



HEADLINES

EU/ Green Paper on Entrepreneurship : Follow-up action plan in the pipeline

The DG enterprise is currently preparing an Action Plan that will outline practical measures to implement the main ideas of the Green Paper on Entrepreneurship. The report on the submissions to the Green Paper is almost ready. DG Enterprise was busy over the summertime to carry out the analysis of about 300 papers sent.

A recent meeting with DG Enterprise confirmed that the key issues for most participants in the consultation were: the reduction of administrative and fiscal burdens and the improvement of access to finance (including innovative approach to this topic such as the promotion of retention of profits in SMEs).

In a recent meeting gathering 11 business organisations active in Brussels, the same issues were selected as the key issues to be addressed by the future action plan, together with the more specific concern regarding transfer of businesses in Europe.

In addition, the own initiative report by Werner Langen (EPP-ED, Germany) on the same issue is currently being discussed within the Industry Committee. The deadline for submitting amendments was 10/09/2003. The report is expected to be adopted by the Committee on 02/10/2003.

More info:

<http://www.europa.eu.int/comm/enterprise/entrepreneurship/index.htm>

EU/ Future of Europe: Ahead of the Intergovernmental Conference – Who cares about SMEs?

Whereas the future EU Constitution keeps raising controversies over highly politicised institutional matters, other concerns such as greater clarity, more efficiency of the EU decision making process and not least, concerns over how to give more impetus to the EU economy, have lost their significance, if they ever had one.

According Italy's deputy prime minister Fini, there will be at least three summits to discuss the EU constitution before the end of 2003, with the first one taking place at the opening of the Intergovernmental Conference (IGC) on 4th October, the second one in November and the last one December to gather up the results of the debate. The IGC will have to achieve the ambitious goal of having a new constitution ready for EU governments to sign after 10 new members join in May 2004.

The discussions still focus on the number of Commissioner per Country and on the role of the future EU President, and a group of 15 smaller countries issued a call for major changes of the draft constitution.

However the current debates seem to completely overlook that one of the core goals of the Convention was to bring the EU more closer to the EU citizens. EU citizens are not abstract objects,

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they are also and above all people committed to their businesses' success and growth! One should not forget that 99% of the EU enterprises are small and medium sized businesses. What can the future EU do without a sustainable economy? What can the EU bring to its citizens if it does not rely on efficient, transparent and simple processes? One can hope that the next IGC will recall the very first goals of improving the efficiency for the benefits of the EU of all.

More info <http://www.ueitalia2003.it/EN/>

EU / VAT : Stresa informal meeting shows divergences on reduced VAT

The informal meeting of finances minister in Stresa (13/09/2003) confirmed that a unanimous position on the list of services to be submitted to reduced VAT will be difficult to reach. As the current system of reduced VAT rates for labour intensive services will expire by the end 2003, the finance ministers aim to reach an agreement in December. The issue will be discussed again at the ECOFIN Council of 7th October.

Whereas France, along with Spain, Greece and Finland strongly support the proposal made by the Commission in July 2003 (see our Bulletin of 28th July), other Member States such as the UK, Ireland and Luxembourg are fiercely opposing the proposed list because it would hinder the zero VAT rate for children's clothing and shoes. Other countries including Germany, Austria and Sweden and Denmark fear the proposal would deepen their budget deficits.

The debate goes far behind domestic concerns and priorities, such as children's clothing in the UK, restaurants for France, and bicycle repairs in Denmark. Indeed the discussion tackles the long-lasting and sensitive dispute over tax competition versus tax harmonisation. Advocates of the proposal claim that the Internal Market needs more harmonized VAT rates. But why should a managed competition be harmful for its functioning? We believe that, to a certain extent, tax competition is a healthy economic component that encourage competition in a broader sense, innovation and growth of the EU economy.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=MEMO/03/176|0|RAPID&lg=EN&display=

IN BRIEF

EU/ Direct taxation: Proposal to combat fraud more effectively

The European Commission has issued a proposal on 9/09/2003 to improve the cooperation between the tax authorities of the Member States by allowing them to co-ordinate their investigative action against cross-border fraud in the field of direct taxation (income tax, company tax and capital gains tax). The proposal will update the existing Directive on Mutual Assistance (77/799/EEC).

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1226|0|RAPID&lg=EN&display=

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EU/ Company taxation: Proposal on amending Directive on taxation of parent-subsiary dividend

The European Commission unveiled on 8/09/2003 a proposal to amend the European Community's Parent-Subsidiary Directive (90/435/EEC). The aim is to enlarge its scope to cover a larger range of companies, lower from 25% to 10% the inter-company holding threshold required for the application of its tax benefits and improve the mechanisms it provides for the prevention of double taxation. The European Company which can be created from 2004 (see IP/01/1376) is among the new entities proposed for addition to the list of companies covered by the Directive.

More

info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1214|0|RAPID&lg=EN&display=

EU/ VAT : Consultation on the recast of the 6th VAT Directive

Comments are expected by DG Taxation on the recast of the 6th VAT Directive by 26/09/2003. The aim of this consultation is to codify the 6th VAT Directive, in order to improve the efficiency and transparency of existing VAT legislation.

More info:

http://europa.eu.int/comm/taxation_customs/taxation/consultations/recast_6th/recast_6th_en.htm

EU/ Internal Market: Transposition of EU law: Italy, France and Austria lagging behind.

According to the latest Internal Market scoreboard (19/09/2003), the average transposition deficit of EU law reached 2.8% in July, the worse record for three years. Whereas only two States (Denmark and Belgium) have reached the deficit objective of below 1.5%, Austria, Italy and France have the worse scores (over 3.8%).

More info

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1272|0|RAPID&lg=EN&display=

EU/ Social: No revision of Directive on working hours in the pipeline so far

According to A. Mochan, Spokesperson for Commissioner Ana Diamantopoulo, there will be no revision of the directive of 1993 on working hours in a near future. A report is expected by the end of the year on the application of the directive 93/104/EC. It may open the door for further derogations (daily rest periods, durations of breaks, night work , etc..) or exemptions to ensure the continuity of certain services. However it will not cover payment of salaries or the definition of working hours.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.submitqry2=qry&stockqry=social&owner=prof

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EU/ E-Business: Consultation on barriers against e-commerce.

An internet consultation on legal barriers preventing electronic commerce and other electronic business applications has been launched on 16/09/2003. The aim for the Commission is to learn more about remaining practical obstacles for not doing business electronically. It is open to all enterprises until 7/11/2003.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1254|0|RAPID&lg=EN&display=

EU/ Industry : Conference on the environmental performance of the industry

A conference will take place on **24/25 November 2003 on the** Environmental Performance of the EU Industry. Organised by DG Enterprise, the event will debate how industry has reduced its impact on the environment and what action is being taken to move towards a more sustainable structure of production. Over 700 participants are expected.

For more details:

http://europa.eu.int/comm/enterprise/environment/events/env_performance/index.htm

EU/ Qualification: Adoption of Report in Committee

The report by F. Zappala (PPE-ED) on a Proposal for a Directive on the recognition of professional qualifications is expected to be adopted by the EP committee on 07/10/2003.

See more :

http://wwwdb.europarl.eu.int/oeil/oeil_ViewDNL.ProcedureView?lang=2&procid=5998

EU/ Financial services : Conference on Payments and Confidence held on 16/09/2003

A Conference on Payments and Confidence was held in Brussels on 16/09/2003, with the aim of improving information on the security of modern payment products and systems in the Internal Market, and to discuss the security approach to enhance public confidence in electronic payments.

More info

http://www.europa.eu.int/comm/internal_market/payments/conference_en.htm

and

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=SPEECH/03/414|0|RAPID&lg=EN&display=

EU/ Social Affairs : Launch of the European Information Campaign on mobility

A **Conference on “Human Capital, Employment, Productivity and Growth”** was held in Brussels on 19/09/2003. This event will launch the European information campaign on mobility and the One-Stop Job Mobility portal.

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More

http://www.europa.eu.int/comm/employment_social/news/2003/sep/euresportal_en.html

info: