



Doing business online: SMEs in need of adequate policies

Position Paper on the Commission Communication ‘A coherent framework for building trust in the Digital Single Market for e-commerce and online services’ ([COM\(2011\) 942 final](#)).

Summary of ESBA’s recommendations to the institutions:

- Internet and e-commerce offer many new opportunities for SMEs and constitute crucial tools in support of their internationalisation and their development into new niche markets.
- The Communication is right to underline that fragmentation of national legislations is the main obstacle for online commerce to develop. ESBA therefore supports the idea to bring harmonization further in areas such as sales law. It is essential to take care that harmonization is conducted in such a way that it helps cutting red-tape and costs of cross-border trade.
- SMEs account for more than 99% of all European businesses and provide 85% of new employment. Consequently, the focus of the parliamentary Digital Single Market report should remain on small businesses. While strengthening consumer rights is important to foster confidence in the digital market and boost online demand, legislation should not be made so complex and cumbersome that it would discourage online trade.
- ESBA calls on the institutions to adequately address existing obstacles stemming from online sales, such as cross – border conflicts with consumers, handling of returns and shipping infrastructures.
- Small companies should be better informed about their options and opportunities, their rights and their obligations related to e-commerce, notably in order to help them save information-research costs and to improve compliance.
- Lastly, ESBA warns against too much emphasis on highly innovative SMEs as they constitute only a very small portion of all EU SMEs. Equal support and attention must be directed at ‘mainstream’ SMEs, which form the vast majority.

Background

The European Commission Communication [‘A coherent framework for building trust in the Digital Single Market for e-commerce and online services’](#) was adopted on 11 January 2012. It presents an action plan articulated around five priorities to restore trust and confidence in the digital market and to tackle legal uncertainty.

On 5 June 2012, Pablo Arias Echeverría MEP released a draft own-initiative report entitled ‘Completing the Digital Single Market’ ([2012/2030 INI](#)) which partly addresses the Commission Communication. Amendments to the draft will be considered on 17 September 2012 at the Internal Market and Consumer Protection Committee of the European Parliament, while a Committee vote on the issue is expected on the 11th October 2012.

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