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DRAFT REPORT

on access to finance for SMEs and scale-ups
(2025/2072(INI))

Committee on Economic and Monetary Affairs

Rapporteur: Jorge Martín Frías

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on access to finance for SMEs and scale-ups (2025/2072(INI))

The European Parliament,

- having regard to the Commission communication of 29 January 2025 entitled ‘A Competitiveness Compass for the EU’ ([COM\(2025\)0030](#)),
- having regard to the Budapest Declaration adopted on 8 November 2024 at the informal meeting of heads of state or government,
- having regard to the publication of 18 July 2024 by Commission President von der Leyen entitled ‘Europe’s choice: political guidelines for the next Commission 2024-2029’,
- having regard to the European Central Bank report entitled ‘Survey on the Access to Finance of Enterprises in the euro area – First Quarter of 2025’, published in April 2025,
- having regard to the Commission communication of 19 March 2025 entitled ‘Savings and Investments Union – A Strategy to Foster Citizens’ Wealth and Economic Competitiveness in the EU’ ([COM\(2025\)0124](#)),
- having regard to the Commission report entitled ‘Survey on the access to finance of enterprises (SAFE) – Analytical report 2024’, published in January 2025,
- having regard to the report by Mario Draghi entitled ‘The future of European competitiveness’ (Draghi report), published in September 2024,
- having regard to the Commission report of 4 July 2024 entitled ‘Annual Report on European SMEs 2023/2024’,
- having regard to the report by Enrico Letta entitled ‘Much more than a market’ (Letta report), published in April 2024,
- having regard to the conclusions of the Special European Council meeting of 17 and 18 April 2024,
- having regard to its resolution of 14 December 2023 on increasing innovation, industrial and technological competitiveness through a favourable environment for start-ups and scale-ups¹¹,
- having regard to the Commission communication of 12 September 2023 entitled ‘SME Relief Package’ ([COM\(2023\)0535](#)),
- having regard to Rule 55 of its Rules of Procedure,

¹ OJ C, C/2024/4182, 2.8.2024, ELI: <http://data.europa.eu/eli/C/2024/4182/oj>.

- having regard to the report of the Committee on Economic and Monetary Affairs (A10-0000/2025),
- A. whereas micro, small and medium-sized enterprises (MSMEs) represent the backbone of European business, with SMEs accounting for 99.8 per cent% of all enterprises, 65.2 per cent% of employment and 53.1 per cent% of the value added in the non-financial business sector in the EU in 2023;²;
- B. whereas European SMEs, while varying in scope, location, ownership structure, and innovation capacity, are commonly affected by overarching challenges such as regulatory complexity and access to finance, yet also and hence face diverse challenges and financing needs, depending on their size, sector, and regions;
- C. whereas the Draghi report indicates that regulatory obstacles and administrative burdens are among the greatest challenges faced by SMEs and recommends that SMEs be exempted from regulations on proportionality grounds;
- D. whereas the Commission aims to improve access to finance for SMEs in order to increase scale, reduce inefficiencies, and promote interoperability, and has set a target of at least a 35 per cent% reduction in the reporting burdens for SMEs, and announced a new SME competitiveness check in impact assessments;
- E. whereas Europe lacks a more dynamic and favourable environment for innovative companies to scale-up, which leads to close to 30 per cent% of ‘unicorns’ relocating abroad;³;

General considerations

1. Considers that creating favourable market conditions for European companies to innovate, start up, create, grow and scale up in Europe is essential to unlock our market’s full potential and help our economies become more competitive;
2. Welcomes the fact that, following the Draghi and Letta reports, the need for a more competitive and less bureaucratic single market has been recognised;
3. Stresses that the EU should strive to make the business environment easier for European entrepreneurs and to create a scale-up ecosystem that relies primarily on both private and public investments;
4. Draws attention to the particular challenges faced by European scale-ups in obtaining late-stage growth financing; notes that many high-potential EU firms remain dependent on foreign venture capital and investors, with a large share of later funding rounds led by non-European investors;
5. Considers that facilitating access to finance for SMEs and scale-ups will depend on (i) the significant reduction in bureaucratic and regulatory burdens, (ii) the enhanced capacity to unlock private investment and savings, (iii) bridging the funding gap for scale-ups, ~~and~~ (iv) reinforcing a competitive capital markets ecosystem within the EU, (v) increased public investment to address persistent financing gaps;

Reducing bureaucratic and regulatory burdens

² [Katsinis, A., Lagüera-González, J., Di Bella, L., Odenthal, L., Hell, M., Lozar, B., ‘Annual Report on European SMEs 2023/2024’, Publications Office of the European Union, 2024.](#)

³ [Draghi, Mario, ‘The Future of European Competitiveness – A Competitiveness Strategy for Europe’, 2024.](#)

6. Recalls that many promising European start-ups and scale-ups are relocating to non-EU countries because of a burdensome, slow, and unpredictable European regulatory landscape; underlines that, unless this trend is reversed through substantial simplification, Europe will continue to lose companies at their most strategic growth stage;
7. Calls for ~~further real and impactful~~ simplification efforts ~~that go beyond the~~ stated in the Commission's omnibus simplification package published on 26 February 2025;
- 7.8. Stresses that no new or upcoming EU regulations should introduce unnecessary friction to competing across the EU and outside of the EU, as well as avoiding additional administrative and reporting burdens on SMEs;
9. Urges the Commission to assess existing and upcoming regulatory obligations that are burdening companies, such as the sustainable finance framework and platforms regulations.
- 8.10. ~~÷ Welcomes the proposed new SME competitiveness check and asks for a~~ binding implementation for all new legislation proposals; calls for this check to be transparent, regularly updated and integrated into all impact assessments; and to develop proportionality thresholds to exempt SMEs from excessive obligations; ~~welcomes the proposed new SME competitiveness check;~~
11. Stresses that the 'one-in, one-out' approach is not enough, and calls on the Commission to propose an ambitious simplification strategy;
- 9.12. Stresses that simplification efforts should not result in the removal of essential regulations and provisions that support SMEs, as these are crucial for helping them enhance their competitiveness and reduce inefficiencies;

Unlocking private capital and savings

- 10.13. Notes that the Commission aims to implement a savings and investment union, which must include not only action at EU level, but also the development of tools, solutions and best practices that respect and support Member States' actions at national level;
14. Calls on the Commission to build a more integrated and harmonised European capital market to facilitate cross-border investment and lending, making it easier for SMEs and start-ups to access diversified sources of private capital;
15. Calls on the Commission to remove barriers to attracting foreign capital into the EU, ensuring that European SMEs and start-ups can tap global private investment pools;
- 11.16. Calls on the Commission to improve investors' access to information and protection, while leveraging the potential of simplified retail products to attract more savings to the capital markets;
- 12.17. Emphasises the need to improve the financial literacy of EU citizens and entrepreneurs; calls on the Commission to include entrepreneurship in the scope of the incoming financial literacy strategy and in a toolkit for Member States to enhance

coordination in this aspect;

18. Calls for public funding not to be used as subsidies, but rather as a catalyst to mobilise private investments and make more private funding available to businesses; emphasises also the role of tax incentives in this regard;

~~13.~~19. Stresses the need to incentivize and simplify the access of SMEs to public funds and EU programs by reducing application complexity and offering technical assistance;

~~14.~~20. Calls on the Commission to introduce flexibility in the implementation of Basel III requirements so as to ensure more lending is made available to SMEs and scale-ups; notes that appropriate flexibility could free up financing capacity and boost competitiveness vis-à-vis other jurisdictions in this regard;

~~15.~~21. Calls on the Commission to make the securitisation regulatory framework more flexible so as to allow credit institutions to provide further funding to companies and support their growth;

Bridging the funding gap for scale-ups

- ~~16-22.~~ Regrets-Acknowledges that many European businesses end up using venture capitalists based in non-~~EU-EU~~ countries and settling in non-EU country markets to scale up their businesses; expresses concern over the growing number of SME failures in the EU;⁴
- ~~17-23.~~ Understands that mobilising European institutional investors, notably insurance companies and pension funds, is key to reducing the scale-up gap; notes that an increase in the share of venture capital funds in Europe is needed to provide more funding to scale-ups;
- ~~18-24.~~ Encourages the Commission to strengthen co-investment platforms as a means to crowd in private investment;
- ~~19-25.~~ Highlights the importance of channelling citizens' savings into productive investment instruments that can benefit SMEs and scale-ups; encourages the Commission to promote simple and secure retail investment channels and to eliminate regulatory disincentives;
- ~~20-26.~~ Emphasises that a more integrated innovation ecosystem, with networks of universities, start-ups, large enterprises and venture capitalists, underpinned by access to testing facilities and technology infrastructure, is instrumental in helping businesses scale up;

Reinforcement of a competitive ecosystem in the EU

- ~~21-27.~~ Considers that a competitive ecosystem in the EU must be composed of strong national markets and that national differences play an important role in fostering healthy competition between Member States and in incentivising them to keep their economies dynamic and attractive;
- ~~22-28.~~ Urges the Commission to focus on enabling conditions for markets, relevant common denominators for Member States and voluntary and complementary frameworks, in respect of subsidiarity;
- ~~23-29.~~ Calls on the Commission to clarify what the 28th legal regime will consist of and recalls that it must ~~be voluntary and~~ fully respect Member States' regimes;
- ~~24-30.~~ Calls on the Commission, with the support of Member State authorities, to develop business guidelines for SMEs and scale-ups in order to help them navigate different legal systems across the EU on matters such as corporate law, labour law, insolvency law, tax law, intellectual property rights, and national funding possibilities;

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- ~~25-31.~~ Instructs its President to forward this resolution to the Council and the Commission.

⁴ [Katsinis, A., Lagüera-González, J., Di Bella, L., Odenthal, L., Hell, M., Lozar, B., ‘Annual Report on European SMEs 2023/2024’, Publications Office of the European Union, 2024.](#)

EXPLANATORY STATEMENT

According to Rule 56(2) of the Rules of Procedure, the explanatory statement will be included closer to the vote.

ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that he received input from the following entities or persons in the preparation of the draft report:

Entity and/or person
Asociación Española de Banca
SME United
Confederación Española de Organizaciones Empresariales (CEOE)
Invest Europe
European Startup Network
Netherlands Organisation for Applied Scientific Research (TNO)

The list above is drawn up under the exclusive responsibility of the rapporteur.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur declares that he has submitted to the natural persons concerned the European Parliament's Data Protection Notice No 484 (<https://www.europarl.europa.eu/data-protect/index.do>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.