



HEADLINES

EU/ Economy: European Initiative to boost growth in Europe

Romano Prodi, President of the European Commission, presented on the 1st October a communication on a new “European Growth Initiative”, with the aim of giving a strong signal for key structural reforms that must be accelerated in the framework of the Lisbon agenda. The new “road map”, drawing on the principle that more public spending could revitalize the EU’s GDP, includes two priorities. First, an increase of public investment in the field of Trans European Networks (so-called TENs), including infrastructure of energy, telecommunication and transports, could incur an increase of between 0.6% and 1% of GDP. The second pillar comprises research and development, where the Commission stresses that Member States must move faster towards the objective 3% of GDP for R&D investment.

Regarding the funding, both the European Investment Bank and the Member States must put their energies together. The EIB would provide not less than €50 billion to the infrastructure projects and €40 billion in R&D until 2010. The Member States are asked to make a more efficient use of the EU ten budget (€600 million/ year). Also, the Commission will issue updated rules on State aid procedures for SMEs.

The interim report by the Commission will be submitted for discussion during the European Council on 16/17 October. The ECOFIN meeting on 7th October also adopted an interim report on this issue, calling for the identification of TEN project that could start earlier. The ECOFIN council is expected to adopt a more complete contribution on this issue on 25 November, ahead of the Council of December.

In a context of economic slowdown and raising unemployment, the goal is valuable and the plan looks very ambitious. However, this new initiative raise doubts in at least two respects. First, the estimations of an increase of 0.6 to 1% of GDP seem to be very optimistic, if not exaggerated. They are based on highly idealistic hypothesis such as no increase of budgets deficits and interest rates. Second, it is doubtful whether the approach of public spending is the right way of going about the problem of low growth rates. The difficulties of the EU economy are largely due to a combination of demography, structure of welfare system, rigid labour market rules, red tap, lack of skilled scientists and doubts over investment return rates. In this context, its seems that the priority should be put on inverting the trend that leads companies to leave the EU because of a too hostile environment to conduct R&D.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1321|0|RAPID&lg=EN&display=

and

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=SPEECH/03/440|0|RAPID&lg=EN&display=

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EU/ Better regulation: New campaign against red tap in Europe

On 3rd October, the UK so-called Better Regulation Taskforce launched an initiative aimed at assessing how much work has been done so far by the European Commission to reduce the amount of unnecessary business regulation in the EU. According to the Taskforce, set up by the UK government with an independent chairman (David Arculus), not less than 40% of new regulatory proposals in Britain derive from EU legislation. There are already strong voices in the UK including the CBI and British Chambers of Commerce denouncing the burden of costs related to the implementation of EU regulation.

The European Commission is already carrying out a so-called Better Regulation Initiative, with a new programme launched in February 2003. The aim is to modernise existing EU regulation through replacing ancient approaches with better adapted regulatory instruments. According to estimations, legislation could be reduced by as much as 35,000 pages by 2005 through various actions of consolidation and codification. It is however questionable how far the initiative will concretely go in terms of cutting red tape and eliminating unnecessary pieces of legislation.

In a first stage, the Task Force will make a review of the possible fields that would fit into the Commission's simplification programme. In this perspective, the Task force is calling on all interested parties to make suggestions of legislation for review until December 2003. A report is expected to be issued by early 2004.

More info:

On the Better regulation taskforce : <http://www.brtf.gov.uk>

On the EU simplification programme:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/214|0|AGED&lg=EN&display=

IN BRIEF

EU/ SMEs and enlargement: Boosting entrepreneurship in an enlarged Europe

A conference held in Tallinn (Estonia) on 30/9 and 1/10 focused on entrepreneurship in an enlarged Europe, in particular on how can the competitiveness and dynamism of small enterprises be enhanced, and what can be done to ensure that enough attention is paid to them by decision makers in an enlarged Europe. The Conference issued recommendations in four areas covered by the European Charter for Small Enterprises : the use of structural funds in enterprise policy, the use of indicators, benchmarking and targets in enterprise policy, business innovation and entrepreneurship and achieving better regulation.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1317|0|RAPID&lg=EN&display=

EU/ Entrepreneurship: Report by W. Langen adopted, opinion endorsed by Economic and Social Committee

The report by Werner Langen (EPP-ED, Germany) on the Green Paper on Entrepreneurship has been approved by the EP's Industry Committee on 7th October. Also, the opinion by the European Economic and Social Committee, drafted by Ben Butters, has been endorsed. The report is expected to be voted by the plenary starting on 20th October.

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More info:

http://wwwdb.euoparl.eu.int/oeil/oeil_ViewDNL.ProcedureView?lang=2&procid=7270

EU/ Environment: Second reading started on the proposal on Environmental Liability

The proposal for a directive on Environmental Liability is currently in the 2nd reading in the European Parliament after the Council's common position of June 2003. The next exchange of views in the Legal Affairs Committee will take place on 6th November (possible date for amendments is 13th November).

During the last Committee meeting on 7th October, the rapporteur Toine Manders (ELDR, the Netherlands) stressed the need for the proposal to be adopted before the end of 2003, in order to avoid the proposal being captured by electoral interests.

More info: http://wwwdb.euoparl.eu.int/oeil/oeil_ViewDNL.ProcedureView?lang=2&procid=5985

EU/ Internal Market : Trade notification system enters into force for eight new countries

The EU notification system, which requires EU member states to notify each other and the Commission of any draft regulation that does not form part of the existing "acquis communautaire", can now enter into force in the Czech Republic, Estonia, Latvia, Lithuania, Malta, Poland, Slovak Republic, and Slovenia. This system will ensure draft national technical regulation on products will not create barriers to trade.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1324|0|RAPID&lg=EN&display=

EU/ Patent: EP vote on limited scope of patentable computer-assisted inventions

The Parliament adopted on 24th September a legislative resolution (A. McCarthy, PES, UK) on computer implemented inventions. On the question whether the current practice of the European Patent Office issuing patents for computer implemented inventions should be formally legalised, MEPs answered positively by voting 361 votes in favour of the legislative resolution (157 against and 28 abstentions). However, a number of amendments limited the allocation of patents, with the aim to avoid that patents would be issued for actual software.

More info: <http://www2.euoparl.eu.int/omk/sipade2?PUBREF=-//EP//TEXT+PRESS+DN-20030924-1+0+DOC+XML+V0//EN&LEVEL=2&NAV=S#SECTION2>

EU/ Taxation : Less tax fraud through cooperation between tax authorities

The EU's Council of Finance Ministers adopted on 7th October a regulation aimed at strengthening cooperation between Member States' tax authorities to combat fraud relating to value added tax (VAT). The Regulation will define more binding rules governing the exchange of information, provide for more direct contact between national anti-fraud agencies, and facilitate exchange of information.

More info:

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1350|0|RAPID&lg=EN&display=

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EU/ Consumers : Financial framework adopted for consumer-friendly activities 2004-2007

The report by Philip Whitehead (PES, UK) on a new Financial Framework for consumer-friendly activities to support consumer policy in 2004-07 was adopted by the plenary on 24th September. The new framework will grant €72 million to consumer groups.

More info: <http://www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//TEXT+PRESS+DN-20030924-1+0+DOC+XML+V0//EN&LEVEL=2&NAV=S#SECTION4>

EU/ Information Society: Liikanen calls on more participation of SME in ICT integrated Projects

At the IST 2003 Opening plenary session "How can Europe trigger and seize the opportunities ahead?" (Milan, 2 October 2003), Erkki Liikanen, Commissioner responsible for Enterprise and the Information Society, stressed the need for SMEs to participate more in so-called ICT "Integrated Projects". Participation of SMEs is currently below 15%.

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=SPEECH/03/441|0|RAPID&lg=EN&display=

EU/ Safety & SMEs: Online safety and health guide for Europe's small and medium businesses

The European Agency has launched a new online guide of occupational safety and health advice for Europe's 19 million SMEs. According to European research, the fatal accident rate in enterprises with fewer than 50 workers is around double that of larger companies. The prevention of work-related accidents and ill health in SMEs is one of the EU's most pressing safety and health issues, given that more than 75 million EU workers are employed in the SME sector.

Also, the European Agency for Health and Safety has just completed a survey of national, regional and sectoral initiatives aimed at increasing SME awareness. This survey examines 18 successful occupational safety and health assistance services to SMEs in 14 Member States.

More info: http://agency.osha.eu.int/news/press_releases/index_en.htm