

A Manifesto for an innovative Europe

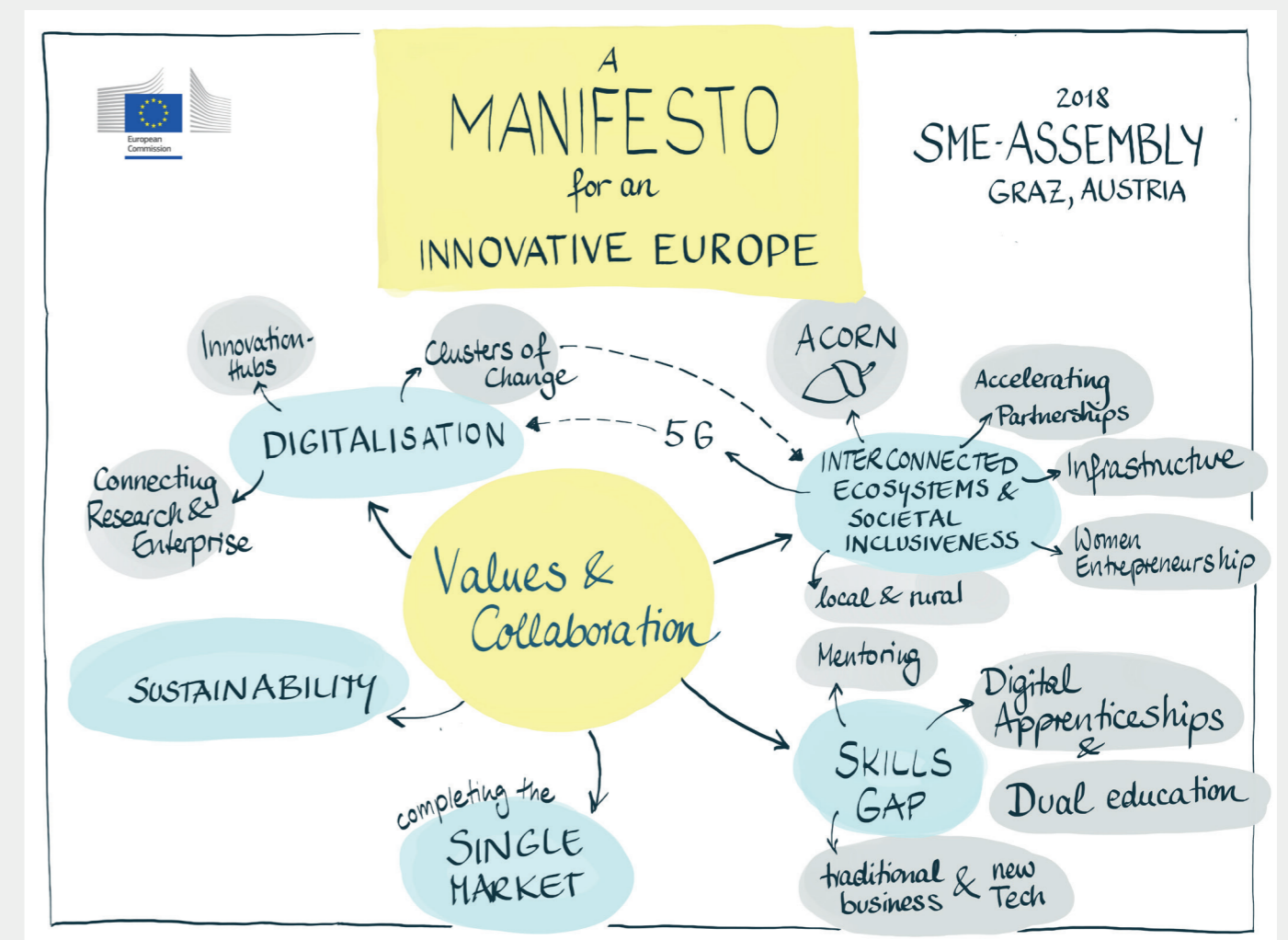
From the participants of the 2018 SME Assembly



European Commission
Directorate-General | GROW

Internal Market, Industry, Entrepreneurship and SMEs

SME Assembly - Graz, 19 - 21 November 2018



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Preamble

Europe's strongest assets are our shared values, rich diversity and culture to serve our businesses, communities and citizens. We believe that from this strong base of values innovation grows and that it is people who make entrepreneurship and innovation flourish.

We aim for innovation which has no barriers of age, gender, ethnicity, location. We must look to develop specific initiatives so that those with ideas can access the support they need to develop them. The crucial role of SMEs in contributing to the success of industry and the wider economy and society is obvious. We are proud of our SMEs who constitute 99,8 % of all companies in Europe, offering employment that sustains local communities. Let's be bold, let's celebrate their contribution because they deserve all our respect.

Our common language is one of sharing. Sharing values, sharing knowledge and sharing innovation. This is our strength in Europe. However, this needs a common vision and joint actions developed through real collaboration. What makes European SMEs so unique is their ability to capitalise on emerging trends and challenges while building on our core European values.

Throughout the two days of the SME Assembly together we have identified some key areas for action.

Completing the Single Market

As goods and services are increasingly interlinked, we need solutions that are innovative and effective. We need renewed political commitment. We encourage groups of countries and regions to be vanguards of the completion of the Single Market according to their ability and willingness to remove barriers and advance. This will help in hiring the best talent. This determines the ambition for European companies to scale up across Europe and beyond.

Digitalisation

SMEs need continued support in embracing the digital transformation. This could be achieved by concentrating digitisation competences needed in specific hubs offering dedicated training to SMEs. Simplifying funding application processes and better use of online platforms for the entire research and development process would make a difference. Artificial Intelligence and open source data need to be used to both create new opportunities and to help reduce red tape.

Digital innovation hubs and clusters ensure all actors in the enterprise ecosystem are connecting, benefiting from shared resources and sharing risk. Specifically, there are significant benefits to connecting research and development within universities with local enterprises and innovation, as the [i2c STARTacademy](#) demonstrate.

Interconnected ecosystems and societal inclusiveness

Innovation will thrive by better connecting ecosystems, facilitating collaboration of stakeholders and taking an inclusive approach which also contributes to societal cohesion.

Entrepreneurs and employees in local and rural areas can be supported by accelerating partnerships and providing smart money that combines funding with mentoring. This is important for economic and environmental sustainability. It needs to include rolling out 5G and developing digital infrastructure, while initiatives like [ACORN](#) in Ireland highlight the fundamental importance of connecting rural entrepreneurs, offering peer support and early stage skills development.

Ensuring everyone's contribution to the economy will be vital to Europe's continued success. For instance, more and more women entrepreneurs are becoming role models for others, acknowledging the significant knowledge and successes they bring. Increasing their visibility further will be critical in overcoming gender bias. To keep growing their impact, more flexible conditions and financing models, tailored trainings, female scaleup investment programmes and women entrepreneurship strategies are needed.

Skills Gap

To help address the growing skills gap, we need new qualifications and professions responding to digitalisation, from qualifications in e-commerce to AI and beyond. Specific digital apprenticeships and using dual education processes, combining vocational skills with university qualifications, is one possibility. As is done in Steiermark, companies could be encouraged to open their doors to help young people gain better understanding of employment opportunities. Initiatives like the [Talent-center](#) in Graz to test abilities of young people help to direct them to what they can do best.

Young people are calling for workplace cultures that enable them to feel heard, to contribute. A culture of learning is essential, and this includes finding ways of learning from the successful strategies of other companies. This also means learning from failure and a platform which shares ideas which failed for external reasons could be an ideas generator for successful innovation elsewhere. SMEs facing challenges could be connected to local researchers and innovators so that they find solutions together.

Sustainability

We are facing unprecedented environmental and societal challenges and SMEs have a vital role to play in responding to them by developing innovations that help respond to environmental challenges, like zero carbon technology and emissions reduction, as well as technologies to help undo the damage already done. For example, [Matsosinhos Carbon-Zero Living Lab](#) offers credits for goods and green services in exchange for adopting more sustainable and greener solutions. The [Piraeus Blue Entrepreneurship project](#) demonstrates the potential of developing specific collaborations between public and private partners for the benefit of the local economy and the preservation of a healthy marine ecosystem. Ideas from Europe helps free up the way for innovators who solve societal challenges by interlinking the perspectives of all relevant stakeholders.

Other ideas ranged from SMEs fully benefitting from Free Trade Agreements; an innovative patent policy rewarding the inventor and enabling knowledge sharing at the same time; embracing open innovation; simplifying the collection of information and access to administrative procedures for business using digitalization (e.g. Single Digital Gateway, e-residency); developing alternative funding mechanisms which enable smaller contributions from a greater number of investors.

To help achieve all of this we need an enabling policy framework in which all levels of government and relevant stakeholders play their part.

To play your part, keep sharing your good practices, reproduce those of others and share examples and smart practical ideas for making Europe's SMEs more innovative and stronger than ever.

http://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act/sme-assembly_en