

# **THE ACCESS OF SMALL AND MEDIUM SIZE ENTERPRISES TO BANKING FINANCING AND CURRENT CHALLENGES: THE CASE OF EU COUNTRIES**

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*ABSTRACT: Bank loans are a vital resource for SMEs financing because of the reduced possibilities of these firms to find alternative sources of financing. In the context of the current crisis, the access to loans for SMEs has deteriorated significantly due to lower availability of bank loans, that can hamper the exit from the crisis of these firms and the relaunch of the national economies. Moreover, the adoption of the new banking regulations by Basel III Accord raises concerns about their possible negative impact on bank financing of SMEs. In this context, our paper aims to highlight a few features of bank financing of SMEs in EU member states and to bring into question the impact of new banking regulations on loans flow to SMEs.*

*Keywords: Small and medium sized enterprises, EU, access to finance, bank loans, Basel III*

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