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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**COSME
2014-2020 Programme for the Competitiveness of Enterprises and SMEs**

2020 Monitoring Report

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1. Introduction

COSME is an EU programme to improve the competitiveness of enterprises, especially small and medium-sized enterprises (SMEs)¹. It adds value by addressing transnational issues and market failures through four specific objectives:

1. improving **access to finance** for SMEs in the form of equity and debt (at least 60% of the total budget for 2014-2020);
2. improving **access to markets** inside and outside the EU (21.5%);
3. improving **framework conditions** and **competitiveness** for businesses, including SMEs (11%);
4. promoting **entrepreneurship** (2.5%).

The COSME programme also paid attention to other Europe 2020 Strategy priorities² such as helping SMEs to benefit from innovation, access to skills and training, and the role that SMEs can play in social cohesion (by supporting social economy and young and female entrepreneurs).

Many **synergies** were developed **between COSME and other EU programmes relevant to SMEs**. One example is the COSME financial instruments that were run in close cooperation with the European Fund for Strategic Investments (EFSI)³ and the Horizon 2020 financial instruments⁴. The Enterprise Europe Network has developed synergies with various EU programmes including Horizon 2020 for service delivery and for training the network. There is also good cooperation between the international IP helpdesks and IP helpdesks supported under other EU programmes. Another example is the monitoring tool developed under 'Initiatives for a Built Environment' that facilitates the monitoring of construction actions in national recovery and resilience plans.

The 2020 work programme made progress in implementing one of the main recommendations stemming from the interim evaluation⁵ of the COSME programme: the need to focus on bigger, strategic measures while keeping some flexibility in the programme to test new ideas. In particular, several larger actions for clusters are supported under the 2020 budget.

¹ Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014-2020) and repealing Decision No 1639/2006/EC, OJ L 347, 20.12.2013, p. 33.

² 'Europe 2020 - A strategy for smart, sustainable and inclusive growth' was endorsed by the European Council of June 2010. See: <https://op.europa.eu/en/publication-detail/-/publication/6a915e39-0aab-491c-8881-147ec91fe88a>

³ The COSME Loan Guarantee Facility (LGF) has been topped up a number of times by the European Fund for Strategic Investments (EFSI). This was because the resources available under the COSME LGF were not sufficient to satisfy market demand for the financing of SMEs (i.e. the total applications received from financial intermediaries by the European Investment Fund). The COSME Equity Facility for Growth (EFG) resources are used for investments only after absorption of the available investment capacity of the Expansion and Growth Window under the EFSI Equity instrument.

⁴ The COSME Loan Guarantee Facility (LGF) is part of the single EU debt financial instrument for EU enterprises' growth and research and innovation (R&I), together with the InnovFin SME Guarantee facility set up under the Horizon 2020 programme. The COSME Equity Facility for Growth (EFG) is part of the single EU equity financial instrument for EU enterprises' growth and research and innovation (R&I), together with the Horizon 2020 early-stage equity facility (the 'InnovFin SME Venture Capital' facility).

⁵ <https://data.europa.eu/doi/10.2873/87360>

In addition to the 27⁶ EU Member States, the following countries participated in COSME in 2020: Albania, Armenia, Bosnia and Herzegovina, Iceland, Kosovo⁷, Moldova, Montenegro, North Macedonia, Serbia, Türkiye and Ukraine⁸.

This report gives an overview of the implementation of COSME actions funded under the EU budget for 2020, as required by the COSME Regulation. It also covers support measures and administrative expenses for SME policy funded by the 2020 budget. This is the last formal monitoring report for COSME, but internal monitoring of ongoing actions will continue. The Commission is responsible for the overall implementation of COSME. It delegated the management of the financial instruments (under specific objective 1) to the European Investment Fund (EIF). Measures under the programme's specific objectives 2, 3 and 4 were mainly delegated to the Executive Agency for Small and Medium-sized Enterprises (EASME)⁹. Certain analytical and benchmarking activities were also indirectly managed by international organisations.

Many projects from this financial year were affected to some extent by the **COVID-19 crisis**. Projects involving events and face-to-face cooperation switched to online communication channels wherever possible and some events and activities were cancelled or postponed¹⁰. In many cases the switch to virtual events worked well and was continued in future actions. However, in some cases, online events and communication channels limited more in-depth cooperation¹¹.

2. Activities and results in 2020

The overall planned budget for COSME in 2014-2020 (7 years) was EUR 2.3 billion, including administrative costs. The financial commitments were planned to increase progressively up to 2020, which was the programme's final year. An annual work programme with accompanying support measures was adopted by the Commission each year.

The COSME budget was implemented through four budget lines with appropriations specified by the corresponding revised financing decision for 2020¹² and the financing decision for support measures¹³. After adding contributions from non-EU countries, unused

⁶ The United Kingdom ceased to be an EU Member State as from 31 January 2020. UK beneficiaries participating in actions funded under the EU budget of 2019 or from earlier years continued to participate in the programme until the end of those actions, and they were allowed to participate in COSME until the end of the transition period (31 December 2020).

⁷ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on Kosovo's declaration of independence.

⁸ This report provides some country information for actions which had a broad geographical coverage of beneficiaries. In general, the selection criteria for COSME grants and procurement actions focused on non-geographical criteria such as conformity with the objectives of the action and the quality of proposals/tenders. The European dimension was also important. Most COSME actions did not have sufficient budget to provide a broad geographical coverage of eligible countries. There is no country information in this report in these cases.

⁹ Since 1 April 2021, this agency is known as the 'European Innovation Council and SME Executive Agency (EISMEA)'. The former name EASME is used throughout this report.

¹⁰ For example, the 2021 edition of the European Capital of Smart Tourism was cancelled as the selection jury was unable to meet according to plan. Several events in South-East Asia, including a clusters matchmaking event in Singapore, were postponed due to the particularly stringent sanitary/travel restrictions.

¹¹ For example, the European Social Economy Missions achieved good results, but stakeholders reported that virtual events had limited the quality/depth of cooperation.

¹² C(2020)7044 final: [DocsRoom - European Commission \(europa.eu\)](#).

¹³ C(2020)6322 final: [DocsRoom - European Commission \(europa.eu\)](#).

appropriations from the previous programming period and miscellaneous transfers, the budget available for 2020 was as follows:

- (a) budget line 02 01 04 01 for administrative expenditure: EUR 3 619 046;
- (b) budget line 02 01 06 01 for the functioning of the EASME agency: EUR 10 330 544;
- (c) budget line 02 02 01 for all other operational expenditure: EUR 136 538 959;
- (d) budget line 02 02 02 for access to finance operational expenditure: EUR 290 041 750.

The financing decision for support measures provided for a contribution of EUR 8 000 000, which was included in budget line 02 02 01 of the EU's general budget for 2020.

On average, 25% of COSME's activities under the operational budget were delegated to EASME¹⁴. Implementation of the financial instruments was delegated to the EIF (see below).

The annual budget for the COSME programme in 2020 was EUR 440 530 299. In total, 99% of this budget was committed and the implementation rate for payments was on average 98%.

2.1 Specific objective A: access to finance

The COSME Regulation specified that at least 60% of the total budget for the programme should be allocated to the financial instruments for 2014-2020. EUR 1.6 billion were committed overall to the financial instruments for the 2014-2020 programming period, which is slightly above 60% of the total COSME budget.

EUR 290 041 750 were committed in 2020 for the financial instruments and accompanying measures, including EFTA and other non-EU countries' participation.

EUR 275 952 802 were committed for the Loan Guarantee Facility (LGF) and EUR 13 100 000 for the Equity Facility for Growth (EFG). This amounts to 66% of the COSME budget in 2020.

The COSME Equity Facility for Growth (EFG)

The COSME EFG is dedicated to investments in risk capital funds that provide venture capital and mezzanine finance to expansion and growth-stage SMEs. The total amount committed for the EFG on 2020 budget amounted to EUR 13.1 million. At the end of 2021, a total of 23 COSME EFG fund agreements had been signed¹⁵ and the overall EU contribution committed to financial intermediaries on the COSME 2014-2020 budget was EUR 323 million. Under these agreements, the COSME EFG helped provide investments of EUR 2.6 billion^{16 17} in 346 eligible SMEs in their expansion and growth stage, leading to an estimated EUR 4.9 billion in overall investments.

¹⁴ SEC(2013) 493 final: [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013SC0493\(01\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013SC0493(01)).

¹⁵ Of which 16 agreements related to growth and expansion stage funds and 7 related to multi-stage funds in combination with the Innovfin Equity Facility for early stage set up under Horizon 2020.

¹⁶ The EIF makes investments in privately managed intermediary risk capital funds that make equity investments in SMEs. As the EIF is instructed to make investments alongside other investors that also invest in such funds on an equal footing, the EU financial contribution from the COSME programme triggers the availability of additional investment funding in that risk capital fund. The 2.6 billion in mobilised financing is the overall funding made available in the risk funds that the EIF invested in. Thirdly, these investments had a multiplier effect, stimulating additional investments. The multiplier effect is estimated based on an EIF-EFSI multiplier calculation methodology for equity (e.g. EUR 1.9 of mobilised investments for EUR 1 of mobilised financing), hence the 4.9 billion figure as mobilised investments.

¹⁷ The COSME Regulation envisages investments from EUR 2.6 billion to EUR 3.9 billion in 360 to 540 SMEs. The EUR 2.6 billion of investments were made in 346 SMEs up to 2021 and the COSME EFG is planned to last until the final operations are wound down, e.g. 31 December 2034. The implementation of the targets took account of the specific challenges of implementing this financial instrument. These were: (i) the priority of

By the end of 2021, from the overall investments of EUR 2.6 billion provided in 28 countries from the COSME 2014-2020 budget, 25% had been invested in Germany, followed by 19% in France and 15% in the United Kingdom

The COSME EFG also contributed to the pan-European venture capital fund-of-funds programme (VentureEU) launched in 2017 to reduce bottlenecks in venture capital financing in the EU.

The COSME Loan Guarantee Facility

Due to continuous high market demand, the available COSME LGF budget envelope (which is more than EUR 1.2 billion for 2014-2020) was increased with several top-ups from the European Fund for Strategic Investments' (EFSI) SME Window. All top-ups total nearly EUR 1.5 billion for 2014-2022. This meant that the accelerated roll-out of EU-guaranteed financing of higher-risk SME transactions could continue. The EFSI top-up supported transactions related to the continuation of the digitalisation pilot launched in 2019 to enable financial intermediaries to provide broader and more comprehensive debt support to SMEs for digital transformation. This top-up also supported a response to the COVID-19 virus outbreak and its economic impact in 2020 and beyond.

By the end of 2021, 154 (counter-)guarantee agreements had been signed with 128 financial intermediaries (promotional institutes, guarantee societies, commercial banks and leasing companies). These amounted to an EU contribution of nearly EUR 2.6 billion, of which EUR 2.5 billion were thanks to combined COSME/EFSI resources.

Under those agreements the COSME LGF provided guarantees and counter-guarantees to financial intermediaries in 33 countries (26 Member States and 7 other countries participating in COSME). This supported the provision of EUR 50 billion in financial support to more than 800 000 SMEs in these countries (See Annex 2).

Accompanying measures (surveys, information tools, communication materials and events)

A total of EUR 0.8 million was committed for accompanying measures. These included promotion and communication activities as well as the SAFE survey. The **SAFE survey on access to finance** for enterprises provides information on SMEs' financial situation, financing needs, access to finance and expectations. It is highly useful for evidence-based policymaking at EU level and is used by Member States, analysts, academia and others. Almost 17 000 firms across 36 countries were surveyed in 2020¹⁸.

2.2 Specific objective B: access to markets

The COSME Regulation specified that an indicative amount of 21.5% of the total budget for 2014-2020 should be allocated to facilitating access to markets. A total of EUR 85 million was allocated to this specific objective in 2020 which amounts to about 19.3% of the total COSME Budget for the year.

operations in non-EU countries participating in COSME programme and the fact that investment demand is lower in these countries; and (ii) the time needed to sign agreements with funds, which first requires complex due diligence and fund-raising processes to be completed.

¹⁸ <https://ec.europa.eu/docsroom/documents/43872>

The Enterprise Europe Network

The Enterprise Europe Network (EEN) provides high-quality innovation, partnering and internationalisation support to SMEs, thereby supporting SME growth, resilience and competitiveness. **The COSME 2020 budget co-funded EEN services provided in 2021.** The network was present in all 27 EU Member States, and other countries participating in the COSME programme¹⁹. The network also continued to develop and expand new services to support SMEs in their efforts to digitalise and become sustainable. As the COVID-19 crisis continued to affect business activities, the EEN demonstrated its ability to adapt its services to help SMEs deal with new challenges and opportunities. The network has become increasingly active in helping SMEs tackle value chain disruptions and boost their resilience.

Results for EEN activities in 2021 (co-funded under 2020 budget)

- The EEN provided advisory support services to 37 925 SMEs.
- The EEN's partnering services helped SME clients from all network countries form more than **2 592** international partnership agreements with foreign companies in 2021.
- The EEN's advisory support services helped over 7 000 clients per year to improve their competitiveness and innovation at European level.
- The EEN's digital services reached over 20 million SMEs.

In their responses to the EEN client satisfaction survey in 2021²⁰, 92% of respondents confirmed their satisfaction with EEN services.

There were strong synergies between EEN and the Horizon 2020 programme, which provided the network with funding to deliver an additional specifically defined set of innovation services for SMEs (beyond the scope of EEN COSME services)²¹. The Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) and EASME also cooperated on a wide range of EU programmes for the management, coordination and training of the EEN.

International IP SME helpdesks (China, South-East Asia, Latin America and India)

The International IP SME helpdesks support SMEs in their efforts to internationalise by providing them with expert advice on how to enforce their intellectual property (IP) in or relating to China, South-East Asia, Latin America and India. The helpdesks provide, among other services, first-line advice, training on IP use and management related to these target markets, and IP support to EU SMEs during matchmaking events relevant to the target markets. The helpdesks also cooperate with IP helpdesks funded by other EU programmes²². The China, South-East Asia and Latin America IP SME helpdesks answered a total of 3 962 helpline enquiries and organised 440 training sessions or webinars with just over 6 500

¹⁹ Albania, Armenia, Bosnia and Herzegovina, Iceland, Kosovo, North Macedonia, Moldova, Montenegro, Serbia, Türkiye and Ukraine. The UK formally left the EU on 31 January 2020. It continued to participate in actions such as EEN until the end of the programme, but no longer participated in governance structures.

²⁰ This survey was carried out from April 2021 until the end of June 2021 with 2361 responses.

²¹ These services provided EIC beneficiaries with specific support to implement their project and helped particularly innovative companies enhance their innovation management capacities.

²² The International IP Helpdesk India (COSME), the European IP Helpdesk (Horizon 2020), the Africa IP Helpdesk (European Union Intellectual Property Office) and IP Key (DG TRADE) for joint events on IP. They share a website with the Indian, European and Africa helpdesks and have participated as IP expertise providers in international EU Gateway/ Business Avenues missions (funded by the Foreign Policy Initiative) and circular economy missions (DG ENVIRONMENT).

participants. The India IP SME Help Desk offered similar services and was run on a separate contract.

EU-Japan Centre for Industrial Cooperation

The EU-Japan Centre for Industrial Cooperation fosters industrial, trade and investment cooperation between the EU and Japan and contributes to EU economic diplomacy vis-à-vis that country. One important service provided by this centre is the ‘EPA Helpdesk’, which helps EU companies take advantage of the EU-Japan Economic Partnership Agreement (EPA)²³. In the two-year period supported by the COSME 2020 budget, the centre organised a wide range of webinars including 27 EPA webinars with a total of 1 478 participants, 76 webinars on Japan and exporting to Japan (with 2 857 participants in total), 11 webinars on lean manufacturing (with 502 participants), and webinars on key EU policy topics. In addition, it continued to run the flagship Vulcanus in Japan exchange programme and a technology transfer helpdesk, provided policy analysis and delivered 33 market reports during this period. The European Court of Auditor’s special report on SME Internationalisation commented positively on the services of the EU Japan centre, referring specifically to the continuity and additionality of its services, the high level of client satisfaction and the good cooperation with EEN²⁴.

Procurement

There were several measures to boost the capacities of procurement authorities and create new opportunities for SMEs to get involved in supplying innovative, sustainable, and circular goods, services and works to the public sector. The Public Buyers Community Platform²⁵ supported under the 2020 budget went live in April 2023. This supports the collaboration of 10 ‘big buyer’ groups to build up joint intelligence on specific procurement needs (including artificial intelligence and solar panels). The **Co-financing of Public Procurement of Innovation (PPI)** scheme is helping large procurement authorities gain valuable experience in the procurement of pre-commercial innovation through two ongoing projects. These are guiding authorities through the different phases for preparing and implementing PPI procedures, and for potential replication activities. One of these projects focuses on the healthcare sector.

2.3 Specific objective C: improving framework conditions and competitiveness

The COSME Regulation specified that an indicative amount of 11% of the total budget for 2014-2020 should be devoted to improving framework conditions and competitiveness. EUR 47.9 million was allocated to this objective in 2020 which amounts to 10.9% of the total COSME Budget.

Clusters

Four major measures for clusters were supported under the 2020 budget: the European Clusters Cooperation Platform that provides a range of services and tools to support clusters with capacity building and networking, two schemes to support cluster internationalisation,

²³ This entered into force on 1 February 2019. See: https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/japan/eu-japan-agreement/eu-japan-agreement-chapter-chapter_en.

²⁴ European Court of Auditors Special report 07/2022: SME internationalisation instruments - A large number of support actions but not fully coherent or coordinated. This covered the 2014-20 financial period.

²⁵ [Homepage | Public Buyers Community \(europa.eu\)](#)

one of which was dedicated to the defence and security sector²⁶, and the European Cluster Excellence programme that provided capacity-building services and a scheme for short-term exchanges between clusters. Under the Clusters Go International scheme, 12 grants were awarded to consortia covering 64 clusters and business support organisations from 17 EU/COSME countries. Some of these focus on climate goals (see Annex 4 below).

As the clusters projects generally had a duration of 3-4 years, many were still ongoing at the outbreak of the Russian aggression in Ukraine. A number of these projects have been providing **support to Ukrainian entrepreneurs**. For example, the European Cluster Collaboration Platform (ECCP) put in place the **EU Clusters Support Ukraine Forum** to match the offer of help collected, verified or validated via European clusters with requests from Ukrainian partners. The ECCP also ran a survey to pick up signals of disrupted supply chains on the ground. Moreover, under the BRIGHT Clusters Excellence project, a delegation of six representatives of the Ukrainian Cluster Alliance (all women due to the war) took place in a 5-day ClusterXchange.

Tourism, fashion industries and lifestyle sector

The ongoing **tourism** sector projects supported under the 2020 budget are helping SMEs boost their uptake of digitalisation, innovation, new technologies and smart tourism by strengthening their transnational cooperation and notably their connections with transnational innovation ecosystems. These projects include direct financial support to SMEs for training and helping them adapt their business processes. There are 9 ongoing projects with 73 partner organisations in 25 countries²⁷. Some of these projects also support sustainability and climate goals.

The **WORTH project** funded under the COSME 2020 budget aims to strengthen the innovation capacities and competitiveness of SMEs in the fashion industries and the lifestyle sector and assist them with their transition towards climate neutrality and digital leadership²⁸. It supports transnational partnerships between designers, SMEs, manufacturers and technology providers to develop innovative, sustainable and design-oriented business ideas. The partnerships benefit from an incubation programme, third-party financial support (EUR 10 000-20 000), coaching, legal advice on intellectual property matters and support for networking. In response to the first call for partnerships (third-party finance) focusing on the European Bauhaus, 65 partnerships were selected. The 10-month incubation programme for these partnerships included 975 hours of tailored mentoring, 9 workshops (of which 5 online) and 52 online basic coaching modules and seminars. Selection procedures for the second call for partnerships are ongoing.

Support for assessing country performance on the Small Business Act and SME Strategy principles – administrative agreement with the JRC and Eurobarometer

An administrative arrangement was concluded with the Commission's Joint Research Centre (JRC) to provide scientific support for the assessment of EU Member States' performance in implementing the Small Business Act (SBA) and SME Strategy principles. The JRC identified a set of indicators based on 10 dimensions defined together with DG GROW and

²⁶ These projects provide support for cross-border and cross-sector cooperation between European clusters to develop a joint internationalisation strategy and support SME internationalisation beyond Europe.

²⁷ Belgium, Bulgaria, Croatia, Cyprus, Czechia, Germany, Denmark, Greece, Spain, Finland, France, Hungary, Iceland, Italy, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Albania, Montenegro, Serbia and the United Kingdom.

²⁸ Including fashion and textile, footwear, leather and fur, furniture/home decoration/interior design, jewellery and accessories.

performed the related data quality controls. The project was launched in 2020 and results were used for the SME performance review (SPR) country fact sheets and annual report published in July 2021²⁹. These fact sheets and reports are used on a permanent basis to guide SME policymaking.

The 2022 edition of the **Flash Eurobarometer on SMEs** funded under the COSME 2020 budget focused on **resource efficiency and green markets**. For further information see point 4 below.

SME envoys, SME assembly and online masterclass at Web Summit Lisbon

Services were provided in 2020 to organise: (i) four meetings of the SME Envoy Network³⁰ (representatives of Member States' national administrations); (ii) the 2020 SME Assembly (a virtual stakeholder event with 984 online delegates); and (iii) an online masterclass in December 2020 at the Web Summit in Lisbon, with over 200 participants³¹. These events provided valuable guidance and advice to support policymaking for SMEs, including support to the SME Envoy Network in preparing its 2020 annual report and recommendations for action³².

EU Open for Business – a new compass for SMEs³³

An opening and closing event and six webinars funded under the COSME 2020 budget were held in May 2021 to provide practical information to businesses and stakeholders about EU programmes and support tools for areas such as intellectual property, access to finance, international trade and the single market. The number of participants in each webinar ranged from 206 to 370, exceeding the overall target of 650, and positive reactions were expressed by 80% of respondents to the post-event survey³⁴.

2.4 Specific objective D: promoting entrepreneurship and entrepreneurial culture

The COSME Regulation provides that an indicative amount of 2.5% of the total budget for 2014-2020 should be devoted to promoting entrepreneurship and entrepreneurial culture. EUR 3.6 million was spent on this target in 2020³⁵ ³⁶ which amounts to 0.8% of the total COSME Budget.

²⁹ https://single-market-economy.ec.europa.eu/smes/sme-strategy/sme-performance-review_en

³⁰ June 2020 (online with 46 participants), October 2020 (online with 83 participants), November 2020 (online during the SME Assembly with 67 participants), and December 2020 (online with 72 participants).

³¹ The original plans for a physical conference in Berlin were transformed into a virtual event due to the COVID-19 lockdown.

³² This report includes an overview of the latest trends in SME performance in Europe and recommendations for action <https://ec.europa.eu/transparency/expert-groups-register/core/api/front/expertGroupAdditionalInfo/40291/download>). It was presented to the Competitiveness Council in November 2020 (see: Competitiveness Council Internal market and industry - Consilium europa.eu).

³³ https://commission.europa.eu/events/eu-open-business-new-compass-smes-2021-05-26_en

³⁴ The questions 'Did the webinar inspire you?', 'Will it trigger some action from you?', 'Did it answer your expectations?', 'Would you recommend it to others?' were answered by 80% (on average) with 'yes' or 'rather yes'.

³⁵ This amount was less in 2020 due to the Erasmus for Young Entrepreneurs call taking place in 2019.

³⁶ Moreover, a higher priority was given to financial instruments in 2020 (66% of COSME budget was allocated to these whereas the target figure over the life of the programme was 60%). The financial instruments also supported entrepreneurship goals.

Enhancing Digital and Entrepreneurial competences in Girls and Women (ESTEAM)³⁷

This project supported under the COSME 2020 budget aims to strengthen the digital and entrepreneurial competences of girls and women, and to boost their confidence. It will continue until the end of 2024. An event for girls with 203 participants and 15 local workshops took place in May 2022, focusing on problem solving, a case study and a pitching exercise. The first women ESTEAM Fest took place in June 2022 with a plenary session and workshops to boost entrepreneurial and digital skills. Mentoring services were provided until the end of 2022.

European Social Economy Missions

The **European Social Economy Missions** built on the experiences of a successful pilot initiative held in 2018. This follow-up project funded under the COSME 2020 budget organised a series of workshops involving a wide range of social economy stakeholders to develop inter-regional collaboration by sharing and replicating best practices and inter-regional learning. There were 88 beneficiary organisations from 27 EU/COSME countries. More than 60 social economy mission workshops were organised with approximately 2 500 participants, and 350 good practices were reported. The projects also provided a set of recommendations for improving regional/local social economy and created opportunities and incentives for future partnerships.

3. Support measures and administrative expenditure

COSME support measures were financed under budget line 02 02 01. EUR 6.2 million were allocated to support measures in 2020.

Conferences and meetings were organised with stakeholders to discuss the challenges facing different industrial sectors. Other support measures included analytical work such as studies to support policymaking and information tools providing practical support for SMEs.

The study on the **legal protection of trade secrets in the context of the data economy**³⁸ provides valuable support for policymaking on how the legal protection of trade secrets can help create a safe environment for business-to-business data sharing, especially in strategic sectors for the European data economy. It includes 13 case studies with valuable examples of how businesses manage their trade secrets. Many indicators for this study were surpassed but there were some difficulties at the intermediate stages (the number of responses to questionnaires was below target due to the sensitivity of the data, and some re-scheduling was needed due to COVID-19 related issues).

Study on mid-caps

As scale-ups and mid-caps do not fall under the EC SME definition³⁹, they are often excluded from SME support schemes. The objective of this study was to gather information on mid-caps (statistics, and information on the specificities of mid-caps and the hurdles they encounter when doing business and scaling up) and to assess the potential need for a

³⁷ For further information, see the [project webpage](#) and the videos from the first two ESTEAM FESTs (https://eisma.ec.europa.eu/esteam-fests-and-communities-girls-and-women_en).

³⁸ <https://op.europa.eu/en/publication-detail/-/publication/c0335fd8-33db-11ed-8b77-01aa75ed71a1/language-en/format-PDF/source-267469968>

³⁹ [Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises](#)

dedicated policy to support these companies and further untap their job-creating ability. The final report was published in November 2022⁴⁰ and disseminated to relevant stakeholders.

Administrative expenditure represented 3% of the budget in 2020. It covered expert meetings, information and communication measures, and the Commission's (DG GROW's) expenses of EUR 3.3 million linked to IT networks and other technical and administrative assistance. The budget contribution from the programme for the functioning of the EASME executive agency was EUR 9.9 million.

4. Contribution to climate, sustainable development, digital and gender goals

A brief illustration of how the COSME programme contributes to these goals is provided below, with examples of actions contributing to each goal. **Further information on the programme's contribution to these mainstreaming objectives is provided in Annex 4.**

The COSME programme's **contribution to the climate mainstreaming objective**, set for all Commission programmes (overall 20% of the EU budget 2014-2020), has been estimated at EUR 25.6 million (6% of the financial allocation in 2020). There is no tracking of the precise contribution of most COSME measures to climate mainstreaming⁴¹, but many projects and measures focus some attention on this goal. Notable examples include the Equity Facility for Growth, the Enterprise Europe Network, various support actions for clusters including clusters internationalisation, and the WORTH Partnership for boosting competitiveness and innovation capacity of SMEs in lifestyle industries.

There was also a Flash Eurobarometer specifically dedicated to SMEs resource efficiency and green markets, and the **European Climate Neutral Industry Competitiveness Scoreboard (CIndECS)** developed under an administrative agreement with the JRC is nearing completion. This work has already fed into a number of major policy initiatives, including the supporting reports of the Clean Energy Technology Observatory and the Net Zero Industry Act. Further information is given in Annex 4 below.

Many COSME measures **contribute to the Sustainable Development Goals (SDGs)** laid down in the 2030 Agenda for Sustainable Development. In particular, the Enterprise Europe Network (EEN) and the Social Economy Missions contribute to SDG 8 (decent work and sustainable economic growth). SDG 9 (inclusive and sustainable industry innovation and resilient infrastructure) is addressed by the EEN, the Clusters Excellence projects, and support measures for tourism (see also digitalisation below). SDG 12 (Sustainable consumption and production patterns) is addressed among other things by the WORTH project for the lifestyle industries.

There are also several **COSME measures contributing to digitalisation goals**. These include projects to boost digitalisation, innovation and uptake of new technologies in the tourism sector, and public procurement of innovation projects to help authorities purchase pre-competitive innovation in areas such as artificial intelligence, and clusters projects to stimulate cross-fertilisation and exchanges of experience related to digital technologies for the agri-food, automotive, textiles, and precision medicine industries.

While no **gender** objective or target is specifically included in the COSME Regulation, measures supported under the programme do respect gender equality principles and take the

⁴⁰ <https://www.esri.ie/system/files/publications/BKMNEXT429.pdf>

⁴¹ Many COSME measures included some support for climate-related goals. However, as this was always set within the broader competitiveness objective, there was generally no distinct budget for the climate component of the measures.

gender dimension into account. The ESTEAM project mentioned in point 2.4 above aims to boost digitalisation and the entrepreneurship capacities and confidence of girls and women entrepreneurs. Some data are also available on female beneficiaries of financial instruments and female project coordinators.

5. Conclusions

The execution rates of operational budget for both commitments and payments was 99%. This continues the high execution rate of commitments and reflects an improvement in operational payments execution compared to the previous year.

Access to finance was a key objective, implementing 66% of executed budget. In 2020, the COSME Loan Guarantee Facility (LGF) allowed financial intermediaries to continue providing financial support to SMEs perceived to be riskier and finding it difficult to obtain debt financing. Overall, it is expected that the COSME LGF will generate more than EUR 67 billion in financing over the programme's lifetime. For the COSME Equity Facility for Growth (EFG), the figures for investment in growth and expansion stage SMEs were on track to meet the original long-term targets. Implementation of the targets took account of the specific challenges involved in running this facility.

The 2020 work programme continued progress towards implementing one of the key recommendations of the programme's mid-term evaluation: to focus on bigger, strategic actions while keeping some flexibility to test new ideas. Flagship initiatives such as EEN, EYE, and the financial instruments accounted for 75% of commitments for the COSME budget in 2020.

In 2021, the EEN (co-funded by 2020 budget) provided 37 925 SMEs with value-added advisory services⁴² to boost their international competitiveness and sustainability. The network's digital services reached over 20 million SMEs. The network also provided valuable support to SMEs throughout the COVID-19 crisis, adapting its services and service-delivery models where needed.

Many other actions across the programme distinguished themselves by their good performance and quality of service. For example, the EU-Japan Centre provided a wide range of services to help SMEs do business with Japan, and in relation to economic diplomacy. The International IP SME helpdesks provided SMEs with valuable advice, training sessions and events on IP matters related to China, South-East Asia, Latin America (including 440 training sessions with 6 569 participants) and India.

Smaller actions also provided useful support to help SMEs innovate and improve their competitiveness and sustainability. For example, the first call for partnerships under the WORTH project for the fashion industries and lifestyle sectors supported 65 partnerships of designers, SMEs, manufacturers and technology providers via a 10-month incubation programme including 975 hours of tailored mentoring. Additional calls for partnerships have been published to continue this support. There were also a number of projects in cooperation with procurement authorities to create new opportunities for SMEs to supply innovative products and services to the public sector.

⁴² These SMEs received a range of services tailored to their specific needs at various points in time. A central part of the EEN service delivery model is establishing a longer-term relationship with SMEs and supporting them over the medium term to help them tackle the full range of issues, challenges and opportunities they are facing.

Last but not least, several studies funded under the programme, including the European Climate Neutral Industry Competitiveness Scoreboard (CIndECS), the study on the legal protection of trade secrets in the context of the data economy, and the study on mid-caps delivered valuable findings and robust analysis that were used to support policy work.

The COSME programme also demonstrated its effectiveness in helping SMEs tackle new challenges. Several actions and projects supported under 2020 budget, including EEN, launched specific services to help SMEs deal with issues related to the COVID-19 crisis. Many COSME projects have a duration of 3-4 years. A small number of ongoing projects funded by 2020 budget were affected as from 2022 by the **Russian military aggression in Ukraine**. When appropriate, extensions to the duration of these projects were approved with adjustments to activities to take account of the crisis conditions. One example is the P2GREEN-EST project that aimed to help EU SMEs to access procurement outside the EU with Ukraine as the designated target market⁴³. More recently, some of the COSME 2020 projects still ongoing at the outbreak of the Russian aggression in Ukraine were able to adapt their services to help EU businesses to deal with related challenges such as supply chain issues and to offer some support to Ukrainian businesses (see point 2.3 above).

Links with other EU programmes and funds were optimised. For example, the COSME LGF received an additional EUR 714 million thanks to a 1 billion guarantee to the EIF from the European Fund for Strategic Investments. This was used to support SMEs facing liquidity issues due to the COVID-19 crisis. The EEN Network developed synergies with Horizon 2020, the European Innovation Council (EIC) and a wide range of EU programmes and support schemes. There were also several examples of cooperation with ongoing or previous COSME projects. This was notably the case for EEN, WORTH and several of the procurement actions.

Regarding ongoing COSME measures from 2020, monitoring will continue, paying special attention to measures re-scheduled due to COVID and cases where specific issues were identified. The regular monitoring also ensured that the budget was reallocated to the most successful and oversubscribed activities. For example, EUR 815 107 of leftovers from the 2020 work programme were allocated to reserve list projects for the tourism call to boost uptake of digitalisation, innovation and new technologies in the sector. Another example is the transfer from COSME EFG to COSME LGF.

The experiences from this monitoring exercise will also feed into the shaping of measures for future years, notably the work to ensure better continuity of the flagship actions⁴⁴ and the ongoing work to prepare the 2024 SME Pillar work programme.

Overall, the COSME 2020 measures are on track to reach their objectives. Many measures have already met their targets and those projects that were affected by the COVID crisis are back on track. The measures supported under the programme continue to foster competitiveness, growth and employment, while many projects across the programme, in particular EEN and the support measures for clusters, have demonstrated their capacity to address SMEs' evolving needs and respond flexibly to new challenges.

⁴³ As this project was severely affected once the war broke out, the grant agreement was frozen. After re-evaluation of the situation several months later, the grant agreement was amended to include an additional non-EU target country, allowing the project to re-start its activities.

⁴⁴ These are now supported under the SME Pillar of the single market programme. In particular, the EEN Network, EYE and the Joint Cluster Initiatives are now multiannual actions benefiting from co-funding until 2024 to provide better medium-term continuity for these services. See also paragraph 3 of these conclusions.

Annex 1 – Implementation of the COSME 2020 budget

(all figures are in euro)

Budget line		Commitments				Payments		
		<i>all fund sources</i>				<i>all fund sources</i>		
		Initial budget	Budget implemented	Execution		Credits available for payments	Payment executed	Execution
				%				%
02 02 02	Access to finance	290 041 750	290 041 750	100%		333 931 327	328 837 656	98%
02 02 01	Access to markets, business environment & entrepreneurship							
	implemented by GROW	10 049 697	10 026 133	100%		8 901 623	8 878 059	100%
	delegated to EASME	126 489 262	123 066 819	97%		132 390 902	132 390 902	100%
	total	136 538 959	133 092 952	97%		141 292 525	141 268 961	100%
02 01 04 01	Administrative budget	3 619 046	3 333 968	92%		3 619 046	1 033 829	29%
02 01 06 01	EASME – administrative (operating) budget	10 330 544	9 916 195	96%		10 330 544	9 916 195	96%
	Total budget	440 530 299	436 384 865	99%		489 173 442	481 056 641	98%

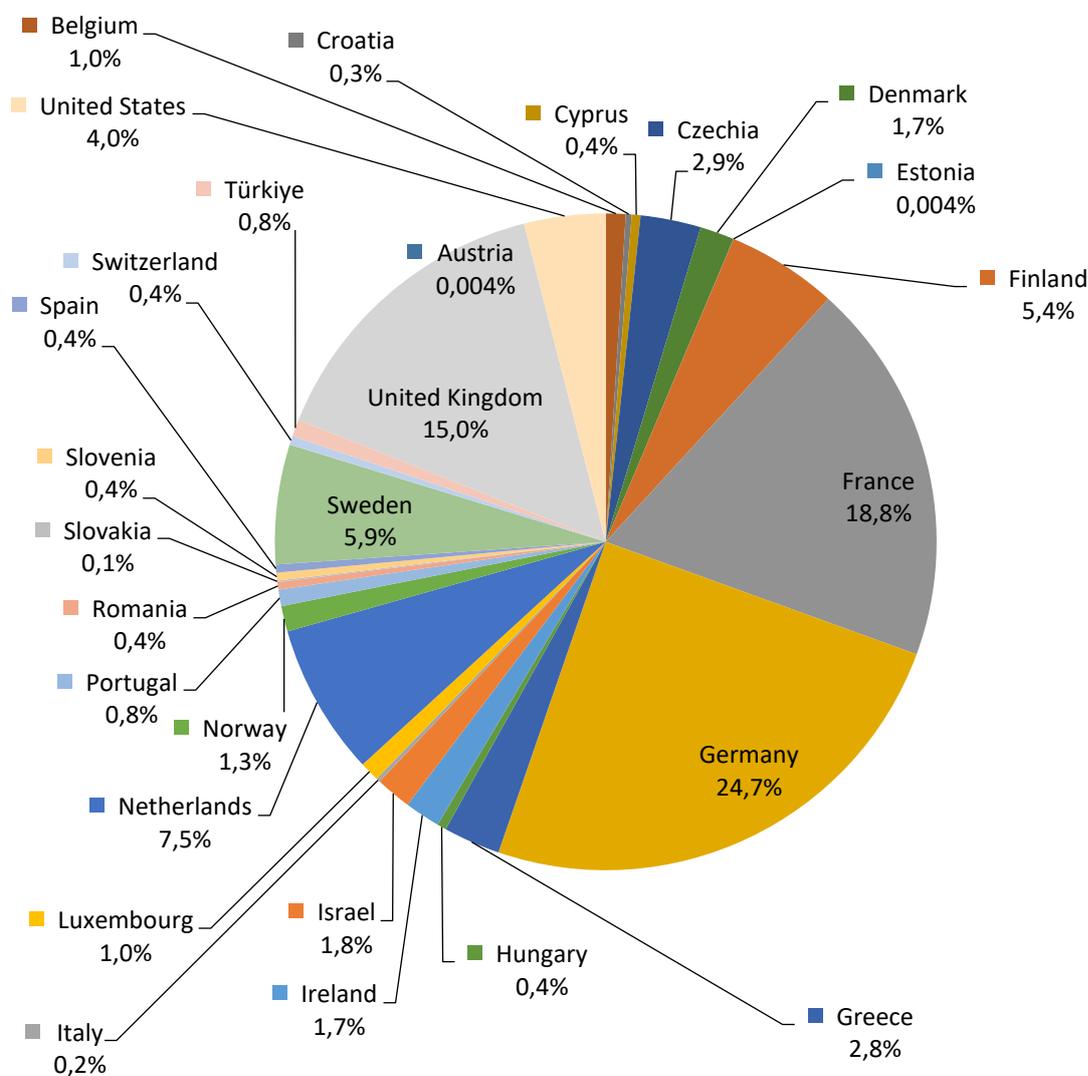
Annex 2 – Country information

1. Financial instruments

The graphs below represent a geographical breakdown of the financial support received by SMEs in different countries. The country information is a cumulative result based on all 2014-2020 commitments. In the case of financial instruments, due to their implementation design yearly commitments contribute to the overall results, which are based on budgets also committed in previous years.

Equity Facility for Growth

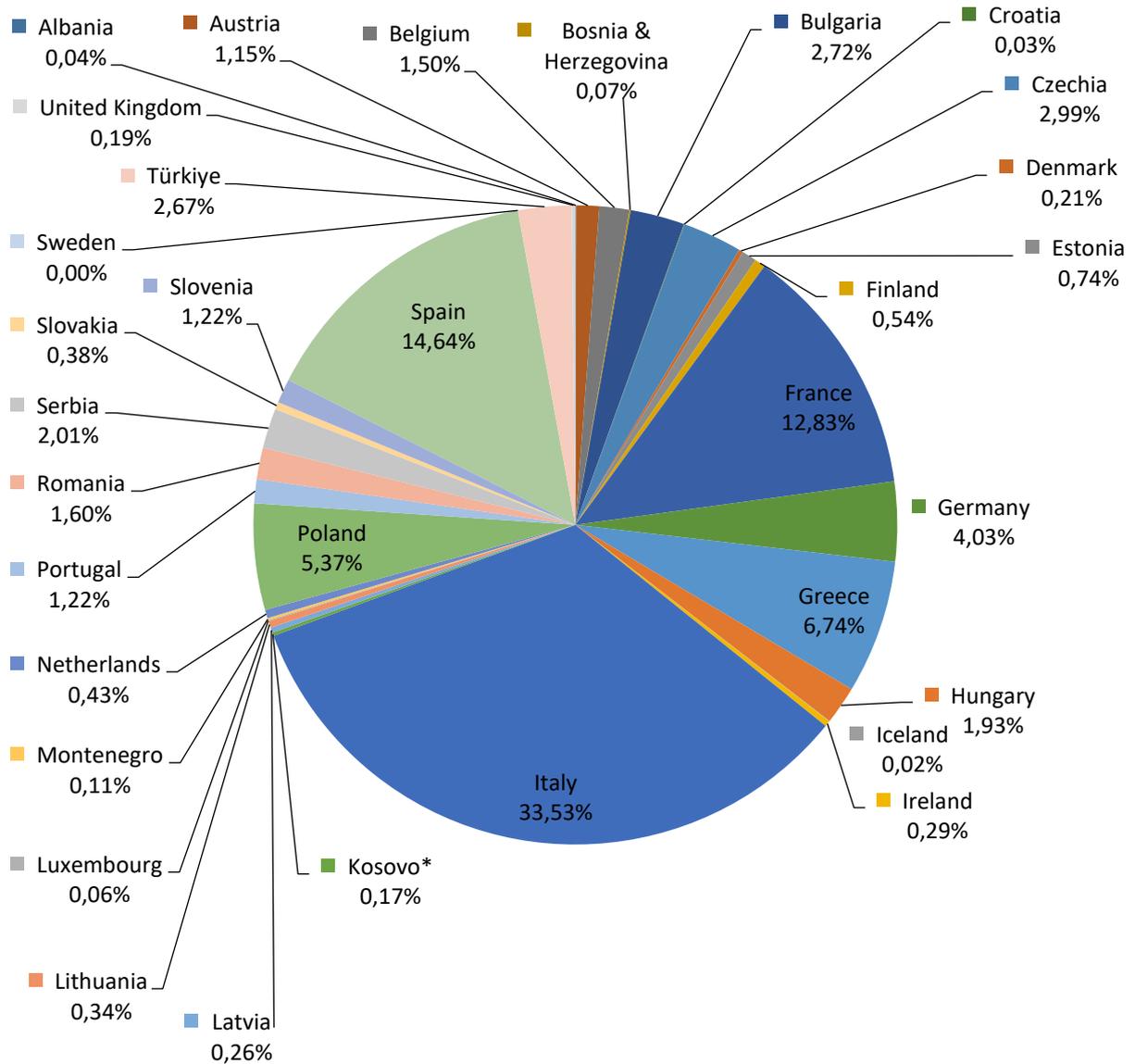
At the end of 2021, total investments of EUR 2.6 billion from COSME's 2014-2020 budget had been made in 28 countries (25% of this amount was invested in Germany, 19% in France and 15% in the United Kingdom).



Loan Guarantee Facility

Geographical diversification

By the end of 2021, the LGF had provided guarantees and counter-guarantees to financial intermediaries in 33 countries (26 Member States and 7 countries participating in COSME). This supported the distribution of EUR 50 billion financing to more than 800 000 SMEs.



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Country participation for specific objectives 2-4 (access to markets, improving framework conditions and competitiveness, and entrepreneurship)

COSME projects were selected using the criteria laid down in the calls, in particular the proposals' relevance, quality and impact. The European dimension is also taken into account. However, projects were not selected purely based on geographical criteria.

The EEN Network as funded under the 2020 budget covered all EU Member States and provided services to SMEs in all EU regions. There were also EEN members in Iceland and associated countries participating in the programme. Although the UK formally left the EU on 31 January 2020 it continued to participate in EEN until the programme's end, but no longer participated in governance structures.

Many of the other larger actions also had a good spread of beneficiaries across the different EU Member States and other participating countries, as illustrated below.

Number of beneficiaries by country for four larger COSME actions

Country	Clusters Excellence	Tourism: TOURINN*	European Social Economy Missions	Clusters Internationalisation (all sectors incl. defence)	Total for these four actions
Albania	0	1	0	0	1
Austria	0	0	1	0	1
Belgium	0	3	7	4	14
Bulgaria	2	2	1	2	7
Cyprus	0	1	0	2	3
Czechia	3	1	1	0	5
Germany	5	3	2	2	12
Denmark	3	1	1	3	8
Estonia	2	0	1	1	4
Greece	1	2	3	0	6
Spain	14	14	13	16	57
Finland	2	2	2	0	6
France	7	2	5	14	28
Croatia	0	5	3	0	8
Hungary	3	1	3	1	8
Iceland	0	1	0	0	1
Ireland	0	0	5	0	5
Italy	7	11	12	12	42
Latvia	1	0	1	0	2
Lithuania	6	0	0	0	6
Luxembourg	0	0	0	0	0
Malta	0	1	1	0	2
Montenegro	0	1	0	0	1
Netherlands	2	1	5	2	10
Poland	4	1	3	3	11
Portugal	5	6	7	5	23
Romania	4	2	1	2	9
Serbia	1	4	1	1	7
Sweden	2	0	2	1	5
Slovakia	0	1	0	1	2
Slovenia	0	5	3	3	11

Türkiye	1	0	3	0	4
UK	1	1	1	0	3
Total	76	73	88	75	312

For the first three calls in this table (Clusters Excellence, TOURINN* - Boosting the uptake of digitalisation, innovation and new technologies in tourism through transnational cooperation and capacity building, and the European Social Economy Missions) there are beneficiaries from almost all EU Member States, and some participation from Iceland and associated countries. The clusters internationalisation projects cover the majority of EU Member States:

- Clusters Excellence: 76 partner organisations from 22 EU Member States and other countries participating in the programme;
- Boosting the uptake of digitalisation, innovation and new technologies in the tourism sector (TOURINN): 73 partner organisations in 25 countries;
- European Social Economy Missions: 88 beneficiary organisations from 27 EU Member States;
- Clusters internationalisation (also including the Clusters internationalisation action for SMEs in the defence sector): 75 beneficiaries in 18 Member States.

For all four of these schemes there were notably higher levels of participation from Spain, Italy and to a lesser extent France and Germany. However, this may not necessarily be the trend for all COSME measures and/or for all years of the programme. It would be useful to explore this further in the programme's ongoing final evaluation.

Annex 3 – Examples of projects and success stories

Textbox 1. Example of a COSME EFG project - Finnsiirto - Finland - Machinery

Finnsiirto, based in Lieto, just east of Turku in Southwest Finland, operates in the field of professional forklift sales and logistics. They make continuous efforts to innovate and make small changes to differentiate from their competitors, focusing on changes that their customers would like to see ‘We’re always trying to think what we would want if we were customers,’ explains Kalle Dahlman, Commercial Director at Finnsiirto. Initially, they sold second-hand imported forklifts. With time, they started to focus on renting out and maintaining fleets, instead of selling individual vehicles, and started to grow very fast.

They started looking for an investor to finance this rapid growth and met Folmer, a private equity firm backed by the EIF. ‘After the first meeting, it was clear to us that both sides were ready and trusted one another.’ The investment from Folmer allowed Finnsiirto to significantly boost volumes, strengthen staff, increase stock and build a new headquarters. ‘It put us in a much stronger position,’ Kalle concludes. Since then, the company has continued to grow, expanding business in the Baltics with a sales office in Tallinn and bought two other companies, Simeri and Suomen Telakone, with the three together forming one of largest machinery companies in Finland.

Further information – [Folmer case study: Finnsiirto \(Finland\), Machinery – COSME EGF / EFSI \(eif.org\)](#)

Textbox 2. Example of a COSME LGF project - GardenLiving - Finland - horticulture and interior green design

GardenLiving, is an innovative Finnish horticulture business that sells garden products and provides services such as landscape architecture, interior green design, and garden maintenance and revamping. Its show rooms offer an attractive, innovative space for customers to buy plants and garden materials and consult experts for advice. Eva Wuite, the founder and manager of GardenLiving, who is half-Dutch, half-Finnish, gets her inspiration from Finnish nature and the trends in the Netherlands. When COVID-19 hit, everything went into lockdown and all orders for garden items stopped immediately. But bills had to be paid – as they had already bought their stocks for the entire season (April-October).

GardenLiving managed to obtain an EU-guaranteed loan through Finnvera, backed by the EIF: ‘We needed this extra loan to cover this difficult period. It helped bridge the gap and also allowed us to expand our services and plan for e-commerce as the second wave intensified. The cashflow gave us more time to react.’ Eva is confident that the business has a lot of potential going forward. ‘If there is one thing that I can tell you for sure, it’s that green makes you feel good,’ she concludes.

Further information: [HOME | GardenLiving](#)

Textbox 3. An EEN success story - W•SENSE - Italy - underwater cable-less networking

In 2017, W•SENSE, a spin-off of Sapienza University of Rome, developed a solution to guarantee underwater cable-less networking interoperability. Due to the originality of this cutting-edge technology and the high demand, W•SENSE started to grow fast. Suddenly they needed a huge increase in working capital to implement their contracts. Despite their cutting-edge technology and the high demand they were refused a loan by five different banks.

W•SENSE contacted the local Enterprise Europe Network (EEN) branch at Unioncamere Lazio and benefited from EEN scale-up adviser services. Among other things, EEN helped W•SENSE to prepare a robust business plan and to obtain a EUR 500 000 bank loan from one of the intermediaries for an EU-supported loan guarantee scheme. W•SENSE also attended EEN events to boost their international connections.

EEN's support has enabled W•SENSE to increase their turnover and has created job opportunities in Italy and across Europe. 'Our company doubled its size to 23 people located in three European countries,' said Chiara Petrioli, CEO of W•SENSE. They now have offices in Italy, Norway and the United Kingdom and have won multiannual contracts with key stakeholders in aquaculture, defence, energy and the environment. 'We are growing fast, with an expected compound annual growth rate of about 70% in the next 5 years,' said Petrioli. 'We are constantly supported by the Network.'

Other examples of projects, particularly clusters and tourism projects supporting digitalisation and sustainability goals, are briefly mentioned in Annex 4 below.

1. Climate

Contributions to climate mainstreaming objectives were reported for many actions. A few examples are provided below:

The **EEN** helps SMEs address climate-related challenges in various ways. For example, it helps them use innovation to become more energy- and resource-efficient, by reducing waste and minimising energy consumption, thus enabling them to reduce their CO₂ footprint. The network also has sector and thematic groups focusing on sustainable construction, intelligent energy, the environment and the circular economy. Over 200 expert EEN business advisers specialise in climate-related issues such as the circular economy, intelligent energy, sustainable construction and green technologies⁴⁵.

The COSME **Equity Facility for Growth** has invested EUR 6.7 million in a venture capital fund focusing its activities on clean technologies.

https://www.eif.org/what_we_do/equity/single_eu_equity_instrument/cosme_efg/intermediaries.pdf.

For the whole programming period, the COSME EFG facilitated investment of more than EUR 62 million in SMEs operating in the energy and environment sector. Investments in this sector further increased after the programming period.

https://www.eif.org/what_we_do/equity/single_eu_equity_instrument/cosme_efg/cosme-efg-implementation-update.pdf.

The 2022 edition of the **Flash Eurobarometer on small and medium enterprises (SMEs), resource efficiency and green markets** funded by the 2020 budget looks into SMEs' performance and actions to become more resource-efficient, the barriers they encounter and the potential for policy measures to speed up SMEs' green transition. The Eurobarometer is being used for policymaking to support SMEs with the green transition, in line with the updated EU Industrial Strategy (including for the transition pathways). The final report was published in March 2022: [SMEs, resource efficiency and green markets – March 2022 – Eurobarometer survey \(europa.eu\)](https://ec.europa.eu/eurobarometer/survey/eurobarometer-survey).

Under the **Clusters Go International** scheme, 6 of the 12 projects deal with climate change-related topics. For three of the projects, it is estimated that a total of EUR 1.6 million is spent on climate goals (40% of the total budget for these projects):

- ESECA: project for European SMEs in the **renewable energy and smart grids** sectors to help them develop a joint internationalisation strategy with common goals towards sub-Saharan Africa;
- ICBuild: project boosting internationalisation for **circularity in the building environment**;

⁴⁵ This monitoring report focuses on EEN services co-funded via the COSME programme. The EEN also provided an additional specifically defined set of services with Horizon 2020 programme support (key account management services for the SME instrument, and services to help SMEs enhance their innovation management capacities).

- EU Water4i SD: the European **Water**-smart initiative for fostering International Sustainable Development.

In addition, the following projects also deal with climate change-related topics:

- REC-N-COMP: European **recycled materials-based composites and end-of-life products processing technologies** go international;
- H2Global: project focused on positioning Europe as a global technological and industrial leader in the **green hydrogen economy**;
- AEWEN: project to create an **African-EU water and energy** network.

Further information on all these projects is available on the European Cluster Collaboration Platform⁴⁶.

The **digital platform for the Public Buyers Network** supported by 2020 budget went live in April 2023. This supports collaboration by 10 ‘big buyer’ groups to build up joint intelligence on specific procurement needs (including solar panels). It is estimated that 40% (EUR 400 000) of the project’s budget (EUR 1 000 000) is dedicated to climate action.

The **study on mid-caps** also covered environmental sustainability, including action taken by mid-caps to increase their environmental sustainability (cutting energy consumption, recycling, etc.) and the main challenges they face in this area.

2. Contribution to Sustainable Development Goals

Many COSME projects contribute to multiple Sustainable Development Goals. For example:

The ‘**Initiatives for a Built Environment**’ tool has been developed to support the transition to sustainability in the construction sector and an inclusive built environment. It is used to assess and monitor national reforms and public investment programmes related to construction carried out by the EU-27 countries under their national recovery and resilience plans. This project contributes to SDG 1 (affordable housing), SDG 3 (quality built environment), SDG 5 (skills development), SDG 7 (link with renovation wave and other initiatives), SDGs 8 and 9 (competitiveness, innovation, productivity and sustainability of the EU construction industry), SDGs 11 and 15 (the built environment), SDG 13 (energy efficiency) and SDG 16 (institutional reforms).

The **European Climate Neutral Industry Competitiveness Scoreboard (CIndECS)** described in the section below on SDG 13 also contributes to SDG 7 (affordable and clean energy) by assessing clean energy solutions, and SDG 9 (industry, innovation and infrastructure) by focusing on improving the resilience of infrastructure, assessing emerging climate-neutral solutions for different industrial ecosystems and focusing on emergent and innovative solutions.

SDG 8 (decent work and sustainable economic growth)

Relevant measures include the **Enterprise Europe Network’s** services to help SMEs achieve sustainable growth, the different actions to support **clusters** and the **European Social Economy Missions** (one focus area of these missions was local or regional measures tackling unemployment).

⁴⁶ <https://profile.clustercollaboration.eu>

SDG 9 (inclusive and sustainable industry, innovation and resilient infrastructure)

The **Enterprise Europe Network** supported SMEs in their transition to circular business models and in making use of greener, energy-efficient technologies. The network was well advanced on its path towards putting in place fully-fledged sustainability services in preparation for the new network as from 2022⁴⁷.

SDG 9 was also supported through various measures for clusters. For example, **the EVOLUTE** project in the **European Cluster Excellence programme** is helping clusters in the automotive and land machinery industry boost their performance by strengthening the skills and deepening the knowhow of six clusters in Europe. This project also supports the implementation of the ClusterXChange scheme to facilitate international, sector and cross-sector cooperation between clusters, SMEs and large organisations. This helps companies and employees prepare for future challenges and helps **foster innovation for world class products and services**.

The projects for **Strategic Alliances for the Uptake of Advanced Technologies by SMEs for economic recovery** also focused on helping SMEs implement technological innovation. The **‘ReStartSMEs’ project** supported under this call assisted manufacturing SMEs in adapting to value chains and new demand caused by COVID-19.

SDG 12 (sustainable consumption and production patterns)

The **WORTH project** to boost competitiveness and innovation of SMEs in lifestyle industries contributes to SDG 12. The second call for proposals for SME partnerships focused on green and digital transition including: the circular economy, efficient use of energy and resources, transition towards more sustainable production and consumption; social innovation and social inclusion; and reduction of the carbon footprint. For example, the Framiore capsule concept aims to raise the lifetime worth of women’s clothing, by offering high quality garments that do not go out of date, together with features to customise, and adapt garments, and a repair and trade-in programme⁴⁸.

Some of the ongoing **tourism projects** also support sustainability and climate goals, including for example the **TourINN-act project**⁴⁹.

The **clusters internationalisation projects** also cover sustainable consumption and production patterns in various sectors, including energy and water consumption, water-smart solutions, and renewable energy and smart grids).

SDG 13 (climate action)

⁴⁷ This led to the creation of EEN Sustainability Advisers as from 2022. Since the start of 2022, the EEN SME client assessment (the starting point for defining which services an SME needs) covers the full set of environmental, social and economic aspects. Sustainability is mainstreamed across all EEN services including innovation and access to finance. These new EEN services cover different areas such as waste and water management, use of clean energy, human rights monitoring and reporting, workers’ rights, safety and health.

⁴⁸ https://worth-partnership.ec.europa.eu/projects/framiore-capsule-collection_en

⁴⁹ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/projects-details/31059643/101038173/COSME>

One relevant measure is the development of a **European Climate Neutral Industry Competitiveness Scoreboard (CIndECS)** to assess the EU's competitive position on 28 climate-neutral solutions. This work identifies strengths and weakness for each solution against 10 specific criteria. The results will provide support to policymakers both at national and EU level to develop more targeted support actions. The total EU funding for this action (EUR 430 000) is entirely dedicated to climate goals. The project's results have already contributed to and are referenced in the following policy documents:

- Net Zero Industry Act (COM(2023) 161, SWD(2023) 68 final) *Investment needs assessment and funding availabilities to strengthen EU's Net-Zero technology manufacturing capacity*, p. 55, 74, 76, 103;
- Net Zero Industry Act (COM(2023) 161, SWD(2023)68, p. 10);
- The 2021 and 2022 editions of the Progress report on competitiveness of clean energy technologies (COM(2021)952 final) - and supporting documents - and (COM(2022)643 final
- The **CIndECS** also fed into numerous Clean Energy Technology Observatory reports (https://setis.ec.europa.eu/publications/clean-energy-technology-observatory-ceto/ceto-reports-2022_en). The final report is due in September 2023.

The EEN, WORTH and Initiatives for a Built Environment also contribute to SDG 13 (see also the climate action heading above).

Social dimension of SDGs

Some COSME actions and projects include a **social dimension** (social economy measures, and measures for women entrepreneurs and other specific groups of entrepreneurs). Other COSME projects and actions have a social dimension embedded in their wider sustainability and competitiveness objectives (e.g. some of the tourism projects and the WORTH project mentioned above). The first call for proposals for SME partnerships for **WORTH** was aligned with the New European Bauhaus. It contributed to Sustainable Development Goals by increasing the awareness and/or development of solutions contributing to more beautiful, sustainable and inclusive living environments. Several clusters projects focus on social goals; these include the **EXCELIVING project under the Clusters Excellence scheme, which focuses on a smart, healthy, age-friendly and sustainable living environment**. The project helps clusters active in these fields to review their strategy and develop new services and is delivering studies, visits, webinars and matchmaking activities focusing on these fields.

3. Contribution to digital goals

Several actions support digitalisation in conjunction with other goals. These include the clusters actions and the call for digitalisation, innovation and new technologies in tourism through transnational cooperation and capacity building.

Within these calls there were some individual projects dedicated more specifically to digitalisation. For example, the **EU DigiTOUR tourism project** supports European tourism SMEs lagging behind in their digital transition and enhances cooperation in the tourism ecosystem to develop new, innovative and smart tourism solutions, products, services, skills and new business models through the use of **artificial intelligence, internet of things, virtual reality, augmented reality and big data**. The maximum grant amount for this

project is EUR 999 963. The project involves nine partner organisations from five countries (Croatia, Germany, Italy, Serbia and Slovenia).

Another example is the **EURO_EMOTUR** tourism project. The project pays special attention to neuromarketing techniques to boost the digital reputation of SMEs and increase their performance and key performance indicators both in the short and long term. The ongoing project, which has a maximum EU grant amount of EUR 563 236, has six partners in five countries (Belgium, Finland, Italy, Spain and the UK).

Under the **Public Buyers Network** initiative (service contract), one of the 10 ‘big buyer’ groups supported by the **digital platform deals with** artificial intelligence. This platform helps public buyers build up joint intelligence on specific procurement needs in this field and work on joint statements of demand.

The Clusters excellence project EPIX aims to boost the excellence of clusters that deal with smart cities. Another Clusters Excellence project, MEDIC NEST, is working to create a European meta-cluster in the field of precision medicine. The project includes a ClustersExchange scheme to stimulate cross-fertilisation and exchanges of experience related to digital technologies. There are also clusters projects focusing on digitalisation in sectors such as agrifood (AgriFoodX5.0 project), fashion (CLOTH project) and automotive and land machinery (EVOLUTE project)⁵⁰.

4. Contribution to gender mainstreaming goals

While no specific gender objective/target is provided for in the COSME legal basis, this dimension is taken into account in all actions.

For the EFG and LGF, the gender dimension is tracked in the biannual analyses by the European Investment Fund. The latest analysis from 2020 demonstrates that as of 2019:

- almost 2 in 10 of SMEs receiving equity support via the COSME EFG have at least one female in an executive position;
- almost every 4 in 10 of the SMEs that received debt financial support via the COSME LGF have either a female CEO, general manager or company director.

There was one COSME action totally dedicated to enhancing digital and entrepreneurial competences in girls and women (ESTEAM). Further information is given in point 2.4 above.

57% of EEN coordinators are women, while 43% are men. The EEN also has a dedicated group that supports women entrepreneurs and provides partnership and advisory services specifically tailored to their needs.

The COSME programme also created opportunities for businesses in sectors such as fashion and the social economy which are known to attract a high percentage of women entrepreneurs.

⁵⁰ Further information on these projects is available on: <https://clustercollaboration.eu/>