



Federation of European Accountants
Fédération des Experts comptables Européens

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SMEs and Economic Recovery:

FEE launched Round Table on –SMEs’ Access Finance Challenges and Creative Solutions

Brussels, 13 October 2010 – FEE (Fédération des Experts-comptables Européens – Federation of European Accountants) organised a Round Table to bring together stakeholders from SMEs, the banking sector, European Institutions, and the accountancy profession

The event chaired by Professor Francis Chittenden, Deputy-Chair of the FEE SME/SMP Working Party and ACCA Professor of Small Business Finance, focused on identifying and discussing creative solutions that benefit SMEs and the broader economy.

Opening the event, FEE President Hans van Damme observed that today’s debate on solutions is very important as SMEs are facing difficulties in raising funds; he highlighted the public interest dimension of the issue as SMEs obstacles to raising external finance can significantly impede economic recovery and jobs creation.

The discussions provided evidence that relations between SMEs and banks have been – and often still are – severely damaged by the credit crunch. However, in some new Member States, better quality of credit requests and transparency in relationships with banks support financing. Transparency, in particular of credit rating, can make the market for SME funding work more effectively.

Smaller firms were hit harder by the crisis. Overall, the position for access to finance for SMEs seems to be improving slightly but conditions vary widely across Europe. In the absence of external bank funding, some SMEs develop alternative strategies to access funds internally and from private resources. Where SMEs have strong relationships with professional accountants, it appears that better solutions can be achieved. The potential of mutual guarantee schemes to unlock additional bank funding has to be further explored.

Given the importance of SMEs to the economic recovery and the ongoing commitment of FEE and the accountancy profession to supporting SMEs, these issues must be kept under review. FEE will continue to monitor developments as they unfold and take action as necessary.

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About FEE

FEE (Fédération des Experts-comptables Européens - Federation of European Accountants) represents 43 professional institutes of accountants and auditors from 32 European countries, including all 27 EU Member States.

In representing the profession, FEE recognises the public interest. FEE has a combined membership of more than 500.000 professional accountants working in different capacities in public practice, small and larger firms, business, public sector and education, who all contribute to a more efficient, transparent, and sustainable European economy.

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