



## HEADLINES

### **EU/Environment: Amendments to REACH partially satisfy small businesses**

In a vote on the REACH proposal on 13 September, the Internal Market and Consumer Protection Committee (IMCO) introduced rules which would lead to a risk-based approach to the regulation of chemicals. Hartmut Nassauer (EPP-ED, Germany), draftsman on REACH for IMCO, stated that 'similar' rules would be applied to substances imported in quantities over 1,000 tons per year.

On the same day, the Industry Committee (ITRE) adopted the report by Ms. Lena Ek (ALDE, Sweden). This emphasised the notion of 'duty of care', giving downstream consumers and users of chemicals the right to receive safety information regarding substances. In addition, arrangements were made for protecting the confidentiality of data submitted by companies which are members of consortiums under One Substance One Registration (OSOR).

However, Guido Sacconi (PSE, Italy), the rapporteur for the Parliament's Environment Committee, still emphasises his support for an approach based on the volumes of chemicals. The amendments of 13 September are therefore likely to be challenged when the Environment Committee votes on REACH on 4<sup>th</sup> of October. The UK Presidency has suggested a compromise to be tabled at a minister's meeting on 28-29 November. This proposal is largely based on OSOR, although the confidentiality of highly sensitive data would be protected. Chemicals produced or imported in small volumes of 1-10 tons would be subject to lighter data requirements, in line with the Maltese-Slovenian proposal. However, certain substances would be subject to the three-year registration period, provided they are produced or imported at over one ton per year. Moreover, information regarding risk and hazard would be passed both up and down the supply chain.

The Chemical Industry welcomed the increased use of the risk-based approach suggested by the UK Presidency, although they called for its implementation to include the authorisation and restriction of chemicals. Moreover, the recommendation for increased data-sharing may potentially cut costs for small businesses.

See Mr. Nassauer's report on the IMCO vote:

<http://www.epp-ed.org/Press/showpr.asp?PRControlDocTypeID=1& amp; amp; amp; amp; amp; amp; amp; PRControlID=3997&PRContentID=7366&PRContentLG=en>

ITRE adopts Ms. Ek's reports:

[http://www.smallbusinesseurope.org/Issues/Chemicals%20%28REACH%29/1126707327/industry\\_committee\\_adopta\\_compromised\\_amendments](http://www.smallbusinesseurope.org/Issues/Chemicals%20%28REACH%29/1126707327/industry_committee_adopta_compromised_amendments)

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**EU/Better Regulation : Barroso launches major drive to simplify EU legislation**

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On 14 September, the Barroso Commission announced the adoption of a major ‘better regulation’ campaign, intended to purge superfluous legislative proposals. To this end, Barroso has requested the assessment of over 200 proposals which have become caught up in the legislative process. Competitiveness Commissioner Günther Verheugen added further impetus to the initiative at a public hearing on 15 September involving members of the Internal Market Committee and experts in the field. The Commissioner spoke out against overly-ambitious legislation, such as REACH. He called for the removal of projects which undermine competitiveness, economic growth and employment.

Although the relevant documents are unavailable, early signs indicate that around 70 proposals have already been suggested for withdrawal. On 27 September, the final list will be presented to the Commission’s Competitiveness Group. This group will determine which proposals are to be removed.

Commission Communication: Action plan ‘Simplifying and improving the regulatory environment’

[http://europa.eu.int/eur-lex/en/com/cnc/2002/com2002\\_0278en01.pdf](http://europa.eu.int/eur-lex/en/com/cnc/2002/com2002_0278en01.pdf)

Commission Communication ‘Better regulation for Growth and Jobs in the European Union’

[http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005\\_0097en01.pdf](http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0097en01.pdf)

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### IN BRIEF

#### **EU/Lisbon Strategy: European Commission launches drive to increase state aid for innovation**

On 21 September, EU competition commissioner Neelie Kroes launched an consultation to increase state aid for SMEs engaged in ‘innovation activities’, such as prototypes and technological design. The consultation document contains draft proposals which outline ways in which to provide incentives for innovation through incentives such as tax exemptions and subsidies for start-ups. As a result, the Commission believes that €1 million will become available to SMEs over three years. This is ten times the amount of the current limit.

See the Commission’s press release:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/1169&format=HTML&aged=0&language=EN&guiLanguage=en>

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#### **EU/R&D: Industry Committee Debates FP7**

On 12 September the Industry Committee welcomed Janez Potocnik, Commissioner for Research and Professor Erwin Eher of the European Research Council (ERC) Identification Committee. The debate focused on the ERC, especially on the aspects of independence and selection. Regarding his work on the FP7, Rapporteur Buzek (EPP-ED, Poland) said that there was a broad consensus over his working document published in June. Since no progress has been made on the Financial Perspectives, Mr Buzek will submit a second working document in October. This should allow for a swift adoption (within 2 months) of the report once the Council has made a decision on the budget (possibly in December).

See Buzek’s working document:

### **EU/Services: Economic Affairs Committee vote emphasises liberal economic principles**

On 13 September, the Economic Affairs Committee voted on the opinion on the Services Directive, drafted by Mrs Sarah Wagenknecht (GUE/NGL, Germany). The Economic Committee voted in favour of a liberal economic agenda, which sought the liberalisation of the Europe-wide market for services in every sector, including gas, electricity, water, health, audiovisual services and education. The IMCO vote on Evelyn Gebhardt's (PES, Germany) report on the Services Directive will take place 4-5 October. Vote in plenary is foreseen on 24 October.

For further information:

[http://europa.eu.int/comm/internal\\_market/services/ services-dir/index\\_en.htm](http://europa.eu.int/comm/internal_market/services/ services-dir/index_en.htm)

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### **EU/Labour Market: Commission urges countries to accept workers from new member states**

EU Employment Commissioner, Vladimir Spidla, has called for EU member states to remove restrictions on workers from the new Member States. Out of the 15 standing member states, only Britain, Ireland and Sweden immediately opened up labour markets to workers from the east following enlargement. On Friday, 16 September, the Commission asserted that evidence from the three member states without restrictions indicates that fears over large inflows of migrants burdening host countries' welfare system's were unfounded. It called for a transitional period of two years, during which labour movements are restricted, to be abandoned immediately.

For further information:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/1153&format=HTML&aged=0&language=EN&guiLanguage=en>

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### **EU/Entrepreneurship: Commission report proclaims benefits of mini-companies**

A Commission report, published on 13 September, extols the benefits of 'mini-companies', set up by 200,000 secondary school students. Participating students develop an innovative business idea, raise capital, prepare a business plan, sell the product and keep accounts. The exercise is intended to develop the entrepreneurial spirit of young Europeans. Studies show that students involved in the scheme are much more likely to consider launching their own business.

For further information:

[http://europa.eu.int/comm/enterprise/entrepreneurship/support\\_measures/training\\_education/index.htm](http://europa.eu.int/comm/enterprise/entrepreneurship/support_measures/training_education/index.htm)

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### **EU/Trade: European Commission's 5th Market Access Symposium**

On Monday, 19<sup>th</sup> September, the European Commission held its 5<sup>th</sup> Market Access Symposium – 'To Lisbon...and Beyond: Market Access and External Aspects of Competitiveness'. EU Trade Commissioner Peter Mandelson and President of the European Commission, José Manuel Barroso, both emphasised the importance of gaining access to external markets for European products.

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However, they stressed that Europe must simultaneously reduce its own barriers to trade, including non-tariff barriers. In order to ensure competitiveness in a globalised world, the EU would also have to liberalise its labour markets.

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### COMING UP

#### EU Institutions: Important Dates

- 26-29 Sept. European Parliament Plenary Session, Strasbourg
- 27 Sept. Environment Committee vote on REACH
- 27 Sept. Competitiveness Group vote on 'Better Regulation'
- 3 Oct General Affairs and External relation Council
- 4 Oct. Vote on REACH in Environment Committee (possibly)
- 4-5 IMCO vote on the Services Directive
- 11 Oct Competitiveness Council
- 17 Oct Environment Council
- 24-27 Oct European Parliament Plenary Session, Strasbourg
- 16 Nov Likely date for Parliamentary Plenary, Strasbourg
- 28-29 Nov Competitiveness Council

#### Other SME related Events

- 23-24 Sept. Business Cooperation meeting – organised by yes for Europe, Palma de Majorca – More information : [www.yes.be](http://www.yes.be)
- 27 September SME access to finance: a better understanding, UNICE seminar – Brussels, Belgium - Further information: [http://www.sme-union.org/viewdoc.php?LAN=en&FILE=doc&\\_id=69](http://www.sme-union.org/viewdoc.php?LAN=en&FILE=doc&_id=69)
- 4-5 Oct The Risk Capital Summit 2005 – Investing for Growth and Competitiveness in Europe. Conference to debate and make recommendations on how risk capital should support the innovation, growth and competitiveness of European SMEs. Jointly organised by the DG Enterprise and Industry of the European Commission, and the UK Presidency.  
Venue: The Renaissance Chancery Court Hotel, London (United Kingdom)  
More information : <http://www.riskcap2005.com/>
- 6 October "Innovations and Entrepreneurship – missing links?" , organised by FSF, ITPS and NUTEK "Entrepreneurship" Seminars in Brussels - For more information and registration please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se)
- 14 October World Standards Day 2005: "International Cooperation in Standardisation" Conference organised by the Enterprise and Industry Directorate-General – Brussels, Belgium  
More info & registration : [http://www.europa.eu.int/comm/enterprise/standards\\_policy/international/world\\_standards\\_day/2005\\_en.htm](http://www.europa.eu.int/comm/enterprise/standards_policy/international/world_standards_day/2005_en.htm)
- 26-28 October 2<sup>nd</sup> European Microfinance Conference 2005: "Microfinance for financial and social inclusion", organized by European Microfinance Network – Barcelona, Spain  
More info & registration: [http://www.european-microfinance.org/AN/4Barcelone\\_-\\_Octobre\\_2005.php](http://www.european-microfinance.org/AN/4Barcelone_-_Octobre_2005.php)
- 1-3 November Small Business & Entrepreneurship 28th National Conference – Blackpool, UK - Further information: [www.isbe2005.org](http://www.isbe2005.org)
- 9 November "Fail Forward – is failure victory?" FSF, ITPS and NUTEK Entrepreneurship Seminars in Brussels - For more information and registration please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se)

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- 30 November 20<sup>th</sup> Anniversary of the New Approach, Organised by the European Commission, Brussels – Further information will be posted at the end of August 05 at the following website : [http://europa.eu.int/enterprise/newapproach/index\\_en.htm](http://europa.eu.int/enterprise/newapproach/index_en.htm)
- December 7 “The Art of Survival” - FSF, ITPS and NUTEK Entrepreneurship Seminars in Brussels - For more information and registration please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se)