



SME market financing: Is there more to it?

Tuesday, 25 February 2020 | 13:15 to 14:30 | 1 Place du Congrès, 1000 Brussels – BE

Small and medium-sized enterprises (SMEs) – in particular those that are young, innovative and have risky projects – face minimal financing opportunities. In recent years several initiatives have been introduced to close this funding gap and promote the development of capital markets for these companies (e.g. junior stock markets, SME Growth Markets, crowdfunding, Capital Markets Union). Yet the financing mix of European SMEs has barely changed: it is still heavily tilted towards bank loans and internal funds. More recently, in an effort to further support SMEs to raise capital in public markets, the newly elected Commission President von der Leyen has proposed the creation of a private-public fund specialising in Initial Public Offerings (IPOs).

- To what extent can an EU SME IPO fund address the existing SME financing problems? How such an initiative will channel funds (cross-border) to the IPO phase and support the listing of local SMEs?
- Should SME Growth Markets be further developed (e.g. by revising the definition of SMEs under MiFID II, simplifying market abuse and prospectus rules, allowing segments of regulated markets to benefit from the SME GM label)?
- How can investors evaluate small firms, especially those with a short track record? Can the information gap for SMEs be closed?
- Would a favourable tax treatment incentivise SMEs to go public and encourage retail and institutional investors to participate in capital markets?
- Given the prolonged low interest rate environment, can this individual asset class or dedicated funds enhance yields and portfolio diversification?
- Which regulatory/prudential initiatives could promote public capital markets and improve the equity culture among SMEs and investors? What role for market infrastructures?



AGENDA

12:30-13:15 Registration and lunch

13:15-14:30 Panel Discussion

- **Joachim Schwerin**, Principal Economist, DG GROW, European Commission
- **Sophie Manigart**, Professor of Corporate Finance and Faculty Dean, Vlerick Business School
- **Piotr Borowski**, Chief Operating Officer, Warsaw Stock Exchange (GPW)
- **Eivile Cipkute**, Senior Policy Officer, European Investment Fund

Moderator: Apostolos Thomadakis, Researcher, CEPS-ECMI

14:30 End of the event

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