

[EU support for businesses in the digital world](https://digital-strategy.ec.europa.eu/en/activities/support-businesses) (<https://digital-strategy.ec.europa.eu/en/activities/support-businesses>)

The EU offers a range of support for businesses, from start-ups to scale-ups to small and medium enterprises and beyond. You can find out more on this page.



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Small and medium-sized enterprises (SMEs) play a crucial role in the EU's economy. They represent 99% of all businesses in the EU and over the past 5 years were responsible for creating around 85% of new jobs. Along with start-ups, they are driving the transformation of the private sector with their strong innovation potential.

The European Union wants to ensure that SMEs and start-ups can rely on a business-friendly environment and make the most of cross-border activities within and outside the EU.

Therefore, we have introduced a number of initiatives to ensure SMEs are supported. These include:

- support for start-ups and scale-ups
- trade support
- cross-border VAT improvements
- intellectual property rights (IPR)
- networks and funding

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Supporting Start-ups and Scale-ups

The European Commission's [Start-Up and Scale-Up Initiative](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2016%3A733%3AFIN) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2016%3A733%3AFIN>) aims to give innovative entrepreneurs in Europe the opportunity to become world-leading companies. It brings together new and existing tools to help start-ups grow, including:

- improved access to finance;
- a second-chance for entrepreneurs;
- simplified tax filings.

The [Start-Up Nations Standard of Excellence](https://digital-strategy.ec.europa.eu/en/news/24-eu-member-states-commit-digital-day-take-action-s) (<https://digital-strategy.ec.europa.eu/en/news/24-eu-member-states-commit-digital-day-take-action-s>)

[upport-growth-eu-startups](#)) supports start-ups by fostering entrepreneurship and accelerating their growth into innovative SMEs. It also provides them with the conditions to scale even bigger.

Member States who signed the Start-up Nations Standard commit to:

- establishing a clear EU-wide reference point to define key features of a start-up;
- highlighting sustainable growth and entrepreneur-friendly environments are central to the future global successes of start-ups and scale-ups;
- sharing best practices;
- establishing a start-up nations hub to promote and enable exchange of best practices.

Trade guidance for businesses and SMEs

The EU is the largest trading bloc in the world, with a population of 440 million and 16% of global trade. International trade and investment are the backbone of its economy. EU firms' exports of goods and services to countries outside the EU support millions of jobs.

Small and medium-sized enterprises (SMEs) benefit significantly from international trade. In fact, 87% of all EU exporters are SMEs.

Our trade agreements with partner countries ensure that SMEs can benefit from measures that:

- remove tariffs;
- make it easier to export by removing red tape and other technical barriers;
- establish simpler and more predictable customs procedures;
- create a more stable and transparent business environment for EU companies.

Beyond our trade agreements, EU trade policy offers a range of tools and measures that benefit small businesses.

Here are 7 key tools for you:

1. The EU's [Access-to-Markets website](https://trade.ec.europa.eu/access-to-markets/en/content/online-tools-and-services-smaller-businesses) (<https://trade.ec.europa.eu/access-to-markets/en/content/online-tools-and-services-smaller-businesses>) provides practical information about exporting and importing. SMEs can use the website to [address queries](https://trade.ec.europa.eu/access-to-markets/en/contact-form) (<https://trade.ec.europa.eu/access-to-markets/en/contact-form>) related to market access.
2. A [trade defence instruments \(TDI\) guide](https://op.europa.eu/en/publication-detail/-/publication/da5a48ae-1234-11e9-81b4-01aa75ed71a1) (<https://op.europa.eu/en/publication-detail/-/publication/da5a48ae-1234-11e9-81b4-01aa75ed71a1>) for SMEs provides a basic overview of TDIs and sets out practical steps to protect businesses from unfair competition from non-EU countries.
3. The [Trade Defence SME Helpdesk](mailto:trade-defence-sme-helpdesk@ec.europa.eu) (<mailto:trade-defence-sme-helpdesk@ec.europa.eu>) offers personal advice to importers and exporters affected by trade defence instruments.
4. An online course on [Trade Defence Instruments for SMEs](https://circabc.europa.eu/ui/group/2e3865ad-3886-4131-92bb-a71754ffec6/library/d30fa892-2ee1-43b5-80f3-b3c100fa0766/details) (<https://circabc.europa.eu/ui/group/2e3865ad-3886-4131-92bb-a71754ffec6/library/d30fa892-2ee1-43b5-80f3-b3c100fa0766/details>) provides essential knowledge for SMEs in conducting their daily business.
5. A factsheet on the [European Union's support to EU SMEs](https://circabc.europa.eu/ui/group/7fc51410-46a1-4871-8979-20cce8df0896/library/30cea1da-1579-45c6-a1e5-477a284300d2/details?download=true). (<https://circabc.europa.eu/ui/group/7fc51410-46a1-4871-8979-20cce8df0896/library/30cea1da-1579-45c6-a1e5-477a284300d2/details?download=true>)
6. [Your Europe - Business](http://europa.eu/youreurope/business/) (<http://europa.eu/youreurope/business/>) provides multilingual

information and online government services for companies looking for business opportunities inside and outside Europe.

7. The [joint best practice guide](#)

(<https://digital-strategy.ec.europa.eu/en/library/high-level-guidelines-cybersecurity-smes>) from the EU-US Trade and Technology Council (TTC) provides 7 clear tips for SMEs to become more cyber secure, including links to relevant resources and initiatives on both sides of the Atlantic.

Cross-border Value Added Tax (VAT) rules

The EU is making continuous improvements to the way VAT works for companies, including SMEs. Our aim is to put in place a VAT system that's fit for business in the 21st century.

New VAT rules for online shopping came into force on 1 July 2021. The new rules form part of efforts to ensure a level-playing field for all businesses, including SMEs selling online. They simplify VAT compliance in relation to cross-border business-to-consumer e-commerce supplies.

The new rules also contribute to a fairer and simpler system of taxation in the EU and the modernisation of VAT in line with the realities of the e-commerce market. Indeed, they can help businesses save up to 95% in VAT-related administrative costs on their online sales.

The launch of the expanded One Stop Shop and newly introduced Import One Stop Shop allows businesses to declare and transmit VAT on their sales on goods and services within the EU, and on imports of low-value goods into the EU in only one Member State.

[Find out how your business can benefit from the new VAT for e-commerce systems.](#)

(https://vat-one-stop-shop.ec.europa.eu/index_en)

The Commission will announce a new proposal for VAT in the digital age in late 2022. The proposal will reduce administrative burdens and costs for businesses, including SMEs, while creating a more level-playing field by cutting down on VAT fraud. The new rules will introduce:

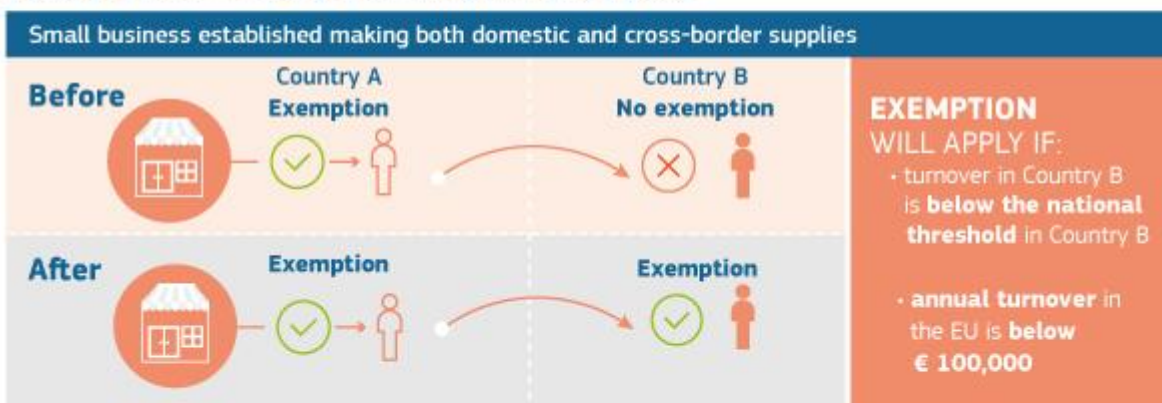
- improved digital reporting requirements for businesses across the EU;
- new rules for the platform economy;
- a single registration for companies in the EU.



NEW VAT RULES FOR SMALL BUSINESSES

HOW WILL THE NEW VAT EXEMPTION WORK

Place of taxation is where consumption takes place



InvestEU

InvestEU aims to contribute to the objectives of the EU by supporting infrastructure, SMEs, research innovation, digitalisation and social projects. It consists of 3 pillars:

1. InvestEU Fund
2. InvestEU Advisory Hub
3. InvestEU Portal

The InvestEU Fund aims to mobilise more than €372 billion of public and private investment through an EU budget guarantee of €26.2 billion, split between 4 policy windows:

1. sustainable infrastructure;
2. research, innovation and digitisation;
3. small and medium-sized companies;
4. social investment and skills.

The InvestEU portal is of particular interest to SMEs and businesses. It is an online matchmaking tool that aims to link EU project promoters and investors.

With over 1,000 projects published, the InvestEU gives EU companies visibility to a network of international investors. The portal is available in every EU country and covers each of the EU's 25 economic sectors.

The Digital Europe Programme (DIGITAL)

The Digital Europe Programme offers a range of support to help European companies grow.

For example:

- 70% of businesses say that the lack of staff with adequate digital skills is an obstacle to investment. DIGITAL supports upskilling to provide a workforce for advanced digital technologies such as artificial intelligence (AI), cybersecurity, advanced computing, data infrastructure, governance and processing and more.
- DIGITAL supports the development of the network of European Digital Innovation Hubs. Digital Innovation Hubs are one-stop shops supporting companies to respond to digital challenges and become more competitive by providing access to technical expertise and testing, allowing possibility to 'test before invest', innovation services, such as financing advice, training, and skills development that are central to successful digital transformation, and more.
- Companies should be able to use advanced technologies such as cloud computing services, big data and Artificial Intelligence. To help them, DIGITAL will make available specific tech solutions, such as an open source smart middleware platform. It will also foster the next generation of European cloud-to-edge advanced services and is building a pan-European marketplace in which these services will become available to the public and private sectors. DIGITAL is also investing in, for example, the AI Testing and experimentation facilities that will provide SMEs and Start-ups with fast and simple access to world-class testing facilities for Artificial Intelligence, rich networks of stakeholders and potential customers.
- DIGITAL also has a special funding rate of 75% for SMEs for specific actions. The aim is to support SMEs involved in building up and deployment of digital capacities.

[Find out more about how to get funding from the Digital Europe Programme
\(https://digital-strategy.ec.europa.eu/en/activities/get-funding-digital\)](https://digital-strategy.ec.europa.eu/en/activities/get-funding-digital)

[SOLVIT - Your business rights](#)

https://ec.europa.eu/solvit/what-is-solvit/index_en.htm
Setting up a business in the EU

[\(https://op.europa.eu/webpub/grow/factsheets/setting-up-a-business-in-the-eu/en/\)](https://op.europa.eu/webpub/grow/factsheets/setting-up-a-business-in-the-eu/en/)
[VAT for e-commerce](#)

https://vat-one-stop-shop.ec.europa.eu/index_en
VAT for SMEs

https://taxation-customs.ec.europa.eu/vat-scheme-small-businesses_en
[Funding to digitalise your business](#)

<https://digital-strategy.ec.europa.eu/en/library/guide-eu-funding-opportunities-digitalise-businesses>
[Setting up and expanding a business \(.pdf\)](#)

https://ec.europa.eu/newsroom/repository/document/2022-43/Setting_up_and_expanding_a_business_in_the_EU_know_your_rights_6UlgugP6EjS5QWGMu9geuUYQ_91069.pdf
[Funding opportunities to digitalise your business](#)

<https://digital-strategy.ec.europa.eu/en/library/guide-eu-funding-opportunities-digitalise-businesses>

Follow the latest progress and learn more about getting involved.

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[Follow the Commission's work on tech and digital @DigitalEU \(https://twitter.com/DigitalEU\)](https://twitter.com/DigitalEU)

Related Content

Big Picture

(<https://digital-strategy.ec.europa.eu/en/activities/funding-digital>)
[Funding for Digital in the 2021-2027 Multiannual Financial Framework](https://digital-strategy.ec.europa.eu/en/activities/funding-digital)
(<https://digital-strategy.ec.europa.eu/en/activities/funding-digital>)

The EU's long-term EU budget, also known as the multiannual financial framework, will boost digital technologies and aid in recovery from the pandemic.

See Also

[EU support for the digital public sector](https://digital-strategy.ec.europa.eu/en/activities/support-public-sector)

(<https://digital-strategy.ec.europa.eu/en/activities/support-public-sector>)

The Commission wants to ensure the public sector is able to keep pace with new technologies and benefit from innovation.

(<https://digital-strategy.ec.europa.eu/en/activities/support-public-sector>)

[EU support for education and training](https://digital-strategy.ec.europa.eu/en/activities/support-education)

(<https://digital-strategy.ec.europa.eu/en/activities/support-education>)

The Commission offers a number of education and training opportunities to help you get started in digital, such as entrepreneurship guidance, exchanges and more.

(<https://digital-strategy.ec.europa.eu/en/activities/support-education>)

[EU support for researchers and digital innovators](https://digital-strategy.ec.europa.eu/en/activities/support-digital-innovators)

(<https://digital-strategy.ec.europa.eu/en/activities/support-digital-innovators>)

The Commission offers a range of support to researchers and digital innovators, from programmes such as Horizon Europe to innovation funding and more.

(<https://digital-strategy.ec.europa.eu/en/activities/support-digital-innovators>)

[The Digital Europe Programme \(https://digital-strategy.ec.europa.eu/en/activities/digital-programme\)](https://digital-strategy.ec.europa.eu/en/activities/digital-programme)

The Digital Europe Programme (DIGITAL) is a new EU funding programme focused on bringing digital technology to businesses, citizens and public administrations.

(<https://digital-strategy.ec.europa.eu/en/activities/digital-programme>)

[Connecting Europe Facility - CEF Digital \(https://digital-strategy.ec.europa.eu/en/activities/cef-digital\)](https://digital-strategy.ec.europa.eu/en/activities/cef-digital)

The digital part of the Connecting Europe Facility (CEF Digital) will support and catalyse both public and private investments in digital connectivity infrastructures between 2021 and 2027.

(<https://digital-strategy.ec.europa.eu/en/activities/cef-digital>)

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