

Press Release

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The E7 manifesto

“The European Real Economy for a Realistic Industry Policy”

*The E7, composed of the associations of SMEs and mid-caps of Czechia, France, Germany, Italy, Poland, Portugal and Spain, launched a **manifesto for a Realistic Industry Policy** that presents **ten key action points** that can be implemented across European industrial, environmental, energy, skills, innovation and trade policies to truly support the European Real Economy and act as a springboard for its growth.*

The SME and Mid-Caps of the continent are often referred to as the backbone of the European economy, meaning they are the European Real Economy. Conscious of this fact, the associations of micro-, small-, and medium-sized enterprises and mid-caps of Czechia, France, Germany, Italy, Poland, Portugal, and Spain, representing over 1.5 million enterprises, have joined in the **E7 Roundtable**.

They joined together, motivated by the shared concern for how the European Union responds to the many volatile crises we face. **The backbone is under a lot of pressure**: a top-down, dirigiste approach is causing higher production costs and dependency on imports beyond the single market. This approach and its effects constrain the flexibility and innovativeness of European SMEs, not letting them thrive and bring to the market the solutions most fit for consumers.

The E7 identified four specific points of concern:

1. The illusion of European policymakers that solving **the biggest challenge, global climate change, could be done by Europe alone, and specifically by European industry alone**, as the leading responsible actor and executor of political strategies.
2. The strategy towards this critical objective is currently **defined by national and European governance** instead of focusing on defining negotiated targets and aims and leaving it to companies and the market to find the most suitable solutions.

3. This approach has entailed to date strict timeframes and deadlines, increasing prohibitions, and putting **massive pressure on our productive European system**, which is made of individuals, companies, families, and communities.

4. **It has also favoured specific technologies and processes**, excluding other economic players from the market by law, making the emergence of unforeseen innovations impossible, hence limiting future opportunities.

This approach already had a significant impact on the SME ecosystem of Europe, causing an increased demand for capital to keep pace with the new demands and consequently bringing many companies into financial and existential danger.

The E7 Manifesto aims to address how this issue can be tackled with ten key action points. These points include, among others, a demand for SMEs to be more thoroughly involved during the formulation of European strategies to respond to ongoing crises and a demand for legislation to be evaluated against its impact on SMEs to lower the burden.

They also demand cutting red tape and reporting to diminish the impact of companies already grasping for resources and to let the market draw out the best technological solutions to respond to climate change, moving from a top-down to a bottom-up approach.

“Our entrepreneurs have long understood that environmental sustainability and digitization processes are not only an essential horizon, but also an opportunity for development and competitiveness for their businesses. But it is necessary keeping together sustainability and productivity” said Maurizio Casasco, President of European Entrepreneurs CEA-PME ad President emeritus of CONFAPI, the Italian association of SME

“We – the European Real Economy – need a more Realistic Industry Policy now. A policy that helps enterprises to rise to the challenge, that enables them to innovate their business models, that facilitates the access to markets particularly by reducing bureaucratic burdens”, said Markus Jerger, Co-President of European Entrepreneurs CEA-PME and Executive Chairman of BVMW, the German Mittelstand association.

Notes to Editor

The E7 is a group within the European Confederation of SMEs Associations ‘European Entrepreneurs CEA-PME’ and is composed of the following associations:

AMSP (Czechia), M-ETI (France), BVMW (Germany), CONFAPI (Italy), RIG Katowicach (Poland), COTEC Portugal (Portugal), and ADEGI (Spain).

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