large players in the field of information technology**. This can be expressed for the control of its data on the market places, for cybersecurity issues or even for the rise of artificial intelligence, with the fear of seeing the market structure in a hegemonic way.

> ***"We are facing massive digitisation favouring the visibility of large groups whose means are disproportionate to ours", Delphine Kaufmann, Manager, Camping de la Verdière.***

For the "opportunity" side of the challenge of digitisation, there is the possibility for SMEs to be able to develop (themselves) their offer by valuing or exploiting data to better meet the expectations of their customers or partners. In this regard, a fear is expressed that the rules on access to data are not uniform at European level, due to the desire of States to remain sovereign on the subject.

> ***"By 2030, service will take precedence even more over product, which is what the customer expects. But this implies having more information on the use of products by this latter and therefore removing obstacles to access to data." . Bertrand Lenoir, CEO, NA Wave.***

And there is also the opportunity for the benefits of the simplification that digitisation can bring. One of the participating SMEs thus notes that the certification processes imposed by the regulations do not capture all the possibilities for simplification generated by digitisation.



In terms of innovation, the nature of a VSE or an SME must be taken into account. For companies that can be described as technological, while small size is an important advantage in terms of agility, **limited resources are a handicap in taking the process from idea to market**; knowing that the duration of this process is a key element in a competitive environment that is often on a global level.

For these SMEs, innovation by 2030 remains a challenge that requires significant support from public institutions. In this regard, although it has been observed that there are numerous support mechanisms in France or at European level, the wish is nevertheless expressed for **financial aid which takes even better account of the specificity of SMEs** and of the process of innovation that they have to carry out, whether in terms of level of funding or ease of access to systems.

"Developing disruptive technologies to reach their market is a long, uncertain and expensive process. The resources to be mobilised, human and financial, are difficult to find in Europe. From a financial point of view, the American model is more suitable with a large number of loans transformed into grants. Furthermore, another challenge is that a product developed for France will most likely be unsuitable for the entire European market, due to non-harmonised regulations at European level." Marine Laville, President of Novaptech.

In terms of innovation, the challenge represented by European or French regulations is also felt by companies, in two ways.

First, there is the perception that these regulations are often too extensive, which, for an SME, can be detrimental to innovation. One of them speaks thus of the "*challenge of innovating despite the regulations*".

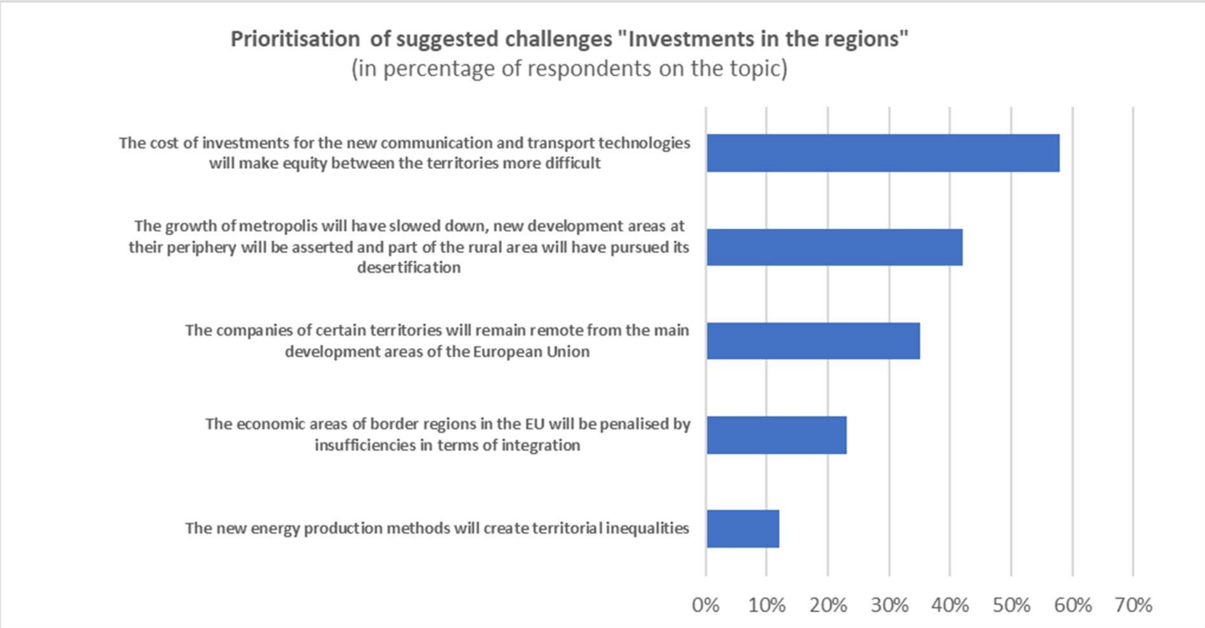
"Clinical trials are longer in France, the regulations are the strictest in the world. This is why competitors generally arrive on the market before the French." Ludovic Toledo, Chief Executive Officer, Dedienne Santé.

And then there is the aspect of the obstacles to innovation linked to the opportunities lost due to the lack of harmonisation at European level, a subject already mentioned for market development or ecological transition. One SME thus deplores "*the regulatory and normative impact of an accumulation of small, non-integrated and inconsistent regulations dictated by politico-social and not technical/industrial reasons*".

1.7. Challenges in terms of regional development

SMEs believe that they have to face challenges of a territorial nature a little less frequently than the challenges of a thematic nature described above. Thus, while between 9 and 13% of respondent SMEs felt that they did not expect to face challenges in terms of market development, human resources, ecological transition and digitisation/innovation, the percentage reaches 42% on the subject of investments for regional economic development.

But while this issue is less cited, it is still mentioned by one out of two companies.



When SMEs are sensitive to this territorial dimension, they frequently expect inequalities between territories to widen by 2030, particularly due to the cost of investments in communication and transport. These companies, which are undoubtedly the most affected, therefore do not anticipate that investments in connection will reduce these inequalities.

More than one in three also expect that by 2030, certain parts of the territory will remain on the fringes of the main economic dynamics, with desertification expected to increase further in some rural areas.

We also note that a non-negligible part of respondents consider as a challenge by 2030 the shortcomings in terms of integration of border areas, whereas this problem may appear relatively specific in the context of a national study.

2. SME expectations to cope with the 2030 challenges

As previously stated guaranteeing their competitiveness is the major cross-cutting concern of these SMEs. Their entrepreneurial project is developing in an increasingly competitive environment, with a tendency to strengthen the weight and influence of major economic players. In this context, SMEs expect their institutional environment to enable them to globally preserve, or even regain, their competitiveness.

One of the lessons of the survey and the SME Visions [EU 2030] workshops is that these expectations with regard to institutional players, that shape their economic environment, **are not limited to direct support and financial aid**. These expectations are broader, with a desire to take into account, from the early outset, factors which determine the challenges which SMEs expect to encounter.

Another lesson from the process is that the expectations concerning the institutional environment **are not confined to European level**. Expectations of the State and all French players are very present, because the problem is, at law or in fact, at national level or because French specificities need to be taken into account in the implementation.

The territorial dimension is also very present because SMEs feel that **many solutions must be built locally**.

But the European dimension of many subjects is fully integrated and often desired because SMEs know that these are **areas of Community competence** and above all, because they are convinced that **certain solutions must be built at continental level**.

The possible solutions resulting from the SME Visions [EU 2030] process are presented below by major categories of intervention by institutional players, from major policies to individual aid, including regulations.

This presentation is motivated by the fact that these possible solutions are recommendations addressed to public decision-makers.

However, this presentation according to a politico-administrative logic does not prevent SMEs from having an **overview of the challenges and support wishes**, by major theme, as we saw in the first part. This is particularly the case for the ecological transition and the digital transition.

2.1. The major policies expected by SMEs

Reducing differences in production taxes and duties and labour costs

The cost of labour in France, compared to that of non-EU countries, is the challenge that the SMEs responding to the survey expect to face the most by 2030, while they observe an increase in skills of human resources in some third countries such as India or China. Discussions within the framework of the HR workshop confirmed that the problem also arises within the European Union, vis-à-vis Member States with "low wages" (the monthly minimum wage in France is 4.7 times higher than that of Bulgaria).

The position expressed by companies is not to say that their competitiveness is judged solely on the issue of wage costs. It is of course also based on the level of range, innovation, quality, the service dimension, etc. But their competitiveness nevertheless presents this dimension of wage costs.

The issue of the cost of labour, from the angle of the level of social security contributions that weigh on companies, is also linked to the challenge of the attractiveness of professions. For SMEs, **the level of charges thus conditions the possibilities of increasing wages and therefore the attractiveness of the professions**.

The problem of the cost of labour is coupled with that of the level of taxes and production taxes.

These topics are mainly at national level.

At European Union level, the draft directive on minimum wages, under negotiation between the European Parliament and the European Council, could be a first step in reducing the wage gap between Member States by establishing that the legal minimum wages, when they exist, cannot be lower than a certain percentage of the national median wage.

> ► **Recommendation [EU2030]: achieve a European legislative framework favouring the reduction of wage cost differentials between all Member States.**

Promotion of work and improvement of skills to ensure the development of employment

The SME Visions [EU 2030] survey and workshops clearly confirm the “human resources” challenge facing SMEs, with the feeling that, without quick action, trends will worsen by 2030. This "human resources" challenge includes both the dimension of recruitment difficulties and that of the upgrading of skills made necessary by the evolution of technologies and markets.

The following findings were widely shared:

- Insufficient number of people trained for certain trades, lack of perceived appeal of these trades, particularly in construction or industry,
- Decline in the number of young graduates with scientific skills, which will prevent the training in France of enough qualified people, particularly in digital disciplines in the broad sense or in engineering professions,
- Too widespread problem of lack of appetite for work and sense of effort which penalises recruitment for many jobs.

Faced with these findings, **if a comprehensive national policy does not quickly enable a recovery of the situation to be initiated**, some companies believe that they cannot do otherwise than to stop certain activities in France or to make use of human resources from other EU Member States or from immigration from third countries.

> ***“The European Union could be a breeding ground for workers in the face of recruitment difficulties in France”. Armel Segretain, Managing Director, Sanisphère.***

With a view to initiating this recovery in the situation, SMEs would like the education system to **increase awareness of the fundamentals of the job market, the needs of businesses and the realities of the working world**, including in speeches made to students in the salary claims which can be theirs as young graduates.

> ***"To promote the employability of young people, we must meet with them to talk to them about the company but, more urgently, we must also make teachers more aware of the life of the company and the needs of tomorrow, so that they can contribute to better preparing the youth". Sylvie Salinié, President of Agiscom and Vice-President of the Seine-et-Marne CCI.***

► **Recommendation [EU2030]: promote exchanges within the EU allowing teachers to discover practices in countries where teaching is most open to the professional world.**

The request is also expressed that **the awakening of vocations and the promotion of trades in industry, construction or crafts be continued and reinforced**. In this perspective, apprenticeship is recognised as playing an essential role, but there still needs to have enough candidates. Moreover, despite the existing aid, it is perceived by some companies that use it as still representing an excessive cost given the time spent by apprentices in the company and the resources that the employer devotes to supervision.

> ***"To meet the challenge of the know-how we will need to succeed in industrial renewal, we need a real training ambition, favouring theory in establishments and practice in factories". Fany Ruin, 1st Vice-President of CCI France, President of the CCI Amiens-Picardie, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

The development of the Erasmus + programme in terms of mobility of apprentices in Europe is seen as a good orientation for **strengthening the skills of young people and helping to forge these vocations for certain jobs in tension**. But the promotion of this programme, for the public of apprentices, undoubtedly deserves to be increased, by insisting on the interest that it presents for companies. Financial aid to develop the means of managing this mobility, which can be mobilised by the CFAs, also appears to be a necessity. Furthermore, obstacles still need to be lifted in terms of the **language skills** of young people and the **mutual recognition of qualifications**.

> ***"We must develop the Erasmus system for apprentices as it creates a European culture among young people and it changes the vision of young French people about industry, particularly by going to countries in Northern or Eastern Europe where there is a greater appetite for technical or manual work". Alain Auger, CEO, Dieau Edafim.***

► **Recommendation [EU2030]: strengthen the promotion of the Erasmus + programme for apprentices to companies, provide financing to strengthen the means of managing European mobility in the CFAs and deepen the mutual recognition of qualifications.**

Although they rarely have the financial means to take part in the global "war for talent", some technology SMEs nevertheless resort to very specialised profiles that they may have to recruit from all over the world. The niche of activity in which they are located and the wealth of experience they can bring to candidates can ensure the attractiveness of their offer and compensate for their financial limitations. But when recruitment is done outside the European Union, the cumbersome administrative procedures are a major obstacle. The SMEs concerned are therefore **expecting greater simplicity and responsiveness**.

> ***"There is a challenge for Europe in terms of attracting talent, the approach often remains too national in terms of human resources". Michel Bossi, President of the Tarn CCI, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

In their search for **solutions to ensure the attractiveness of jobs**, SMEs take into account the trend towards **new aspirations in the employee-employer relationship**, with a search for flexibility, interest in varied experiences and appetite for freelance status. Some companies see it as a **"win-win" solution** by meeting the aspirations of human resources while allowing SMEs to have the skills they need. But for this to happen, the legislative and regulatory framework must evolve to make these new modes of collaboration fully possible. And in this regard, legislative and regulatory developments under way at European and national level, on the status of employees of digital mobility platforms, should not freeze or complicate the use of self-employed workers for all activities.

> ► **Recommendation [EU2030]: prevent European regulations on the status of employees of digital mobility platforms from generally complicating self-employment and from hampering legislative changes which should allow for the development of new working relationships.**

Continuous training, to cope with the accelerated development of skills, is also a dimension of the overall employment development policy that is expected by SMEs. Some of them note that the implementation of the vocational training reform, with the establishment of the personal training account, **does not always offer companies a return commensurate with the resources devoted**: on the one hand because the training courses eligible for the CPF (individual training accounts) do not integrate all the skills needs of companies, in particular for emerging skills and, on the other hand, because the system does not always tend to bring together the interests of employees and those of employers. The European Council recommendation on individual training accounts, adopted in December 2021, would benefit from being implemented by fully incorporating the need to meet the skills needs of companies.

> ► **Recommendation [EU2030]: fully integrate the need to respond also to the skills needs of companies in the implementation of the European Council recommendation on individual training accounts.**

Strengthen the “SME” dimension of policies for enterprises

While SMEs have the advantage of agility, their limited means do not allow them to play "on equal terms" when they are in competition with larger players or when they are dependent on these players for their development.

They therefore ask the public authorities for all the impulses which allow them to **overcome the barriers to market entry** or that ensure **good conditions of competition**, taking into account their specificities.

The SME Visions [EU2030] survey and workshops make it possible to express the following wishes in particular:

- Promote innovation in SMEs by making it possible and **promoting it in the context of public procurement**,
- Adapt the formalities for access to research support programmes (see chapter 2.4 below),
- Support the development of SMEs for export by **promoting their role as suppliers on the French or European market**. As part of the "Medtech" strategy presented by the Minister for Industry in February 2022, a measure is planned to "help manufacturers of medical devices to break into hospitals”[3],
- Help SMEs to **defend their rights against the major players** in social networks and data.

> ***"To sell in foreign markets, we need buyers and institutions to allow us to be strong in our own market, especially through calls for tenders." Ludovic Toledo, Chief Executive Officer, Dedienne Santé.***
>
> ***“To sell French food products abroad, it is important to be able to claim product quality recognised by the French. The complementarity of sales in France and abroad is key.” Philippe Coignat, Head of Exports, Les Celliers Associés.***

► **Recommendation [EU2030]: relaunch and deepen the European Small Business Act process consisting of giving priorities to SMEs in defining public policies to reduce the administrative burden, improve access to markets and internationalisation and facilitate access to financing.**

Ensuring a level playing field in terms of ecological transition

The SME Visions [EU 2030] survey, like the workshops, showed that the participating SMEs fully understand the need for ecological transition and are already committed to it. While the general interest is well accepted, they nevertheless note that the change they must make to be part of this ecological transition involves many aspects of constraints and can cause handicaps vis-à-vis competitors which may not make the same change, at the same pace.

[3] “Dispositifs médicaux : comment seront investis les 400 millions d’euros du plan France 2030”, Les Echos, 22/02/2022

There is therefore a desire for **a global approach to ecological transition which, at a minimum, takes into account the efforts made** by companies to reduce the environmental impact of their products or services, or even which makes it possible to free up resources to ensure this transition to a bonus/malus logic.

The sovereign mission in terms of cybersecurity

Faced with the importance of the challenge represented by increasingly sophisticated cyber attacks, the exchanges carried out within the framework of the study show an expectation that the dimension be fully incorporated by the State and the European Union within the framework of their security duties. Companies count on these institutions **to lead the fight upstream**, to reduce the number of attacks affecting companies, whether through monitoring, preventive actions or the fight against the economic sectors formed around this delinquency.

The initiative to **develop a European cloud** is seen as a means of progress in this area.

Rebalancing European trade policy

Among the SMEs that have taken part in the SME Visions [EU 2030] process, several are impacted by the conditions of trade with countries outside the EU, either because they are positioned on third markets or have this project in their international development, or because they face competition from players from third countries within the European single market.

As described in Part 1, the international dimension is very present in their prospects for market development by 2030. And the move upmarket of competitors from third countries is a challenge for a significant percentage of SMEs.

These SMEs open to large-scale exports or impacted by world trade are of course attentive to European trade policy and have a favourable view of the **projects and developments under way at European Union level to achieve fairer and more balanced conditions of competition for the trade with major economic blocs**: carbon border adjustment mechanism, reciprocity for access to public procurement, reform of trade defence instruments, etc.

In this context, they request:

- That the chapters of free trade agreements devoted to SMEs **be sufficiently detailed** to properly take into account the specificity of SMEs,
- That in the progress to ensure reciprocity in **access to public procurement**, opportunities are negotiated for SMEs,
- That, within the framework of international negotiations and agreements, the equivalence of certifications be established on **objective and precise bases** to properly protect specific productions which are assets of the French commercial offer.

> ***"European organic certification should make it possible to market outside the EU, with the principle of equivalence with third countries, but the standards to be respected by these latter are often less restrictive, resulting in rules of the game that are not in favour of European players." Philippe Coignat, Head of Exports, Les Celliers Associés.***

▶ **Recommendation [EU2030]: ensure that in certification equivalences for international trade, third countries are required to comply with the same requirements in terms of standards, so as not to penalise European SMEs for specific productions which are their strengths.**

Moreover, it is felt that at the level of European institutions, multinationals from non-EU countries are more present and concerted on matters of market development, drafting of regulations or in the context of standardisation work, than are the multinationals of European origin at the level of the institutions of the United States or the large Asian countries. There is also a balance to be restored at this level so that the interests of all European companies are better taken into account.

Recent statements by European Commissioner Thierry Breton, at the launch of the European standardisation strategy, go in this direction by invoking a "conditional opening" so that when European standards are developed in the absence of an international standard, they are without the risk of the presence of a dominant non-European interest[4].

▶ **Recommendation [EU2030]: ensure that European companies benefit, in large third countries (the United States, China, Japan, South Korea, etc.), from the same level of consultation on policies for companies as that granted to foreign companies by the European institutions and ensure that foreign companies do not dominate European standardisation work.**

Create an environment conducive to risk taking by private investors

For technology start-ups and SMEs whose business model is based on breakthrough innovations, the risk dimension is con-substantial with their project. This "taste for risk" is of course first carried by the founders of these companies. They have this motivation, give themselves to their project but they rarely have the financial resources required to bring their innovation to market as soon as possible.

Public financial aid adapted to this context is expected (see below).

But these technology start-ups and SMEs also want **the general political framework in France and within the European Union to encourage risk-taking by private investors and savers** with financial means, as may be the case in the United States. The capital of these investors and private savers should be able to direct more towards disruptive innovation.

[4] "Qui contribue à façonner la norme, influence le marché", La Tribune of 15 February 2022.

2.2. Mobilisation of public authorities for awareness-raising actions

Within the framework of the major policies mentioned above or on other important themes, SMEs are calling for **proactive action by the public authorities and the mobilisation of their resources** to contribute to raising the awareness of companies or populations on subjects that they see as challenges for the years to come It is thus noted that the means of institutional communication have been particularly powerful and effective for awareness-raising and information actions in the context of the Covid health crisis. This communication strength, or at least part of it, could usefully serve other "causes".

The field of awareness quite logically comes under the State level, particularly to take account of national specificities. **But the level of the European Union is undoubtedly also opportune, either because the subject is linked to the single market, or because global messages at European level can only reinforce the impact of the communication**.

A need that should persist: digital transition awareness

Actions to raise awareness of the need to appropriate information and communication technologies and to engage in the digitisation of one's activity are not new. Much has been done on the subject at European level, in the French State and in the territories. The CCIs took a large part in these awareness-raising, information and demonstration actions.

However, it appears from the survey and the workshops of SME Visions [EU 2030] that this awareness remains relevant for the years to come.

> ***"There is still a need for big digitisation awareness campaigns with smaller businesses, to raise awareness that it is not an option and that the world is moving very fast." Luc Julien-Saint-Amand, Lawyer, Valoris.***

First of all, because **new technologies continue to arrive on the market** (Business intelligence, blockchain, artificial intelligence, big data, automatic translation, etc.) and because the **conditions of use are also constantly changing** in terms of commerce via digital.

Then, because some companies, especially those with fewer resources among VSEs, are still on the sidelines of this digitisation, with in particular a proportion of employees who remain affected by the digital divide. For the most part, however, their activity will not be able to remain outside the digital universe.

It is therefore hoped that **public budgets will continue to be mobilised to ensure this awareness of the digital transition**. As for the message, it could now **be more direct**, to emphasise that the digital transition, even if it must be adapted to each type of business and activity, is no longer an option and that the world is moving very fast. Or, put even more bluntly, "*if we don't digitise, we sink*."

A specific dimension of digitisation, cybersecurity

As seen previously, cybersecurity is a major issue for companies and it will probably be even more so in the years to come given the increasing digitisation and because the attacks will be even more severe: more than one SME out of two respondents to the SME Visions [EU 2030] survey consider that cyber attacks will be even more sophisticated by 2030.

However, **the level of media coverage and awareness is probably still insufficient given the scale of the challenge**. The majority of the attacks and damages suffered go under the radar because there is an image issue for companies. And a proportion of the threat may not be recognised by smaller companies.

> ***"There is a real challenge of communication-awareness on the stake of cybersecurity. The threat is largely underestimated because many companies do not report attacks, so as not to damage their image. Some small businesses don't even detect the attack." Julien Amacher, COO, Oxibox.***

To raise the overall level of protection for companies, it therefore seems appropriate to **increase awareness and information actions with the entire economic fabric**, once again in a way adapted according to the types of company: raise awareness of **different aspects of the threat**, the **priorities to be adopted to ward off or respond to attacks**, the **technical solutions available**, etc. This is all the more necessary since there is no regulatory requirement on the precautionary measures to be taken.

This awareness dimension must also **incorporate the issue of insurance** against the risk of harm, as well as the need for providers of digital products/solutions to secure them.

> ***"More and more products incorporate technologies that could be hacked remotely. To be a leader, a company today must market fully secure products that incorporate cybersecurity in its innovations to ensure that their companies or those of their customers can withstand attacks or errors that generate vulnerabilities" Sami Lallahem , President, Ixsane.***

European funding could thus be mobilised for large-scale awareness-raising actions and support information and awareness-raising actions implemented at national level by business support organisations.

One of the ways of disseminating this culture of cybersecurity in SMEs is to fully incorporate this subject in the continuous training offering, in a way that is adapted for the different audiences of the company.

> ► **Recommendation [EU2030]: provide for European financing and mobilise the EU's means of communication to pursue and amplify digital transition awareness-raising campaigns, by fully incorporating the cybersecurity dimension.**

The promotion of virtuous products in terms of sustainable development

The testimonials and opinions expressed within the framework of the SME Visions [EU 2030] process highlight the convergence of three trends:

- The **need to support and sustain the ecological transition** by showing that **efforts are a necessity and that everyone can contribute**,
- **The growing aspiration of consumers to opt for virtuous services or products** that can display transparency, as shown by the dynamics of organic goods,
- The opportunity for exemplary companies in terms of virtuous products or production processes, and which in some way bear additional constraints, to be able to **take advantage of these efforts for their notoriety and their image**.

However, the participating SMEs note various limits for this convergence. Firstly, it is a subject where, once again, SMEs do not act on "equal terms"; l**arge companies have many more resources and capacities to promote their CSR process** than smaller ones and some are also required to produce a declaration of extra-financial performance which includes environmental indicators. Then, **the consumer approach is sometimes partial, lacking objective information**, which can again penalise small-scale national producers. And the problem is all the more real as this communication issue can lead to what may be akin to misinformation with "virtuous product" labels that are misleading or only attest to part of the reality.

SMEs that are involved in processes and in offering virtuous services/products in terms of sustainable development are well aware of the opportunity of this communication with consumers and distribution intermediaries. This requires **demonstration, education, a broad approach** that can go as far as industrial tourism and of course means for communication. All of this may be out of reach for smaller businesses.

> ***"Today the end consumer can influence the producers, this can be seen in the packaging requirements. And the power of public communication that we are seeing for the health crisis could also be put to work for sustainable development." Stefan Kirstetter, Director, Malengé.***
>
> ***"We must encourage SMEs to speak out, to communicate by capillarity, on their virtuous processes and the demonstration of certain truths. For example, we can demonstrate that a bamboo toothbrush from Asia is much less virtuous than a plastic toothbrush well produced in France." Olivier Remoissonnet, Chief Executive Officer, La Brosserie française.***

This is the reason why a commitment and support from the public authorities are desired to raise awareness in a comprehensive way on the subject and to contribute to the promotion of virtuous services and products, in particular those resulting from the fabric of SMEs. This orientation includes a European dimension within the framework of the single market and taking into account the requirements of the EU in terms of ecological transition compared to those of third countries.

► **Recommendation [EU2030]: mobilise European financing and the EU's means of communication to support the promotion of the products and services of virtuous SMEs in terms of sustainable development.**

There is also a need to support initiatives aimed at assuring European leadership on the development of a voluntary standard on extra-financial reporting on environmental matters, ensuring that this is properly adjusted to the nature of SMEs.

> ► **Recommendation [EU2030]: support initiatives aimed at assuring European leadership on the development of a voluntary standard on extra-financial reporting on environmental matters, ensuring that this is properly adjusted to the nature of SMEs.**

2.3. Regulate less but better, by taking SMEs fully into account

To face the challenges they will encounter on their way to 2030, **SMEs are very attentive to the framework in which they operate: legislation/regulations, certifications, norms and standards**.

These dimensions were thus frequently mentioned during the "Market Development" workshop, but it was also an important aspect of the discussions on ecological transition and innovation.

One of the respondents to the SME Visions [EU 2030] survey describes his main challenge for 2030 as follows: "*succeed in continuing to develop new products within a new regulatory framework, much more restrictive in terms of costs and deadlines*".

This strong concern does not mean that there is a general desire for deregulation. **The need for a legislative and regulatory framework is not disputed**, what is expressed is the vision of regulations that are **simple, clear and stable**, to provide a framework and a timetable. This definition of a framework providing sufficient prospects is particularly underscored with reference to the challenge of ecological transition. Given the efforts to be made by companies and the impacts on economic models, companies need this clarified horizon.

> ***"For the ecological transition, to give businesses the necessary visibility, we must manage to set minimum common rules in the European Union". Philippe Dutruc, President of the CCI Deux Sèvres until 2021, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

There were also many expressions deeming **new progress to be a priority in order to finalise the single market**. The observation is made by SMEs from various sectors that the European market remains partly fragmented due to the **heterogeneity of rules that have not been harmonised**. For example, a breakthrough has just been made in early 2022 with the adoption of a centralised authorisation procedure for clinical trials by pharmaceutical companies, whereas previously it was necessary to submit a file in each Member State where trial participants reside.

And the observation is also made that this **fragmentation is also caused by new texts**, the recent French anti-waste law and for the circular economy constituting an example, with new marking obligations specific to France, which prevents having unique packaging in Europe. Because for the SMEs concerned this is what is at stake; **to be able to benefit directly from the large European market when they launch a product**.

> ***"To allow us to develop our markets well, we should at least be able to take advantage of the Community market of 450 million inhabitants from the outset. However, the harmonisation of the regulatory framework remains to be finalised and things are not moving fast enough. In addition, the protection of SMEs remains poorly assured in this market". Cyrille Viellard, President, VMC Pêche and Elected Member of the Territoire de Belfort CCI.***

The work of the “European CCI Week” in May 2021 also reached this conclusion: *“in certain areas (innovative products, agro-food, biodegradable plastics, materials in contact with water, etc.) it is the definition of a common regulatory framework that companies need in order to develop their activities. In the health sector (...) the use of 27 different approval procedures is most often the rule*”.

► **Recommendation [EU2030]: make the finalisation of the Single Market a priority, by harmonising or unifying what still has to be and by avoiding national texts from creating new divergences.**

In parallel with the regulations, there is also the desire to produce **European norms and standards, particularly for new technologies and emerging sectors**. These advances must both serve the establishment of new common regulatory frameworks and allow the assertion of European interests at global level. The European standardisation strategy, presented in February 2022 by Internal Market Commissioner Thierry Breton, responds to this expectation, highlighting the strategic role of voluntary standards in the search for economic sovereignty.

While the desire for new progress in the constitution of the single market is frequently expressed, there is also a **general demand for the reduction and simplification of regulatory requirements**, the "regulatory millefeuille" constituting a brake strongly felt by SMEs.

"In viticulture, innovative treatments that could help the ecological transition are held back by regulatory shackles." Anouck Chapuzet-Varron, CEO, Vinea SAS.

“Regulation opens up new avenues, it is necessary to stimulate innovation processes, to regulate certain practices. It must favour the general interest while accepting to be challenged by innovation. The regulations must be attentive to weak signals to allow innovation players not to be slowed down, constrained by the administrative authorities by an extremely difficult and long process at the risk of seeing innovations abandoned.” Gérard Tétu, Director, Kleuster.

For example, it is pointed out that for marketing, the CE marking process is much more complex than that of the Food and Drug Administration (FDA) for the US market, causing an additional delay of at least two years. Such a difference is a major competitive handicap for the launch of innovative products. In February 2022, the Minister for Industry, Agnès Pannier-Runacher, announced the opening by Bpifrance of a regulatory diagnostic counter to facilitate obtaining CE marking for medical devices.

"In terms of speed to market and regulatory impact, the longer lead times in Europe compared to the US may also be related to differences in method, with the European approach being more sequential." Jean-Paul Mignard, Director and Founder, Axsol.

On this issue of regulatory complexity, the **French tendency to over-regulate in relation to community requirements** is also deplored.

Complexity is also a difficulty and a brake for European aid itself, even when this aid is distributed via intermediary bodies.

> ***"ERDF funds are still underused, so we need to simplify their use." Fany Ruin, 1st Vice-President of CCI France, President of the CCI Amiens-Picardie, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

In addition, there is the feeling that all the **opportunities offered by digitisation are not being seized to simplify the regulatory approach**.

> ► **Recommendation [EU2030]: make it a permanent imperative to simplify the legislative/regulatory framework, by rationalising the production of texts, banishing any national over-regulation and seizing all opportunities offered by digitisation. Certification procedures should also incorporate this imperative, particularly in view of limiting costs.**

The need for streamlining and simplification is also felt, beyond the regulations, in terms of **certifications**. The latter will continue to impose themselves more and more for environmental quality, food, safety... because they meet the aspirations of consumers and citizens, when they are not required by regulations, which may **raise the question of the framework for invoicing** in this situation. The development of certifications is accompanied by an increase in the complexity of methods, which translates into levels of direct and indirect costs (time spent) that are difficult for SMEs to bear.

> ***"More and more certifications of our products are required by regulations. It is more and more expensive and can represent a sum of 500 K€ for a marketing authorisation, with sometimes unnecessary requirements consisting in repeating the same analyses several times." Guy Baret, R&D Manager, Selvert.***

On a related subject, SMEs point out that there is a **great fragmentation in terms of eco-organisations and that the trend is rather towards an increase in the number**. This fragmentation generates significant operating costs that weigh on businesses. The idea is also put forward of grouping the organisations together, to save money by pooling them, in order to limit the costs weighing on companies. And why not consider this pooling at a European level, for organisations working in the same sectors?

> ***"By pooling at European level, eco-organisations could cost less and therefore result in less tax for businesses." Cyrille Viellard, President, VMC Pêche and Elected Member of the Territoire de Belfort CCI.***

> ► **Recommendation [EU2030]: reduce the operating costs of eco-organisations through pooling, including at EU level when this is relevant, in order to reduce the burdens on businesses.**

Finally, the SME Visions [EU 2030] process confirms the wish of SMEs that this reduction and simplification of the regulations be coupled with **a real consideration of the specificity of the situations of the smallest companies**.

On the one hand, this wish is motivated by the fact that to be simple, a regulation **must take into account the fact that SMEs logically have fewer administrative resources**. On the other hand, this consideration of the specificity of SMEs is also necessary for effective and optimal regulation because **SMEs quite simply do not very often experience the same realities as larger companies**.

> ***"Europe is still too far from SMEs, there are not enough close and permanent links for the problems of the latter to be fully taken into account, hence the frequent feeling that European legislation, with its implemented nationally, is a brake on the development of markets". Michel Bossi, President of the Tarn CCI, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

It is thus requested that **SMEs be much more concerted** in the process of adopting regulations, norms and standards, that they be "less systematically offside".

And for that, SMEs first ask to be better informed about the texts that are in preparation.

> ***"For the regulations to properly take into account the problems of SMEs, there is already an issue of disseminating information on regulatory advances. Knowing would allow participation. And there is still progress to be made to give SMEs the opportunity to enter into the regulatory processes, in particular with regard to the resources allocated. An SME does not have the same human resources as large groups. Moreover, it is indeed essential to properly integrate SMEs into this regulatory process because they can be a good representation in certain markets and their number is a key asset for the application of regulations." Elsa Lomont, Co-founder and Director of Ethikis ad Civis.***

The demand is also expressed that the intermediary organisations (CCI, Sectors, Poles and clusters, etc.) offer **opportunities for exchange with legislators and regulators**, depending on the regulatory agenda. Some leaders recognise that they themselves must take time to express their expectations and interests, but they ask to be helped by their institutional environment for meeting opportunities with decision-makers (European Commissioners or other Commission representatives, ministers, European MPs, etc.).

The means of consultation on draft regulations, such as the Enterprise Europe Network (EEN) can offer with the feedback mechanism, are also considered to be a useful channel for feedback. However, the approach would benefit from being **enriched by more systematic feedback** on the conclusions of the consultations.

Exchanges within the framework of the SME Visions [EU 2030] workshops have enabled SMEs who know their business to point out that **standardisation committees are an effective channel** for bringing companies' concerns and that they give "a head start" .

> **► Recommendation [EU2030]: systematise and better structure SME consultation on draft European regulations, offer SME directors opportunities to express their expectations/specificities to legislators and regulatory decision-makers.**

2.4. Expectations in terms of direct aid

The SME Visions [EU 2030] workshops have shown that SMEs are also waiting for direct support, in connection with the themes concerned, to face the challenges by 2030.

In terms of ecological transition, the "newness" of the subject and the scale of the investments require significant support

To help them in their future investment decisions contributing to the ecological transition, SMEs always want to be able to access information and advice from experts, as the subjects are varied, new and complex for managers of SMEs.

According to their experience, the **resources available in terms of advice at ADEME or in local authorities may be undersized** to provide rapid responses to all requests. Also, it is hoped that additional resources will be mobilised by the public authorities to carry out this information/advice mission.

> ► **Recommendation [EU2030]: propose European calls for projects aimed at financing the action of networks of expertise on ecological transition, to carrying out a first level of information/advice, or even audits prior to investment decisions.**

The analysis of the challenges expected by SMEs by 2030 has also shown that there remains **a need for financial aid for investment** given the specificity of "ecological transition" projects. An increase in public funding on this subject is therefore desired, with an expectation as to the targeting of the **Plan France 2030 funds** on the subject.

At the media level, if the ecological transition is often treated from the angle of the very large investments that are necessary, with reference for example to the carbon tax project at the borders and to the sectors that emit high levels of greenhouse gases, for VSEs and SMEs, this ecological transition is often based on a variety of actions to be taken, some of which may go "under the radar".

It is particularly for what can be qualified as **small projects and intermediate project**s that lack of mechanisms are reported: projects between 5,000 and 50,000 euros for VSEs, between 20,000 and 100,000 euros for SMEs. For example, "*a €25,000 investment project consisting in insulating an industrial building is no longer financed by anyone, whereas it is a real ecological transformation project*".

> ► **Recommendation [EU2030]: mobilise European credits to increase the capacity for financial aid for investments in ecological transition, in particular for small projects and intermediate-sized projects carried out by VSEs-SMEs.**

Needs for decision support also in terms of digital transition

As with the ecological transition, SMEs express a need for information, advice and access to expertise in order to be able to define and carry out their investment projects in terms of digitisation.

The first level of this need is to be able to **situate one's practice of digitisation against that of similar companies and to draw conclusions in terms of priorities for action**. The **Digipilote solution, developed by the French CCIs** within the framework of Soluccio, responds to this problem.

As for the need to access a first level of advice or expertise, it concerns, for the most advanced SMEs in terms of digitisation, **technologies such as the blockchain, the digitisation of production chains and the IIoT, artificial intelligence, cybersecurity solutions etc**. But the need is not limited to technology and also frequently concerns **applications for e-commerce/e-services, the control of communication actions on digital networks and on controlling data sharing**.

One of the axes of the "Digital Europe" program aims to finance projects in the field of cybersecurity: encouraging the sharing of good practices and the large-scale deployment of state-of-the-art solutions throughout the EU.

In addition, the **EDIH**s (European Digital Innovation Hubs), implemented as part of the "Digitising European Industry" program, will meet some of these expectations by financing groups of players whose purpose is to constitute a one-stop shop for connecting companies with the resources of their environment to carry out their digital transition projects and allow them to experiment with technologies. The EDIHs will notably be built around artificial intelligence, cybersecurity and high-performance computing bricks.

There will remain the question of **specialties not covered by the bricks of EDIH and the response to the needs of non-industrial companies**.

As for the ecological transition, European funds could thus finance, within the framework of calls for projects, actors making it possible to complete the action of the EDIH in terms of first-level advice and orientation towards the digital expertise of the SME environment.

> ► **Recommendation [EU2030]: mobilise European funding from the "Digital Europe" programme to finance networks to support SMEs, outside the scope of EDIH, in their appropriation of technologies and in the acquisition of advanced digital skills.**

Better consideration of SMEs in the financing of innovation

The survey and the SME Visions [EU 2030] workshops have shown that the European Union is clearly identified as a **key player in terms of aid for innovation**.

> ***"In terms of innovation, the European Union has fallen behind on certain technologies, such as 5G for communications. We need to regain European leadership and for that to position ourselves on the next challenges, which means on this subject of communications, focusing now on 6G or even 7G". Philippe Dutruc, President of the CCI Deux Sèvres until 2021, Member of the "Task Force Europe 2016-2021" of the CCIs of France.***

For technology start-ups or SMEs that carry out breakthrough innovations, the strong expectation is to be able to **have funding covering the entire innovation process, up to marketing**, in order to be able to reach this stage or to avoid being redeemed. The **dimension of long-term support** in the use of this funding is also considered very important.

The **systems of the European Innovation Council**, such as the EIC Accelerator, dedicated to radical and disruptive innovation, meet this need. But the **response to requests for proposals in this context is still too complex for small businesses and the system appears to be too elitist**. An imbalance is felt between the amount of resources needed to respond to calls for projects (possibly by being accompanied) and the probability of seeing one's project selected. It is pointed out that means of support for responding to calls for projects are offered by certain Regions but that the **situation is uneven at national level**.

> ***"Disruptive innovation is hard to bear. Obtaining financial assistance is of course a key point, but it should not stop at the release of funds. For a start-up, it is also very useful to be supported over the long term in the market launch phase. I was able to experience with European systems the contribution that coaching and regular communication with the funder on the use of aid can represent". Pierre-Emmanuel Casanova, Co-founder, Hysilabs.***
>
> ***"We must simplify calls for projects under Horizon Europe. The requirements are disproportionate to the resources of an SME and the success rate is too low to systematically call on a specialised firm for support." Marine Laville, President of Novaptech.***

The **labels of excellence** (seals of excellence) are quality labels issued by the European Commission to projects which were not selected due to budgetary constraints but which met the required quality requirements. This system thus aims to take advantage of the in-depth assessment carried out by the European instructing services and to promote the obtaining of aid via other European or national systems. **It is expected that by 2027, as part of the Horizon Europe programme, this system will expand.**

Other funding dedicated to SMEs such as **Eureka Eurostar** are more accessible, with a success rate of 29% of proposals submitted. However, their management is carried out at national level, with different criteria by country but with, in most cases, a decision based on the company's own funds, **which can make accessibility difficult for start-ups or VSEs**.

Finally, it must be considered that innovation is not limited to breakthrough innovation, particularly for SMEs and if we consider all sectors of activity. The European Union and the national and regional authorities must therefore also mobilise funding to offer aid for innovation over a wider scope of intervention.

> ► **Recommendation [EU2030]: continue to adapt financial aid schemes for innovation to expand the population of SMEs that can benefit from them and allow the mobilisation of European funding to also support non-disruptive innovation in VSEs-SMEs.**

With regard to **Horizon Europe's thematic calls for projects**, the question first arises of the possibility, for smaller companies, of being **able to seize opportunities to join consortia** that respond to these calls for projects. As these are projects that affect competitiveness, it is difficult to envisage broad calls to join consortia. This is why **SMEs have an interest in working upstream their networks of potential partners**. And public actors are expected in this area to create all the good networking opportunities, to help SMEs "break out of isolation": this is true with competitiveness poles and clusters, BPI accelerators or in the framework of animations of industrial sectors. But **other more cross-cutting or open animation actions**, such as BtoB events organised by Enterprise Europe Network (EEN), are also considered very useful for initiating networking.

> ***"Innovation is first of all open-mindedness and the ability to adapt. Formalism, on the other hand, is a considerable obstacle". Luc Julien-Saint-Amand, Lawyer, Valoris.***

Technological SMEs are convinced that they can play an **important role within the framework of these consortia**, whether as **users of the technologies developed** or as **suppliers of some bricks of the technological offer**. They then want to be **fully integrated as project partners**.

> ***"In European research projects, SMEs have a key role to play but they need to be accompanied by leading companies or laboratories who must really share with them and elevate them.". Bertrand Lenoir, CEO, NA Wave.***

To maximise the opportunities of these thematic calls for projects, the **development of public-private partnerships** also appears to be a key point.

These partnership research or innovation projects must also be able to promote **a win-win technology transfer**.

> ***"For small SMEs, innovation can also come from their own customers. Sometimes, some large companies or large research institutes want to develop innovations by creating subsidiaries or by creating start-ups, but this technology transfer could also conveniently be carried out towards existing SMEs, with cutting-edge know-how." Eric Fanio, Chairman & CEO, SEF Technologie.***

> ► **Recommendation [EU2030]: mobilise funding to pursue open and cross-cutting animation actions, allowing VSEs-SMEs to develop their network of potential partners to participate in innovation projects and to support these companies in forming partnerships.**

Facilitate the establishment of SMEs on international markets

As mentioned in the analysis of the challenges, many SMEs integrate international development into their development, whether locally (Europe, Maghreb) or to major export destinations. Some anticipate, for the coming years, having to increase their presence in these foreign markets rather than serving them solely through exports.

To cope with what can be a challenge given their limited means, they express the following expectations with regard to their institutional environment:

- Be informed of the **key knowledge to be mastered in the target country, in terms of culture and business practices**, in order to be able to properly approach their interlocutors in these markets. On this issue, experiences show that it is not always easy to obtain this information,
- To achieve an establishment, to be able to benefit from **targeted contacts** in the targeted markets,
- To be able to be helped to **facilitate the administrative procedures**.

The feeling that was expressed is that of a **certain complexity in identifying the institutional actors** who can provide them with this aid abroad and a misunderstanding of the **invoicing of services** by institutional bodies facilitating international development.

> ***"Why not pool between European actors the means to help us set up on third-country markets? Faced with economic giants, unity is strength, we must fight against our fragmentation, the cause of weakness." Cyrille Viellard, President, VMC Pêche and Elected Member of the Territoire de Belfort CCI.***

► Recommendation [EU2030]: improve, for SMEs, accessibility to support services for setting up on foreign markets and develop pooling between the representations of the Member States to release more means of support and contribute to the display of an EU "economic power" in third country markets.

2.5. Taking into account the territorial dimension

To face the challenges they will encounter by 2030, some SMEs are concerned about the territorial dimension in the support that the institutional environment can provide them.

Without **public investment that makes it possible to ensure a good level of territorial connection**, whether in terms of telecommunications or transport, some SMEs fear the maintenance, or even the widening of a territorial divide, preventing them from be part of the dynamics of economic development. In the same way, due to the obstacles to development that remain for legal, administrative or technical reasons, the support of European funding is still expected in the economic system of border areas to support cooperation and stimulate growth.

European regional funds are therefore still expected to ensure regional planning and help the most isolated, fragile or specific areas.

The expectation of public investment is also mentioned in order to be able to **have technological platforms**, so that each of the regions can **bet on the innovation of its companies**.

The **challenges in terms of human resources** also include a strong territorial dimension. While almost all SMEs have expressed their present and future difficulties in keeping their teams and recruiting new employees, **those located in rural or isolated areas logically mention even more intense difficulties due to the lack of attractiveness of these territories in terms of professional activity**.

This additional territorial handicap is linked to several causes: a deficient leisure offer, non-existent professional opportunities for spouses, but also difficulties in finding accommodation, either because of the lack of offer corresponding to expectations or because it there is strong pressure linked to the tourist attraction of the territory (second homes or other tourist accommodation)

> ***"Human resource issues are even greater in rural or isolated areas. Public support for setting up elements of inter-company attractiveness would be useful support." Sébastien Cauquot, COO, Orfix.***

Companies in these rural or isolated areas therefore expect European regional funds to be mobilised for regional projects aimed at creating a leisure offer, pooling employee services between companies and facilitating access to housing for their employees.

> ► **Recommendation [EU2030]: maintain financing capacities through European regional funds for land use planning policies, both to finance projects to correct the handicaps in terms of connection and professional attractiveness of the most isolated, least favoured and border areas and to support economic development policies and communication infrastructure projects in less favoured regions.**

Still in terms of human resources, apart from the case of very specific skills that come under the search for talent at the national and international levels, the **recruitment of young graduates has a strong territorial dimension for SMEs**. Several of them mentioned that to meet their skills needs, for profiles of engineers, sales executives, technicians, they relied heavily on recruitment at the exit of establishments in their territory. And they also consider that **the adequacy between their business needs and the skills acquired by initial training must first be worked on at this territorial level**, including for the skills expected in emerging sectors.

> ***"For us the difficulty is to find the specialised skills at the local level although we have a rich fabric of higher education. Schools need to get closer to companies, to clearly identify innovation trends and emerging skills, by anticipating the training period. In addition, schools must be careful with their speeches on salaries because we regularly face disproportionate claims for a start-up from young graduates ". Pierre-Emmanuel Casanova, Co-founder, Hysilabs.***

There is therefore an expectation that **real forums for exchange between companies and higher education establishments on skills needs will be set up and animated, at territorial level**.

CONCLUSION

The years that separate us from the 2030 horizon will (still) be years of **great change**.

The SMEs that have taken part in the SME Visions [EU 2030] process are well aware of this and for them, this will not only be the business of large companies and ETIs. **Many of the challenges they expect to face in the coming years will require changes to their business model, innovations and a major investment effort**.

The markets on which they market their products or services will instead expand, via e-commerce or international development, with competition that will also expand further. Even VSEs-SMEs in the face-to-face sphere, oriented towards customers in their territory, are affected by this widening of competition.

Human resources will be an even greater problem for SMEs as they have fewer financial resources to influence the job market and cope with the changing aspirations of employees.

The ecological transition will, of course, also be their business, with many projects to carry out and, here again, fewer resources to do so than the major players.

As for the evolution of technologies, in particular on the digital level, they intend to be able to seize the opportunities.

This response to the challenges to come, this management of the transitions to be made, the managers of SMEs fully integrate it into their entrepreneurial project. This is part of the very essence of this entrepreneurial project.

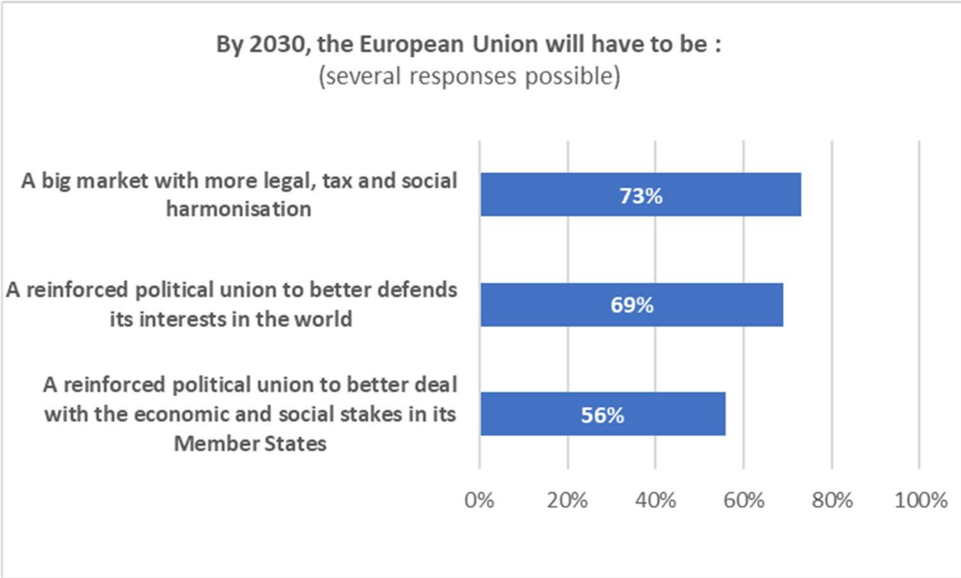
But the SMEs that have taken part in the SME Visions [EU 2030] process nevertheless expect the public authorities to **help them on this path by 2030**, ensuring firstly that **the economic and social environment that these latter generate is more favourable to the development of enterprises** and, secondly, that the **public policies take account of their SME realities**.

In this institutional landscape, **the European Union is clearly identified as an important actor**.

The SME Visions [EU 2030] process thus shows that **expectations are high regarding the European single market, for it to be deepened**. The SMEs expect a full realisation of the promise of this single market: to be able to sell their products directly on a large market of 450 million Europeans,

This concern was expressed in a very concrete way in the comments in response to the questionnaire and on many subjects dealt with during the thematic workshops. It covers both the **"harmonisation/unification"** dimension and the **"simplification"** dimension.

It also appears clearly in the answers to the general question of the survey on what the European Union should look like by 2030. For 3/4 of SME managers who responded to the survey, **the European Union should in 2030 be a large market with more harmonisation in legal, fiscal and social matters**. It is the position of the EU that appears most frequently cited.



The managers of SMEs who have taken part in the SME Visions [EU 2030] process also expect the European Union **to assert itself as a power, fully integrating the globalisation of the economy**.

Even when their activity is deployed only in France or nearby, the economic impacts of what is happening in the world are well measured. **Nearly 2/3 of respondents to the survey also expect that by 2030, the EU will be a stronger political union in order to better defend its interests in the world**. There is, for many SMEs, the wish to be able to concretely benefit from the spin-offs of a "unity that is strength" at the global level.

SMEs also clearly identify **the European Union's capacity for action in favour of companies**, due to its competences, the budgetary means at its disposal and the sharing of European good practices for which it must be the framework. Its support in the form of aid is particularly expected on the subject of **innovation and for support in ecological and digital transitions**.

In terms of human resources, expectations are high with regard to the public authorities with, for companies, the awareness of the **importance of national specificities** on the issues that arise.

However, the resources of the European Union must be able to **support national policies**.

Overall, more than one respondent in two to the survey thus approves of the fact that the EU will be a strengthened political union by 2030 with the aim of better addressing the economic and social challenges in the Member States.

The recommendations of this SME Visions [EU 2030] process relate to these different levels of ambition of the European Union.

CCI FRANCE

Une étude nationale réalisée par

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