



HEADLINES

EU / ENLARGEMENT Brussels 05/02/2001: Report on enlargement and its impact on SMEs

The Commission presented recently a study on the impact of enlargement of the EU on SMEs. The study analyses the impact of enlargement at a macroeconomic, sectoral and regional level. The main conclusions and recommendations of the report are the following: -Macroeconomic: The economic environment for SMEs will improve, but the general impact of enlargement will be small. The study suggests that for the reason mentioned above, the scale of policy intervention at EU level should be limited, too. The current scope and focus of EU policies for SMEs should be able to accommodate the anticipated changes to SMEs. - Sectoral level: The study identifies groups of EU-based SMEs that may benefit or come under greater competitive pressure through enlargement. The " risk " sectors are characterised above all by high labour intensity. In the service sectors, the figures suggest that advantages of the EU can be found primarily in the field of business and financial services, whereas among the candidate countries studied, tourism and transportation services dominate exports. The study further concludes that SMEs are unlikely to experience impacts from enlargement that will be distinctive in their nature and scale from the effects of wider global changes in international market opportunities and increased competition from lower-cost producers (on the global market). As a consequence, support policies should not aim at preventing necessary structural change and protecting established market positions of specific enterprises. Concerning market failures, policies should address the knowledge and skill base of SMEs, making risk sectors less vulnerable and help opportunity sectors to utilise the chance enlargement offers. - Regional: In many sectors, the impact of enlargement will be restricted to regions close to the potential new EU Member States. The study recommends that EU SME policy would be most useful in addressing specific areas of international market failure and enhancing the effectiveness of national and regional policy.

The report can be found under:

http://europa.eu.int/comm/enterprise/enterprise_policy/enlargement/doc/enlargement_study.pdf

EU / FINANCIAL SERVICES Brussels 05/02/2001: Commission launched new consultation round

The European Commission has opened today the second round of consultations on a new capital adequacy framework for banks and investment firms (see also ESBA Weekly of 26 January 2001). In some instances there are firm suggestions for change whilst in others decisions for change will be taken in light of responses to the consultative process. The first consultation has led to the conclusion that this new approach to set up prudential regulation capable of embracing market changes could also create a new situation where bank credit in Europe would be more expensive for smaller businesses. This is why The Basel Committee recently provided a new concept on which the Commission consultation is based. A careful review of the different options suggested in the consultation document should be made by SMEs organisations. In particular, REAL business impact assessment of such options should be carried out with all the parties concerned.

The consultation paper and information on how to submit your comments before 1 June can be found at:

http://europa.eu.int/comm/internal_market/en/finances/capitaladequacy/consultation.htm

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EU / TRANSPORT Brussels 05/02/2001: Proposed directive on training for professional drivers

The Commission has adopted a proposal for a directive which proposes to render obligatory training for professional drivers transporting goods or passengers by road. According to the Commission, this proposal aims to improve the quality of the services offered by drivers, to make the driver's job more respected and more attractive, to increase road safety and to facilitate the free movement of workers (currently there exist national rules on professional driver training). The main issues that are covered include: Obligatory basic training (420 hours), obligatory continuous training (35 hours every five years), and grandfather rights for all existing drivers for the basic training.

EU / FINANCIAL SERVICES Brussels 05/02/2001: Communication: cross-border selling of financial services

The Commission prepared a communication explaining how financial services could be sold through electronic commerce in the future, and what would be the commercial rules that would be used between financial institutions and their clients. The Commission bases its approach on the principal of country of origin. This means that the commercial rules that would apply to cross-border sales should be that where the Member State of the supplier is established. Small businesses who are potentially future heavy consumers of such financial services sold across borders will have to make sure that their concerns are properly taken into account.

EU / CONSUMERS Brussels 07/02/2001: Study to identify best practice in the use of soft law

How could this work for consumers The European Economic Interest Group LEX FORI just issued a report which aims at carrying out a detailed analysis on the use of "soft law" in Europe and how this could affect or be used in the context of consumer policies in Europe. The report presents an overall picture on the development of "soft law" in the EU, the different forms and practices it induces and key proposals to ensure that such a regulatory approach can be successful. This is a non binding report for the European Commission. ESBA certainly encourages all business organisations with an interest in simplification and deregulation matters to review this interesting report.

For more information:

http://europa.eu.int/comm/consumers/policy/developments/enfo/enfo02_en.html

EU / TAXATION Brussels 07/02/2001: EC divided on way to conduct orientation debate

Commissioner Bolkenstein presented a note with ideas to strengthen coordination of fiscal policies at the last Commission meeting last Wednesday. This is a preliminary stage before a more formal communication expected in May or June this year. The debate which followed demonstrated that two trends prefigure the debate between member States that should take place again in the coming months: the partisans of tax harmonisation and those who prefer a progressive convergence achieved under the pressure of tax competition. Apparently finding the right mix between tax competition and harmonisation is not easy, or simply establishing a fair competition policy for national tax authorities is a debate that seems difficult to develop in Europe.

EU / EMPLOYMENT & SOCIAL AFFAIRS Brussels 07/02/2001: The 10 key priorities of the Commission for Stockholm

Over the last year the Commission has put forward more than 40 legislative and policy initiatives as requested by the Member States at the Lisbon European Council last year. However, the speed of implementation stays far behind so far. The Commission's report identifies a number of successes (especially in the field of telecommunications, electronic commerce, the European Company Statute,

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and equal treatment) and rather many delays (key problem areas: rules on public procurement, gas and electricity market liberalisation, postal services, the Community Patent, and lifelong learning strategy). The Commission urges the European Council in Stockholm (23-24 March) to reaffirm its commitment to the strategy and aims decided in Lisbon. The report sets the agenda for the Stockholm European Council. It proposes ten priority areas for action, and sets targets for the next 12 months in which progress should be possible in 2001 due to the favourable macroeconomic environment: Jobs, New European labour market, Economic reforms, Financial markets, Regulatory environment (legislation at all levels of government needs to be continuously reviewed, simplified and modernised and a co-ordinated strategy at European level is necessary), eEurope 2002, IT skills, Research & Innovation, Frontier technologies, and Social protection.

The full document and additional information can be found under:

http://europa.eu.int/comm/stockholm_council/

EU / ENVIRONMENT Brussels 08/02/2001: EC adopts green paper on integrated product policy

The Green Paper's central objective is to improve the environmental performance of a broad range of products throughout their life cycle. The products of the future should use less resources, have lower impacts and risks to the environment and prevent waste generation already at the conception stage. A mix of instruments is being proposed, such as eco-labelling in order to stimulate consumer demand; to stimulate business leadership: the generation and flow of life cycle information, eco-design guidelines, and the integration of environmental aspects into standardisation; and reduced VAT rates on eco-labelled products and the use of state aid policy within the New Guidelines on State Aid for Environmental Protection in order to develop markets for greener products. The need for an Integrated Product Policy grew out of the awareness that the traditional approach to environmental policy focuses too much on 'middle-of-pipe' (waste minimisation and cleaner production) or 'end-of-pipe' (pollution) problems. IPP instruments look in a holistic way at all aspects of the product's life cycle. Integrated Product Policy is also one of the important elements of the 6th Environmental Action Programme and is one of the environmental priorities for the Swedish Presidency of the Council. The Green Paper is intended to launch a broad debate during the first half of 2001, starting on 8 and 9 March with a workshop on the overall strategy. In addition to this workshop, a series of specific events and meetings on particular subjects with the various interest groups is planned. There is also an open invitation for comments by anyone who wishes to contribute to this process before 30 June 2001. The result of the stakeholder consultation shall be presented in the form of a Communication scheduled for the second half of 2001.

All relevant information on the Green Paper and the planning of stakeholder events will be made available on the following website:

<http://europa.eu.int/comm/environment/ipp>

EU / ENTERPRISE Brussels 06/02/2001: Commissioner Liikanen speech on "regulatory approach in the EU" at the American Chamber of Commerce

Commissioner Liikanen gave an interesting speech recently : Better Regulation: from Principles to Practice -Alternative Regulatory Models Conference. This tends to confirm the fact various decision-makers in the European Commission reflect on new regulatory models, giving greater role to external stakeholders and independent bodies to assess the impact of regulation. ESBA will follow-up such debates and try to ensure that they can be transformed in concrete action to the benefit of small businesses and self-employed.

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=SPEECH/01/57|0|RAPID&lg=EN

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EU / SINGLE MARKET 03/02/2001: Product liability directive, no changes foreseen in the provisions of the directive 85/374/EEC

The commission recently adopted a report on the application of the product liability Directive. The report simply lead to the conclusion that it is premature to propose any changes to the existing provisions. However the Commission will organise a number of follow-up actions: Two studies will be produce in a near future on the issue, respectively on an economic assessment of introducing producer liability, and on the comparison the different systems on the bringing of claims in the Member States. An expert group will be set up.to review in particular the legal application at national level

more information

http://www.europa.eu.int/comm/internal_market/en/goods/liability/liability2.htm