



HEADLINES

SME FINANCE: EU Parliament hits the nail on the head.

The European Small Business Alliance congratulates the European Parliament on adopting by a large majority a motion for a resolution on improving SME finance. Access to finance is still one of the major obstacles faced by SMEs today. At the same time, finance is absolutely crucial to help the creation of SMEs and enable their growth. The motion which made its way through the Plenary today aptly highlights the core challenges regarding SME finance and offers concrete suggestions to the European Commission on how to tackle these issues. Emphasising the heterogeneity within the SME spectrum, the likely effects of increased capital requirements in the banking sector on SME lending and the need for simplification of EU funding are amongst the key areas discussed.

ESBA President Tina Sommer said: “I am pleased with the outcome of today’s vote. The document, as well as the wide support it received, shows that the many calls for improvement by SMEs in this area have been heard. ESBA particularly welcomes the realisation that certain obstacles can weigh exceptionally heavy on micro-businesses, which is why even within the SME spectrum, a one-size-fits-all approach does not work. ESBA shares the Parliament’s concerns regarding the effects of Basel III on the ability for SMEs to acquire loans and underlines the need for a one-stop shop to create clarity in the jungle of EU funding. However, I do warn against over-focussing on ‘highly innovative and fast growing companies’, as they represent only a minority of EU small businesses. ESBA urges the Commission to take this motion for a resolution as a vantage point for the further development of its SME finance policy.”

To read the motion for a resolution please click [here](#)

EU Intellectual Property: European Parliament’s moves towards EU patent

On 15 February, the European Parliament by a large majority voted in favour of a recommendation by the European Commission to move towards an EU patent scheme, using the ‘enhanced co-operation’ procedure.

The procedure, used only for the second time in EU history, offers a solution to an almost decade long deadlock regarding the creation of a unified EU patent, which fails to get unanimous Council support due to a blocking minority by Spain and Italy. The proposal is expected to be adopted during the March 10 Council which will then apply to the 12 Member States that have signed up to it. Other Member States are free to join at any time.

The long standing dispute on the official languages to be used will be dealt with in a separate proposal.

ESBA President Tina Sommer said: “We are pleased with the outcome of the Parliament’s vote. The current legal environment makes filing for patents an extremely costly and burdensome exercise for the EU’s smallest businesses, which are often forced to hire external experts and struggle with issues of translation. The proposal sanctioned by the European Parliament is a step in the right

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ESBA Bulletin of 17 February 2011 – Volume 13 – Number 3

direction. ESBA urges the Council to adopt the proposal in March and strongly advises other Member States to join the Enhanced Cooperation Agreement to make the EU patent as inclusive as possible. Last but not least, the Commission must insure an effective information campaign, once the new system is in place, to ensure that European SMEs are aware of the changes and how to use them to their advantage.

IN BRIEF

EU/ Finances: Commission intends to increase capital requirements

On 9 February, the European Commission launched a consultation which indicates that an increased amount of capital held by banks in the EU might be required. Following the recent financial crisis, new capital regulations aim to ensure that banks are better able to withstand periods of economic and financial stress. The issue of augmenting capital requirements for banks has been discussed by the Basel Committee on Banking Supervision as well as during G20 summits. This year, a revision of the Capital Requirements Directive (CRD IV) is foreseen. Critics argue that access to finance for SMEs may be even more difficult as banks are likely to retain money they would otherwise be able to spend on SME lending.

To read the consultation paper, please click [here](#)

EU/Single Market Act: Commission seeks to prioritise up to 12 proposals

On 8 February, the European Commission organized a high-level conference in the framework of the four-month public debate following the publication of the Single Market Act in October 2010. The European Commission's president José Manuel Barroso confirmed that the Commission is committed to work closely with the Parliament and Member States in order to identify 10-12 key priorities out of 50 proposals that could be implemented within the next 2 years. He also pointed out that according to the Commission's estimations, a functioning European single market could add 4% to EU's economic growth over the next decade. The conference was dominated by a common view that if Member States take ownership of the single market, much more could be achieved.

To access the consultation on the Single Market Act, please click [here](#)

To read the speech by José Manuel Barroso at the conference 'Single Market – Time to Act', please click [here](#)

EU/E-waste: Parliament votes in favour of revised directive on electronic and electric waste

On 3 February, MEPs endorsed a revised Waste Electronic and Electrical Equipment Directive (WEEE). The draft legislation sets an ambitious target of increasing the level of recycled electronic waste up to 75% by 2016. It also aims to apply the rules to all types of electrical and electronic waste, which is not the case in the current directive. Micro-businesses are offered relief by excluding them from the obligation to collect small waste electric and electronic goods. It may prove difficult to find agreement between Council and Parliament on the issue of who should take the financial responsibility for collecting the waste. The dossier is likely to be discussed among EU ministers during the March Environment Council.

To read the text adopted in the European Parliament, please click [here](#)

EU/Services Directive: MEPs endorse report on Implementation of Services Directive

On 15 February, Members of the European Parliament voted in favour of an own-initiative report on the Implementation of Services Directive. The directive was adopted in 2006 and the deadline for the implementation of its provisions into national legislation terminated in 2009. The report points out

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that more than a year after the Services Directive entered into force serious shortcomings and hurdles still exist in cross-border trade in services that prevent businesses from reaping the benefits of the Single Market. On 27 January, the Commission adopted an action plan to push Member States to fully implement the Services Directive by 2012.

To read the Report, please click [here](#)

To read the Commission's Communication, please click [here](#)

EU/CO2: MEPs support compromise agreement on new emission standards for vans

On 15 February, the European Parliament backed a report setting new emissions standards for light commercial vehicles. The new legislation establishes the requirement to gradually reduce gas emissions of light vans as of 2014 and outlines a long-term target of a maximum of 135g emissions per kilometre for all vehicles in this category by the end of 2019. Car manufacturers that fail to meet these requirements will be fined for each gram they go over the limit. The text adopted in the first reading in Parliament is a result of a compromise agreement with Member States. Therefore it will only need to be formally adopted by EU ministers during their next Council meeting.

To read the text adopted in the European Parliament, please click [here](#)

EU/Eurovignette: EU ministers adopt 'Eurovignette' Directive

On 14 February, the Council's first-reading position on the so-called 'Eurovignette' directive was endorsed by the majority of EU ministers. The draft legislation stipulates that Member States may charge lorry drivers for air and noise pollution when using any EU motorway. Another key point of the Council's text includes the infrastructure charge that may be applied during peak hours for a maximum of five hours a day. The draft legislation will be under discussion at first reading and is expected to reach the Plenary in June.

To read the position of the Council at first, please click [here](#)

EU/Innovation: EU leaders endorsed plans to support innovation

On 4 February, European Union's heads of state and government held a summit that was initially supposed to be devoted to energy and innovation. The debate on the Eurozone debt crisis and protests in Egypt left the EU leaders with little time to discuss the topic of innovation. Nevertheless, the final conclusions adopted after the summit promise to tackle the administrative and legal obstacles in EU research funding and call for the completion of the digital Single Market by 2015. Another key point is a request to increase public spending on innovative products and services and EU leaders asked the European Commission to prepare an outline of the European venture capital framework by the end of 2011.

To read the final conclusions of the EU Summit of 4 February, please click [here](#)

EU/ Tax: MEPs support introduction of financial transaction tax

On 1 February, European Parliament's Economic and Monetary Affairs Committee supported a non-legislative report on Innovative Financing that envisages the introduction of a financial transaction tax at EU level to help stabilise the financial situation of the block. The report by MEP Anni Podimata recommends a financial transaction tax of 0.01 – 0.05% on all types of transactions with clearly defined exemptions. The European Commission is in favour of a financial transaction tax at a global level as it fears that it might have a negative impact on European competitiveness when implemented only at EU level. A vote in plenary is expected in March.

To read the draft report on 'Innovative financing at a global and European level', please click [here](#)

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PUBLICATIONS

European Commission: ‘The Economic Recovery in Industry’

The European Commission published a report describing the performance of EU industry up to January 2011. It examines developments in selected sectors and reviews country-specific developments. The study also deals with the latest changes in access to finance, especially for SMEs.

To download this publication, please click [here](#)

OECD: ‘Skills for Innovation and Research’

OECD issued a publication which deals with the analysis of what kind of skills are necessary for the knowledge-based economy and how the demand for such skills can be met. It presents data from EU countries and examines links between skills inputs and innovation outputs.

To download this publication, please click [here](#)

CONSULTATIONS

NEW

Towards a coherent European approach to Collective Redress

Closes: 30 April 2011

The European Commission has launched a consultation aimed at identifying common legal principles and examining different forms of collective redress in the EU. It also strives to evaluate the potential added value that common principles on collective redress could bring to the improvement of EU legislation enforcement.

To access the consultation, please click [here](#)

Green Paper on a Common Strategic Framework for future EU Research and Innovation Funding

Closes: 20 May 2011

The European Commission issued a Green paper which aims to simplify the complexity of EU research funding. The intention is to link the Seventh Framework Programme for research, Competitiveness and Innovation Framework Programme, and the European Institute for Innovation and Technology. The outcome of the consultation will serve as a basis for proposals to be adopted in June.

To access the consultation, please click [here](#)

ONGOING

Consultation on the Single Market Act

Closes: 28 February 2011

The European Commission has launched a consultation on 50 proposals included in the Single Market Act which was published on 27 October. The main objective of the consultation is to gather opinions from citizens and organisations in order to identify priorities for implementation.

To access the online consultation, please click [here](#)

Consultation on the future harmonisation of numbering resources for the provision of business services

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Closes: 28 February 2011

The European Commission has launched a public consultation which aims to gather opinions from businesses, customers, telecoms operators and public authorities on possibility of using a single business telephone number within the European Union.

To access the online consultation, please click [here](#)

Public consultation on Energy Roadmap 2050

Closes: 7 March 2011

The European Commission has issued a public consultation on the future energy policy. It seeks to gather contributions from relevant stakeholders and citizens on priorities of the EU energy policy to be taken into consideration in the Energy Roadmap 2050, scheduled for adoption in the second half of 2011.

To access the online consultation, please click [here](#)

Consultation on the use of Alternative Dispute Resolution as a means to resolve disputes related to commercial transactions and practices in the European Union

Closes: 15 March 2011

The European Commission launched a public consultation on alternative dispute resolution schemes which aims to boost consumers' trust in cross-border shopping in the single market by guaranteeing easier, less expensive non-judicial dispute settlement between buyer and seller at EU level. The outcome of the consultation will constitute a basis for the legislative proposal due to be published in November 2011.

To access the online consultation, please click [here](#)

Consultation on the modernisation of EU public procurement policy

Closes: 18 April 2011

The European Commission has launched a consultation with the aim of updating the European public procurement legislation. The purpose of the consultation is to find ways to make the process of public procurement more effective, less bureaucratic and easier for small and medium sized companies to access. Another major target is to link the environmental and innovation objectives with obtaining a public contract.

To access the online consultation, please click [here](#)

Consultation on the 'Green Paper on the future of VAT- Towards a simpler, more robust and efficient VAT system'

Closes: 31 May 2011

The European Commission has launched a consultation which aims to assess the current VAT system at the European and national level. The intention is to transform it into a more efficient and transparent system that would respond to the needs of the European single market.

To access the online consultation, please click [here](#)

Online consultation on administrative burdens reduction

On-going

The European Commission has launched an online consultation on the reduction of administrative burdens. Inspired by examples of Best Practice in Belgium and the Netherlands, the consultation invites entrepreneurs to identify unnecessary red tape in order to help the EU improve the quality of

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its legislation. The consultation is part of the Action Programme to reduce admin burdens on businesses in the EU by 25% in 2012.

To access this consultation, please click [here](#)

COMING UP

EU Institutions: Important dates

21 February 2011 – General Affairs Council

23 February 2011 – Weekly meeting of the College of Commissioners

28 February 2011 – European Parliament Committee Meetings

Other SME-related events

The transformative power of service innovation

17 – 18 February 2011

Rome, Italy

The European Commission is organizing a conference to examine the findings of the Expert Panel on Service innovation set up at the beginning of 2010 with the aim of investigating ways to support service innovation in the light of the EU 2020 strategy.

[http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=4848&lang=en&tpa=0&di splayType=calendar&ref=newsbytheme%2Ecfm%3Flang%3Den%26displayType%3Dcalendar%26fosu btype%3D%26tpa%3D0%26period%3Dlatest%26month%3D%26page%3D1](http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=4848&lang=en&tpa=0&displayType=calendar&ref=newsbytheme%2Ecfm%3Flang%3Den%26displayType%3Dcalendar%26fosu btype%3D%26tpa%3D0%26period%3Dlatest%26month%3D%26page%3D1)

<http://www.europe->

[innova.eu/web/guest/rome2011/programme;jsessionid=8F89B8AB34580D9518CEE66310FF6BAE](http://www.europe-innova.eu/web/guest/rome2011/programme;jsessionid=8F89B8AB34580D9518CEE66310FF6BAE)

Towards a Single Market Act – The priorities of the Hungarian organised civil society

21 February 2011

Budapest, Hungary

A public hearing organized by the Single Market Observatory constitutes a part of the public debate on the Single Market Act. The event will gather stakeholders especially from Hungary to collect their views on the priorities which will help the European Economic and Social Committee form an opinion for the European Commission.

<http://europa.eu/eucalendar/event/id/194077-public-hearing-on-the-single-market-act/mode/window>

Second International ICST Conference on Digital Business

22 – 23 February 2011

London, UK

The Institute for Computer Sciences, Social Informatics and Telecommunications Engineering is organizing a conference on how the information society challenges business models and what opportunities it brings for European companies. It will also deal with the topic of legislative and regulatory barriers to digital infrastructure.

<http://www.eubusiness.com/topics/internet/digibiz-2011/?searchterm=None>

<http://digibiz.org/>

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