



HEADLINES

EU / Internal Market: Services directive may be delayed

Evelyne Gebhardt MEP (Socialist, Germany), presented the second part of her report on the Services Directive during a committee hearing on 24 May, which will complement the first part (presented on 19 April) and make the whole more coherent.

148 amendments have been tabled by the rapporteur. Mrs Gebhardt insisted on the exclusion of services of general interest from the scope of the directive. Instead, she has drawn up a list of areas for which the law would apply. She also stressed the replacement of the country of origin principle by the mutual recognition principle.

Another focus of the discussion was the one-stop-shop system, intended to make the establishment of service provider less bureaucratic and faster. Mrs Gebhardt wants to apply administrative simplification to the freedom of establishment and the cross-border provision of services, through, for example a pro forma registration available at the one-stop-shop. However, the report abandons the idea of automatic authorisation in absence of a response from the national authorities, an aspect which was fiercely criticised by Graf Alexander Lambsdorff (Liberal, Germany). Also, shadow rapporteur M. Harbour MEP (EPP-ED, UK) said this report would not improve growth and jobs

The vote in the internal market committee (lead committee) may take place in July, with a vote in plenary in October. An exchange of views on the results of the Competitiveness Council's discussion on services (6 June) is scheduled on 17 June in the lead committee with Minister Jeannot Krécké (Luxembourg).

[Access Mrs Gebhardt's report:](#)

EU / Internal Market: EU Parliament seeking to limit software patents

Experts tend to favour a clear limitation on the access to patents on software. Following a public hearing on Monday (23 June) in the European Parliament (Brussels), MEP Maria Berger, who represents the Social Democrats in the Internal Market Committee, explained that the invited experts had supported the view of the rapporteur, Michel Rocard (PES, France): "All of them recommended more closely defining what can and cannot be patented in the directive," the Austrian MEP said. She also explained that there was a wide consensus that the TRIPS agreement (Trade-Related Intellectual Property Rights) of the World Trade Organization (WTO) does not in and of itself require patent protection for software.

The ongoing argument over patents in the software industry has exposed a conflict of interest between SMEs on the one hand and larger companies on the other. Big business would like to see patents both on physical inventions that use software and pure software. Most anti-patent groups accept that the former should be patentable, while they say the latter shouldn't. SMEs, who make up the majority of the industry, oppose the idea of patents on pure software but for some big businesses they are a lucrative proposition.

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However, the lack of legal certainty has allowed companies to patent pure software, even though the intention existing legislation was to prevent this from happening.

A Council common position on the controversial directive (patentability of "computer-implemented inventions") was adopted in March this year, and it will be passed for a vote in a plenary session of the European Parliament at the beginning of July.

Read more on software patents:

http://europa.eu.int/comm/internal_market/en/indprop/comp/

IN BRIEF

EU / Internal Market: EU with revised product standardisation approach

European product standardisation will be reworked in the first half of next year - after 20 years of its contribution to product safety and fuelling the success of the single market.

Shortcomings in the existing system became apparent as the standards - adopted by consensus by industrial stakeholders - were enforced at national level on a voluntary basis. Although it allowed for speed, simplicity and flexibility compared to the cumbersome EU lawmaking process, the system showed its limitations in terms of consistency when standardisation bodies applied the rules at national level.

[For more please consult the Commission press release:](#)

EU / Programmes: SMEs offered EUR 50,000 incentive to develop Galileo

Small businesses, entrepreneurs and researchers are being offered 50,000 euro in business development support to come up with the best idea for new applications for Galileo, Europe's satellite navigation system. The Galileo Masters 2005 competition aims to encourage small enterprises from across Europe to produce new products for Galileo, or for the existing GPS, GLONASS and EGNOS standards, all of which will be significantly enhanced by Europe's navigation system.

[Read more on the Cordis News Service:](#)

EU / SMEs : Industry Committee calls for more ambitious programme for SMEs

The Parliament's committee on industry, research and energy (ITRE) adopted the report by Britta Thomsen (Socialist, Denmark), which calls for a one-year extension to the Commission's multiannual programme for enterprise and entrepreneurship (MAP, 2001-2005). This should allow bridging the gap between the existing MAP and the new Competitiveness and Innovation Framework Programme (CIP) which runs from 2007-2013. Also, Mrs Thomsen proposed to increase the budget to 91 million euro.

[See Mrs Thomsen's report:](#)

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CONSULTATIONS

EU / Consultation on cross border mergers and acquisitions

A new survey has been launched by the Commission to find out why there is little cross-border consolidation in the financial sector and what the obstacles are to EU cross-border mergers and acquisitions. The consultation is open to all interested stakeholders in the financial sector. The results will serve as an input for a report expected from the Commission in September.

One line questionnaire : <http://europa.eu.int/yourvoice/forms/dispatch?form=405>

Closes 15 June 2005

Q&A :

EU / Consultation on application of financial instrument market directive

Stakeholders will be asked to comment on a technical report by the Committee of European Securities regulators (CESR) on application measures of Directive 2004/39/EC. The consultation is the second part of a four part-process.

Closes 17 July 2005

COMING UP

EU Institutions: Important Dates

2-3 June Employment, Social Policy, Health & Consumer Affairs Council

2-3 June Justice & Home Affairs Council

6-7 June Competitiveness Council

6-9 June European Parliament Plenary Session, Strasbourg

7 June Economic & Financial Affairs Council (ECOFIN)

24 June Environment Council

1 July UK Presidency Starts

Other SME related Events

29-31 May 12th Annual Conference on the role of Banks, Financial and Economics Institutions in the promotion of Small and Medium Enterprises

Amman, Jordan – Organised by the Arab Academy for Banking and Financial Sciences (AABFS) - For further information email: conferences@aabfs.org

31 May – 3 June Green Week Conference 2005 – “Get to Grips with Climate Change”

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Brussels, Belgium - Organised by DG Environment

For further information & to register to participate:
http://europa.eu.int/comm/environment/greenweek/index_en.htm

30-31 May Gate2Growth Event on Stimulating Innovative Entrepreneurship - Sophia Antipolis, France. More info & register: <http://www.e-unlimited.com/Gate2Growth/Event/Nice2005/Register.asp>

14 June Conference on CSR & SMEs “ Competitive, Small, Responsible” Brussels - Residence Palace –
[More info and registration](#) :

15-16 June Annual Conference on the European Charter for Small Enterprises Luxembourg - Organised by the European Commission & Luxembourg Presidency – Register by 13/05/05

http://europa.eu.int/comm/enterprise/events/charter/conf_2005.htm

23-24 June ESBA Annual Event – Brussels, Belgium – More information available soon on the ESBA website