

## State of the SME Union: nurturing growth and resilience for European SMEs

**The State of the SME Union debate in the European Parliament is a crucial moment to take a closer look at the difficulties faced by companies that require more attention and support from EU policymakers. Actions should be taken promptly and the ‘think small first principle’ applied in a consistent and – even more importantly – tangible way.**

Over the last few years, several challenges have piled up, exacerbated by an EU policy approach that does not always support SMEs. The cumulative effect of legislation since 2019 is an additional challenge for SMEs, and they increasingly tell chambers that they are at regulatory saturation point. Excessive regulation hampers SMEs’ ability to operate efficiently and grow sustainably. Therefore, simplifying and harmonizing regulations, particularly for cross-border activities, are imperative to deepening the single market and promoting a more conducive business environment.

European institutions rightly promote the importance of a level-playing field. Unfortunately, our entrepreneurs oftentimes struggle to see these words mirrored in their daily reality and EU policies translated into practical solutions at the territorial level.

Eurochambres [set out](#) the expectations of the European network of chambers of commerce and industry for the upcoming SME Relief Package, remarking on the urgency of effective measures to be consistent with the need for swift relief. Among other actions, a change in the way industrial policy is conceived is highlighted, to fully integrate the contribution of SMEs to the economy and across all value chains.

Policymakers should promote simplified access to finance through easily accessible loan procedures, enhanced financial literacy programmes, and collaboration between traditional financial institutions and emerging fintech platforms.

Digital tools and innovations develop at a rapid pace, creating both opportunities and challenges for entrepreneurs. Many SMEs struggle to keep up with technological advancements, hindering their competitiveness and growth potential. European co-legislators, national governments, and business representatives should cooperate more consistently to provide targeted support and resources to help SMEs embrace digital technologies, such as offering digital skills training and facilitating access to affordable digital infrastructure. In this sense, chambers of commerce and industry are a key pillar in implementing EU policies at local level through – among others – their strong engagement in the Enterprise Europe Network.

SMEs often struggle to attract and retain skilled employees due to competition from larger companies. Promoting vocational education and training programmes, incentivizing apprenticeships, and fostering collaboration between educational institutions and businesses will help bridge the skills gap. Additionally, facilitating the mobility of skilled workers within the European Union can offer SMEs access to a diverse pool of talent and promote cross-border knowledge transfer.

Eurochambres and the chamber network are ready to collaborate with policymakers to create an environment that nurtures the growth and resilience of SMEs and contributes to Europe's economic prosperity.



Jean-Charles Herrenschmidt  
Committee Chair of Eurochambres Economic Policy