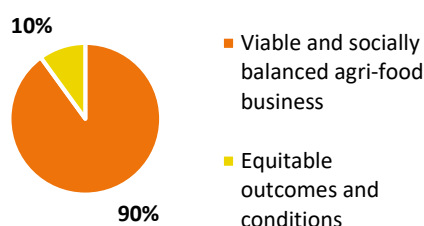


### A3.15 Policy actor: Small and medium enterprises

The food industry is the largest manufacturing sector of the EU and is characterised by a large number (almost 290,000) of SMEs. The Commission defines micro, small and medium-sized enterprises as those employing, respectively, fewer than 10/50/250 persons, having a turnover of less than € 2/10/50 million and a balance sheet total of less than € 2/10/43 million. Agri-food SMEs are of great economic importance as they generate almost 50% of the food industry **turnover** and **value added** and provide two thirds of the **employment** in the sector (FoodDrinkEurope, 2018). Moreover, due to their diversity, they have a large potential to develop novel solutions to address the emerging **changes in food demand** (e.g., population growth, changes in consumer tastes, food scandals, the globalization of food markets, etc.).

#### Proportion of mapped policies by GOAL

Unsurprisingly, almost all of the mapped policies addressing SMEs aim at enhancing the **viability and social balance** of the EU agri-food business and, to a smaller extent, guaranteeing **equitable outcomes and conditions**.



**Competitiveness** is the most needed element to create a viable and balanced business.

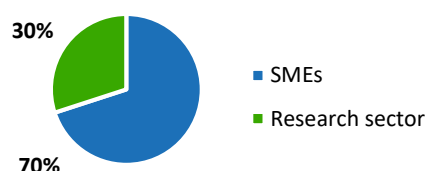
*How can SMEs develop their capacity to **bring innovations to the food market** and increase their level of competitiveness?*

*Are SMEs hindered by the **limited resources** available?*

#### Proportion of mapped policies by PRIMARY TARGET

More than  $\frac{2}{3}$  of the mapped food policies that ultimately benefit **SMEs** are directly implemented through themselves (70%), while the remaining  $\frac{1}{3}$  acts through the **research sector**.

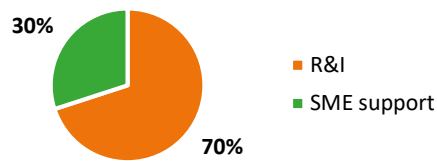
As the figure suggests, it is important to facilitate the participation of SMEs in **research programmes and networks**, **knowledge transfer** and the **uptake of new technologies**.



*How could SMEs be enabled to further **invest in new inputs** and processing techniques?  
Is there a viable way to facilitate their **access to finance** to cover the high costs they face?*

Neither SMEs-benefitting policies act through **consumers**, nor food policies implemented through SMEs ultimately benefit consumers. *What can be done to better connect agri-food SMEs to the **end-users** of their products? Could a specific label “made by local SME” influence consumption patterns?*

### Proportion of mapped policies by INSTRUMENT



**SME support** relates to grants, bonuses and special funds specifically channeled to small and medium-sized enterprises, with the aim to facilitate their **access to finance**.

An improved access to finance could foster **SMEs' engagement in R&I activities and technological innovation**. *Are these two policy instruments complementary and mutually reinforcing?*

*Why are **information measures** missing? Could they be effective in raising SMEs' awareness of emerging technologies and services?*

*Should **education measures and trainings** be set up to offset the lack of business and management skills needed to carry out innovation activities? Could they contribute to building **networks** among SMEs and facilitating the **co-creation** of innovation in the agri-food sector?*