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SME UNION President Leitl: Increase of “de-minimis-limit” big success for European SMEs

“Our consistent fight for small and medium-sized enterprises in Brussels has once again yield fruit: Europe’s heads of state and government have picked up our demand for an **increase of the de-minimis-limit** for national SME funding. This is a great success for SMEs”, commented SME UNION President Christoph Leitl the decision which allows national aids up to **500.000 EUR** to be granted without permission from Brussels. This increase from EUR 200.000 is now valid for a period of two years. Leitl has met several times with EU Commission Vice-President Günter Verheugen to fight for this increase of the de-minimis-limit. The SME UNION urged for this move in several press releases.

“With this decision Brussels sends a strong signal that it has understood very well where new growth and jobs are coming from: Europe’s SMEs which are the backbone of the European economy and are responsible for 80% of EUs job creation”, emphasized Leitl. “Europe shows its eagerness to help SMEs with concrete measures to overcome these difficult times.” This is a very important step for easier access to finance. Leitl also welcomes the claim of the **EU summit to completely implement the Small Business Act (SBA)**: “Think small first must be the guiding principle of all EU legislation.” The **member states gave their full blessing to the Small Business Act and its newly annexed action plan.**

Leitl also asks the Commission to take quicker decisions concerning grants that it still has to approve. The planned increase of global loans granted by the European Investment Bank (EIB) is an important contribution to help SMEs out of the credit crunch. “The EIB package of **EUR 30 billion for global loans has to be in the pockets of SMEs as soon as possible**”, demanded President Leitl.

Nevertheless banks are now reluctant to provide loans to risky projects, like innovative ventures and start-ups. “Therefore the EIB should bring forth its **own SME Guarantee Fund** to provide counter-guaranties to national and regional guarantee institutions providing guarantees particularly to start-ups and innovative SMEs”, demands the SME UNION President. “With an endowment of only one billion Euros, SMEs could be granted credits of up to 50 billions of Euros thanks to the leverage effect”, concluded Christoph Leitl.

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SME UNION (Small and Medium Entrepreneurs Union) of the EPP (European People’s Party) is the network of pro-business Christian-Democrat, Conservative and Liberal politicians and political organizations. Its main objective is to help in shaping EU policy in a more SME friendly way. www.sme-union.org