

(English version)

Question for written answer E-002356/26
to the Commission
Elena Kountoura (The Left)
(9 June 2026)

Subject: Establishing specific financial and regulatory tools to support small and medium-sized island enterprises under the European strategy for islands

Small and medium-sized enterprises (SMEs), including micro-enterprises, are the backbone of the Union's island economies. However, they operate under particularly unfavourable conditions due to geographical isolation, higher transport and logistics costs, the limited size of local markets, dependence on seasonal activities and demand, lack of skilled personnel and limited access to finance ⁽¹⁾.

At the same time, they face significant obstacles or are excluded from the use of European financial instruments, as the complex administrative requirements, minimum eligible budget limits and co-financing requirements do not correspond to the liquidity of island businesses with seasonal turnover ⁽²⁾.

Considering that the existing rules and funding programmes are mainly designed with larger businesses and mainland markets in mind and taking into account the need to create a specific competitiveness strand and targeted support for island SMEs within the framework of key EU funds and financing programmes ⁽³⁾: the Commission is asked:

¹ Without targeted support, these constraints hinder scaling up, innovation and integration into higher value chains.

² In particular, many funding programmes were designed for businesses with administrative structures that do not exist in island businesses of one to three people. Furthermore, the minimum budget limits de facto exclude micro-businesses, while the high mandatory co-financing rates are not feasible for businesses with liquidity concentrated in the few months of the tourist season (https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/16992-EU-strategy-for-islands/F33386921_en).

³ Including the ERDF, ESF+, Horizon Europe, CEF and LIFE.

1. Does it intend to create a specific competitiveness strand for small, medium-sized and micro-enterprises on islands within the framework of EU financial instruments, cohesion policy and the new MFF, with adapted eligibility criteria, lower minimum investment thresholds and increased aid rates for island regions?
2. Does it plan to simplify the procedures for accessing European funding, so that they better reflect the limited administrative and financial resources of the enterprises in question?
3. Is it aiming to provide adequate technical and financial support to island businesses in critical areas of resilience ⁽⁴⁾ and in human resource specialisation?

Submitted: 9.6.2026

Answer given by Executive Vice-President Fitto on behalf of the European Commission

(31 July 2026)

1. The Commission has no current plans to set up a dedicated central instrument. However, Member States will be encouraged, throughout the future plan negotiations, to dedicate resources, including through financial instruments, to address the challenges of islands.
2. Implementation mechanisms under the National and Regional Partnership Plans will be simpler, enabling easier access to EU support for small businesses.
3. The EU strategy for islands ⁽¹⁾ establishes a coordinated policy framework, through EU actions and recommendations to steer EU support and national policies for islands. It includes actions to help reduce the cost of insularity and strengthen the competitiveness of island businesses. For example, it proposes extending technical assistance through the Clean Energy for EU Islands ⁽²⁾ initiative until 2030, supporting the energy transition, helping to reduce energy costs and improve the competitiveness of island businesses. It will also consider issues affecting islands in the upcoming reviews of the EU Emissions Trading System ⁽³⁾ and FuelEU Maritime Regulation ⁽⁴⁾ and the ongoing reviews of the EU State aid framework, with potential benefits for the competitiveness of small and medium enterprises.
4. Under InvestEU ⁽⁵⁾, the Commission is supporting microfinance programs for financially excluded people, where microcredits, business development services, mentoring and other services are provided. An example is the project implemented by Trebal Solidary in the Balearic Islands (Spain) to support vulnerable women to start their microbusiness with the guarantee provided through the European Investment Fund.

⁴ Sectors and cutting-edge fields that are of critical importance — especially in island regions — include green energy, water, the circular economy, agri-food, sustainable tourism, green transport and digital services.

⁽¹⁾ COM (2026) 520 final.

⁽²⁾ <https://clean-energy-islands.ec.europa.eu/>.

⁽³⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02003L0087-20230605>.

⁽⁴⁾ <https://eur-lex.europa.eu/eli/reg/2023/1805/oj/eng>.

⁽⁵⁾ https://investeu.europa.eu/index_en.