



### HEADLINES

#### **EU / Lisbon Strategy: Commission launches new action plan but member states lag behind**

The Commission has identified the innovation gap between the EU and the US, combined with the significant growth of innovation investment in emerging economies (20% per year in China) as key threats to the position of Europe's economy in the coming decades.

In order to address this issue, the Commission has initiated an integrated innovation/research action plan. The plan consists of four strands which cover a total of 19 different actions. Within the third strand, 'research and innovation at the heart of EU funding', a central action is the 'improved access of SMEs to finance'.

Meanwhile, fourteen European member states have failed to deliver their national action plans (NAPs) on economic reform by 15 October, the initial deadline set by the Commission. The NAPs outline 3-year strategies for implementing guidelines agreed at the EU level, and are considered crucial for meeting the renewed Lisbon Strategy.

[For more information, go to the Commission communication:](#)

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#### **EU/ Better Regulation: Commission seeks to simplify 1400 pieces of legislation**

On 25 October 2005, the Commission presented a three-year programme to simplify existing EU legislation dating back to 1957. This programme will seek to repeal, codify and recast 222 basic legislations – a total of more than 1,400 individual legal acts. The programme will initially focus on the heavily-regulated sectors, including cars, waste and construction, but other sectors such as pharmaceuticals, cosmetics and food will be considered at a later stage.

Five instruments will be used to achieve these goals. These include: repeal of EU legislation, which consist in removing unnecessary legal acts ; codification; recast, which is a method to simultaneously amends and codifies the legal acts in question. More co-regulation, for example in the form of standardisations by independent bodies and the use of Regulations as a simplification tool will also be tools for the project.

In his address to members of the European Parliament in Strasbourg, Günter Verheugen, Commissioner for Enterprise and Industry said that the move against red tape was essential "to safeguard Europe as a site for business operations". He added this would especially help small and medium-sized enterprises.

[For more information, please see:](#)

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## ESBA Bulletin of 28 October 2005 – Volume 7 – Number 17

### **EU / Research & Development: Revised text on FP7 ahead of Competitiveness Council**

The UK Presidency will compile a revised draft text on the 7<sup>th</sup> Framework Programme for Research and Development (FP7) to be debated at the next Competitiveness Council on 28 and 29 November. This new text will take the work undertaken by the Luxembourg Presidency and previous discussions regarding the proposal into consideration.

Of particular interest will be the FP7's budget. Although the Commission has called for an increase in the EU's research budget, several member states are unwilling to increase their contributions to the EU's general budget. As in earlier programmes, the greater part of the budget would be directed at collaborative, applied research. However, several new aspects have been added, including public-private partnerships to fund new research infrastructures.

The rapporteur on FP7 Jerzy Buzek MEP (EPP-ED, Poland) outlined its second working document during an exchange of views of the parliamentary Industry Committee, lead committee on FP7. Vittorio Prodi MEP (Liberals, Italy) underlined the need to boost technology platforms as a means to give all companies including small ones the incentives to carry their own research, find partners and financing for their project, get together or even to merge if necessary.

[More information on FP7](#)

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### **IN BRIEF**

#### **EU / Environment: SMEs fear new burden from REACH proposal on the future EU chemicals policy**

Small business are deeply concerned by the results of the vote of 04 October by the Environment Committee (ENVI) on the REACH report by Guido Sacconi MEP (Socialists, Italy). Contrary to what the Internal Market and Industry Committee had supported in September, the report adopted in ENVI seeks to strengthen the testing requirements for registration of the 10-100 tonne category.

The precautionary approach followed by the environment committee would be unsustainable for small firms, imposing on them high registration costs and heavy administrative burden. Small firms indeed support a risk-based approach would only requires companies to register chemicals which pose the highest risk. The vote in plenary is scheduled for the November plenary session. The UK presidency will soon present a reviewed compromise proposal in order to reach a political agreement at the Competitiveness Council of 28 November.

For more information on the REACH proposal, see:

[http://europa.eu.int/comm/enterprise/reach/overview\\_en.htm](http://europa.eu.int/comm/enterprise/reach/overview_en.htm)

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#### **EU / Enterprise: New European Enterprise Awards designed to encourage entrepreneurship**

On 14 November 2005, the Commission and the UK Presidency launched a new annual competition, open to all local and regional authorities across Europe. Participants will honour the promotion of entrepreneurial spirit, enterprise in disadvantaged areas, the reduction of red tape, improved enterprise education and the promotion of sustainable business practices.

## ESBA Bulletin of 28 October 2005 – Volume 7 – Number 17

For more information on the awards, go to:

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### **EU / Research & Development: ‘Key Technologies for Europe’ conference looks beyond Lisbon**

A group of experts assembled at the ‘Key Technologies for Europe’ conference have produced six recommendations for a research agenda after FP7 and the Lisbon strategy. A key element of the suggested approach is to exploit the capacity of SMEs by enhancing the transfer of knowledge.

Read the draft final report here: [ftp://ftp.cordis.lu/pub/foresight/docs/draft\\_final\\_conf2005.pdf](ftp://ftp.cordis.lu/pub/foresight/docs/draft_final_conf2005.pdf)

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### **EU / Commission 2006 : “Unlocking Europe’s full potential”,**

On 25 October the European Commission adopted its work programme for 2006. The document entitled “Unlocking Europe’s full potential”, stressed the need for taking concrete action to reach the objectives of the Lisbon strategy.

Access the Work Programme: [http://europa.eu.int/comm/atwork/programmes/docs/wp2006\\_en.pdf](http://europa.eu.int/comm/atwork/programmes/docs/wp2006_en.pdf)

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## **COMING UP**

### **EU Institutions: Important Dates**

- 14-17 Nov. European Parliament Plenary Session, Strasbourg.
- 28-29 Nov Competitiveness Council
- 12-15 Dec European Parliament Plenary Session, Strasbourg.
- 1 Jan 06 Austrian Presidency starts

### **Other SME related Events**

- 1-3 November Small Business & Entrepreneurship 28th National Conference – Blackpool, UK - Further information: [www.isbe2005.org](http://www.isbe2005.org)
- 8 November “SMEs and Public Procurement: Where this fits in the Lisbon Agenda”, organised by the informal Working Group "Lisbon Network". European Parliament. More information: [pskinner@europarl.eu.int](mailto:pskinner@europarl.eu.int)
- 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)
- 14-15 November ‘Communicating European research 2005’, international conference, Brussels Exhibition Center - Further information: [www.europa.eu.int/comm/research/conferences/2005/cer2005/index\\_en.html](http://www.europa.eu.int/comm/research/conferences/2005/cer2005/index_en.html)
- 14-15 November First conference and launch of the EU/US Retail Banking Forum, Brussels. More information: <http://www.savings-banks-events.org/EU-US/>
- 17-18 November Paxis international conference – ‘Innovative start ups and early stage finance
- Further information:

## ESBA Bulletin of 28 October 2005 – Volume 7 – Number 17

- 24 November Financing Growth and Cohesion in the Enlarged EU, organised by the European Commission and the EIB , Brussels.
- **Further information:**
- 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)
- 6 December **15<sup>th</sup> Annual Summit "EntrepreneurShip - The Winds of Change"**, organised by **the** The European Confederation of Young Entrepreneurs. More information: [www.yes.be](http://www.yes.be)
- 7 December "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)