# Agenda of the European Commission 13 – 17 January 2014

Background notes from the Spokespersons' service for journalists. The European Commission reserves the right to make changes.

Wednesday 15 January: Strengthening the EU's response to radicalisation and violent extremism

Wednesday 15 January: The Commission adopts the Risk Finance Guidelines

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# Strengthening the EU's response to radicalisation and violent extremism

#### The news:

Traditional law enforcement techniques are insufficient to deal with the evolving trends in radicalisation and a broader approach is required to combat this phenomenon. On 15 January 2014, the European Commission will present a Communication encompassing a wide spectrum of measures in order to prevent and counter radicalisation to terrorism and violent extremism within the EU.

The Commission has identified ten areas in which Member States and the EU could focus their efforts to tackle radicalisation at home and abroad. Proposed measures include the creation of a European knowledge hub on violent extremism, the development of trainings for frontline practitioners, supporting a conference on foreign fighters in Syria to share practices and exchanges ideas, providing financial support for projects making use of modern communication tools and social media to counter terrorist propaganda and programmes facilitating abandoning violence and the underlying ideology.

#### The background:

Since 2005, efforts against radicalisation have been guided by the EU Strategy for Combating Radicalisation and Recruitment (last revised in 2008). While recognising EU Member States' authority as security-providers, the strategy contains joint standards and measures that aim at preventing terrorist radicalisation and recruitment, grouped under three key headings:

- disrupt the activities of individuals and networks that draw people into terrorism
- ensure that voices of mainstream opinion prevail over those of extremism
- promote security, justice, democracy and opportunities for all more vigorously.

Today's Communication is following up on <u>Council conclusions</u> from June 2013 and will contribute to reviewing the EU Strategy in the course of 2014.

### The event:

- IP will be available on the day. Midday statement by Commissioner Cecilia Malmström.
- Available on EbS

### The sources:

- Homepage of Cecilia Malmström, Commissioner for Home Affairs: <u>http://ec.europa.eu/commission\_2010-2014/malmstrom/welcome/default\_en.htm</u>
- European Commission Radicalisation Awareness website: <u>http://ec.europa.eu/dgs/home-affairs/what-we-</u> <u>do/networks/radicalisation\_awareness\_network/index\_en.htm</u>
- Homepage DG Home Affairs: <u>http://ec.europa.eu/dgs/home-affairs/index\_en.htm</u>

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# Wednesday 15 January:

# The Commission adopts the Risk Finance Guidelines

#### The news:

On 15 January 2014, the European Commission will adopt the new Risk Finance Guidelines that will replace the Risk Capital Guidelines.

The new risk finance State aid rules will allow for a more rapid and generous disbursement of risk finance aid to SMEs and midcaps. This is an important contribution to the European Union's efforts to re-launch economic growth during difficult times for many SMEs

#### The background:

The new rules for risk finance aid follow extensive consultations with Member states and stakeholders and are aimed at enhancing incentives to the private sector to increase their funding activities in SME financing.

While risk capital is potentially an important source of finance, the diversity of SMEs' development strategies and finance needs calls for different forms of finance. By and large, SMEs are still heavily dependent on the traditional bank lending, which is limited by the banks' refinancing capacity, risk appetite and capital adequacy. The consequences of such over-reliance on the traditional bank channel have been worsened by the financial crisis, with approximately one third of SMEs having been unable to get the finance required in recent years. Such a failure in finance markets translates into a "funding gap", which affects undertakings from their seed/start-up stage to their later expansion and growth development stages, and which is wider and deeper than what was generally assumed under the current State aid rules.

The existing risk capital rules (2006-2013) relate to the equity financing of companies with perceived high-growth potential during their early growth stages. The current framework proved however to be too restrictive in terms of eligible SMEs, forms of financing, aid instruments and funding structures.

The Commission is reacting boldly to changing market realities. Recognising that the market failure in access to finance is much wider than previously expected, the Commission will set up a simple, flexible and generous state aid framework for the provision of risk finance to SMEs and midcaps.

## The event:

- Press conference by Vice President Almunia at 12:30.
- Available on EbS

### The sources:

- Public consultation on the draft Risk Finance Guidelines: <u>http://ec.europa.eu/competition/consultations/2013\_risk\_capital/index\_en.html</u>
- Information on State Aid Modernisation: <u>http://ec.europa.eu/competition/state\_aid/modernisation/index\_en.html</u>
- Information on the Vice-President of the European Commission Joaquín Almunia: <u>http://ec.europa.eu/commission 2010-2014/almunia/index en.htm</u>

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