



HEADLINES

EU/ European Commission: Action plan for SME access to finance

On 30 September 2011, European Commission Vice-President Antonio Tajani and Commissioner Michel Barnier announced a Commission action plan to tackle the problems SMEs are facing regarding access to finance. The plan will use existing mechanisms such as the European Investment Fund but also encompasses the development of several smaller funds. Moreover, a change in the way banks assess SME creditworthiness is envisioned and the interests of SMEs are to be placed at the forefront of institutional thinking. Similarly, in light of the priorities of the Community's Single Market Act, the intention of the Commission is to free the long-term strategic potential of SMEs by making cross-border venture capital investments easier and more attractive. The Action plan is expected to be adopted by the end of this year.

ESBA OPINION

It is a positive development that the Commission is looking at alternative means of SME financing such as the Business Angels network or venture capital as Basel III will make getting a bank loan even more difficult. However, what ESBA would like to see in the Action plan are more realistic options that can work on short term as well as long, such as loan guarantee schemes and micro-credits. Moreover, apart from creating new ways for SMEs to access finance, the Commission should work towards creating a regulatory environment which allows SMEs to retain more of their profits to invest back into their business, easing the direct need for access to external funding.

To read more about the Single Market Act, please click [here](#)

To visit the Commission's website on SME access to finance, please click [here](#)

EU/ European Commission: Structural funds – what's in it for SMEs?

On 6 October 2011, the European Commission presented a proposal for a regulation laying down the provisions for the structural funds 2014-2020. During the drafting phase of the document, a debate has arisen as to how much SMEs should be able to benefit from these funds. Whereas an earlier version of the text stated that funds should be directed "primarily for SMEs", the word 'primarily' has now been dropped. Representatives of larger companies now fear that the funds will be allocated solely to small companies. Being classified as 'SME' is seen as beneficial by companies falling outside of the scope of this definition. Most notably German and French interest groups have been lobbying to extend the definition to include companies of up to 400 employees, equivalent to the German definition of 'Mittelstand'. Other business organisations advocate a more narrow definition, as a substantial gap already exists between micro- and medium sized companies. A debate regarding a possible revision of the SME definition at EU level is planned for the beginning of 2012.

ESBA OPINION

ESBA does not expect the Commission to radically change the entire SME definition or to cut the larger SMEs out of the definition. What we hope to see next year is an in-depth debate about the often very substantial differences between micro-, small, and medium-sized companies, all falling within the scope the current definition. Just like EU legislation for 'all businesses' is not appropriate, in many cases the same is true for EU legislation for 'all SMEs'. A company of four

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employees is a completely different animal from a company of 200 employees, yet both are SMEs. These differences should be highlighted better and should be reflected in EU legislation. ESBA warns however, never to let the SME definition exceed the maximum threshold of 250 employees, widening the gap even further.

To read the Commission proposal for a new regulation on the provisions for the structural funds 2014-2020, please click [here](#)

To learn more about the definition of SMEs, please click [here](#)

For more information on SME access to Structural Funds, please click [here](#)

EU/ Horizon 2020: SMEs to make sense of the EU ‘funding jungle’

Envisaged funding opportunities for businesses in Horizon 2020, the European Union’s Framework Programme for Research and Innovation, are not likely to be accessed easily by SMEs. Being a crucial element in the European Union’s Multi-Annual Financial Framework for the period 2014-2020, Horizon 2020 sets out to boost growth and competitiveness through the provision of financial support for research and innovation. However, ambiguities in the application process and a general lack of awareness among small businesses hamper a targeted allocation of funding. Furthermore, it is still debated how a distinction will be made between small and larger companies which might result in an inability for smaller businesses to benefit from the programme.

ESBA OPINION

Apart from being majorly complex, EU funding opportunities are simply not properly advertised towards SMEs. Online portals are created at EU level but this is not enough to reach the actual businesses on the ground. Moreover, most funding is only attainable for small businesses if they are part of a larger consortium, in which they end up having a very small voice. Tailoring certain funds specifically to SMEs could therefore be a solution. However, an effective information campaign is crucial if the EU wishes to include SMEs into its funding programs more.

To read more about the EU’s Financial Framework 2014-2020, please click [here](#)

To read more about Horizon 2020, the EU’s Framework Programme for Research and Innovation, please click [here](#)

EU/ Eurozone: Instable banking sector threatens SME lending

On 3 October 2011, Eurostat, the statistical office of the European Union, published a survey showing that out of the 20 Member States examined, as many as 19 countries displayed a decrease in bank loans granted to SMEs between 2007 and 2010. Responding to the Financial Crisis and exacerbated by the heavily ailing Greek economy, the European Central Bank has urged the banking sector of the EU to reinforce its balance sheets as a safeguard against further instabilities. Basel III is the global regulatory framework for more resilient banks and banking systems introduced by the Basel Committee on Banking Supervision in December 2010. By urging the EU banking sector to take action, the ECB is acting in line with the objectives of this Basel III. Both the European Parliament and European business organisations warn for the adverse effects that higher capital requirements for banks will have on banks’ lending behaviour towards SMEs.

ESBA OPINION

Many small businesses are facing cash-flow problems due to (very) late payments by their large contractors. As micro-businesses sometimes run their businesses based on a handful of large clients, one late payment may cause serious problems in terms of equity. Prior to the crisis, a short term bank loan would be a solution to bridge this gap. However, getting a bank loan has become close to impossible for most small businesses. Basel III - resulting in the CRDIV directive - which

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tells banks to retain more liquidity, will only worsen this situation as bank loans will become more expensive or in the worst case unattainable.

To learn more about the impact of instability in the Eurozone on credit to SMEs, please click [here](#)

IN BRIEF

EU/ Female Entrepreneurship: Women's job creation potential to be enhanced

On 3 October 2011, at the annual UK Conservative Party conference, MEPs Marina Yannakoudakis and Vicky Ford called for more attention to the job creation potential of female entrepreneurship. A recently adopted report in the European Parliament written by Mrs Yannakoudakis outlined the fact that women's participation on the workplace should be enhanced as underrepresentation of women leads to a waste of potential on the workforce. Moreover, women could benefit more from available funding opportunities such as the European Progress Microfinance Facility.

To learn more about the EU's programmes for female entrepreneurship, please click [here](#)

To read the report 'Women and SMEs' of British Conservative MEP Marina Yannakoudakis, please click [here](#)

EU/ Eurostat: Recent publication highlights decrease in successful loan applications by SMEs

On 3 October 2011, Eurostat, the statistical office of the European Union, published its findings on a survey on the future financing needs of 25.000 businesses across the EU. The survey, identifying factors which limit the future growth of SMEs, demonstrates that the current economic crisis has made it increasingly difficult for SMEs to access banking credits. The most notable decreases have been observed in Bulgaria, Latvia, Denmark and Ireland.

To consult the results of the survey, please click [here](#)

EU/ European Commission: Infringement procedure started for failure to implement accounting exemptions.

On 29 September 2011, the European Commission has urged France and Luxembourg to cut down red tape for SMEs. France and Luxembourg currently have not implemented accounting exemptions for small businesses, which are intended to ease the administrative burden on SMEs. By issuing a reasoned opinion, the European Commission has proceeded with the second step of the infringement procedure and gives France and Luxembourg a final possibility to comply with their obligations.

To read more about the EU's accounting provisions for SMEs, please click [here](#)

To read more on accounting rules in the EU, please click [here](#)

EU/ SMEs: SME Envoy confirms 2020 budget will support SMEs growth potential.

On 28 September 2011, EU Special SME Envoy Daniel Calleja-Crespo affirmed that SMEs which are able to demonstrate growth potential will be offered funding under the EU's next long-term budget for 2014-2020. This will allow the EU to put emphasis on growth-oriented enterprises and not solely on innovative and research driven enterprises. The new 'Business Competitiveness and SME program may include an 'equity facility for growth' and a 'loan guarantee facility'. The initiative is part of a number of objectives decided upon by the new network of SMEs envoys which met for the first time in September of this year.

To find out more on the network of SME envoys, please click [here](#)

PUBLICATIONS

EU/ European Commission: Annual Report on Small and Medium Sized Enterprises 2010/2011

This Annual Report on European SMEs presents and analyses the most important trends for EU SMEs in 2010/11. The report was prepared by Ecorys and Cambridge Econometrics on request of the European Commission.

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

EU/ European Commission: Finance for Europe's entrepreneurs

This brochure gives examples of businesses which have benefited from guarantees and equity participations under the Competitiveness and Innovation Framework Programme (CIP).

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

EU/ European Commission: The environment for SMEs within EU Member States by 2010

The European Commission published individual fact sheets outlining the environment for Small and Medium-sized Enterprises in each EU Member State as of 2010. Each fact sheet is based on the ten dimensions of the Small Business Act.

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

EU/ European Commission: Study on Internationalization of SMEs

This study provides a detailed overview of sources of support available to EU SMEs who want to integrate within the global market, focusing primarily on the key target markets of Brazil, Russia, India, China (BRIC), Japan, South Korea and Ukraine.

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

EU/ European Commission: Code of Conduct for providers of Microcredit

This document contains a set of guiding principles for providers of microcredit, written from the perspective of consumers, investors, funders and regulators. The Code of Conduct was created by the DG for regional policy of the European Commission.

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

EU/ Eurobarometer: Awareness, Perceptions and Impacts of the Internal Market

This study analyses citizens' attitudes towards the Internal Market and some core issues as public procurement, e-commerce, piracy and cross-border work.

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

EU/ European Commission: The EU programme for employment and social solidarity 2007-2013

This publication outlines the EU programme for Employment and Social Solidarity, which is set up to provide financial support for contributing to the implementation of the Europe 2020 Strategy.

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

CONSULTATIONS

NEW:

Consultation on the online distribution of audiovisual works in the European Union: Opportunities and challenges towards a digital single market

Closes: 18 November 2011

This Green Paper looks at the ways in which the audiovisual sector is changing in response to technology developments and consumer expectations. It invites stakeholders to comment on the challenges and opportunities facing audiovisual media service providers, and in particular whether the regulatory and legal framework poses barriers to the cross border availability of online services in the EU. The Green Paper focuses in particular on the copyright licensing framework, and discusses a number of regulatory approaches to licensing. In addition, it looks at the remuneration of authors and performers for the online use of their works; and deals with certain special uses of audiovisual works.

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

Consultation on the application, monitoring and enforcement of non-discrimination obligations in electronic communications

Closes: 28 November 2011

The Commission announced in its Digital Agenda for Europe that it would prioritise the provision of guidance to national regulators on the application, monitoring and enforcement of non-discrimination obligations in electronic communications. The Commission is now launching a public consultation on how best to ensure a consistent application of non-discrimination remedies across the EU.

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

Consultation on reducing CO2 emissions from road vehicles

Closes: 9 December 2011

This consultation seeks to collect opinions on EU strategy and options for reducing CO2 emissions from road vehicles.

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

ONGOING:

Consultation on Clean Transport Systems (CTS) initiative

Closes: 20 October 2011

In its Europe 2020 strategy, the European Commission proposes the Flagship Initiative 'Resource efficient Europe'. This states that the European Commission will work to present proposals to modernise and decarbonise the transport sector. In line with this strategy, the European Commission has recently adopted the White Paper 'Roadmap to a Single European Transport Area -Towards a competitive and resource efficient transport system', which announced that the European Commission will develop "a sustainable alternative fuels strategy including also the appropriate infrastructure".

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

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Consultation on the ERA Framework: Areas of untapped potential for the development of the European Research Area (ERA)

Closes: 30 November 2011

This public consultation aims at gathering views and evidence from stakeholders on the key obstacles which have to be tackled to achieve a well-functioning ERA. Completing ERA will require the support and effort of all EU Member States and Associated Countries and their stakeholders (e.g. research performing organisations including universities, funding organisations, researchers, private sector and civil society). The consultation aims to reinforce the Commission analysis of the key issues to be addressed as well as to gather views on their importance: researchers' careers and mobility, research infrastructures, cross-border operation of research actors, knowledge circulation, international cooperation and cross-cutting governance issues.

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

Online consultation on administrative burdens reduction

Ongoing

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 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

- 17, 20, 24 October 2011 – European Parliament Committee Meetings
- 19 October 2011 – Weekly meeting of the College of Commissioners
- 20 October 2011 – Governing Council of the European Central Bank
- 23 October 2011 – European Council
- 23 October 2011 – Meeting of Heads of State or Government of the Euro area
- 24-27 October 2011 – European Parliament Plenary Session
- 25 October 2011 – Weekly meeting of the College of Commissioners

- 2 November 2011 – Weekly meeting College of Commissioners
- 3, 4 November 2011 – G20 Summit
- 3 November 2011 – Governing Council of the European Central Bank
- 7, 10 November 2011 – European Parliament Committee Meetings
- 9 November 2011 – Weekly meeting of the College of Commissioners
- 14-17 November 2011 – European Parliament Committee Meetings
- 14-17 November 2011 – European Parliament Plenary Session
- 17 November 2011 – Governing Council of the European Central Bank
- 15 November 2011 – Weekly meeting of the College of Commissioners
- 21-23 November 2011 – European Parliament Committee Meetings
- 23 November 2011 – Weekly meeting of the College of Commissioners
- 29 November 2011 – European Parliament Committee Meeting
- 30 November 2011 – European Parliament Plenary Session
- 30 November 2011 – Weekly meeting of the College of Commissioners

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Other SME-related events

Annual Conference on European Consumer Law 2011.

13-14 October 2011

Trier, Germany

This annual conference will analyse the current state of EU consumer protection law and the most important recent EU initiatives in this field.

To learn more about this event, please click [here](#)

World Standards day 2011

14 October 2011

Brussels, Belgium

The annual conference this year focuses on how standardisation can continue to support the competitiveness of European economy, securing innovation and growth for Europe in the world.

To learn more about this event, please click [here](#)

Global ICT industry: Changing landscape? - The future of European ICT R&D

19-20 October 2011

Brussels, Belgium

The conference will bring together industry representatives, ICT R&D and innovation analysts, and policy makers, coming from Europe, the USA and Asia with the aim to discuss the changing global ICT industry landscape and the future of Research and Development in ICT in Europe.

To learn more about the event, please click [here](#)

Conference on the next multiannual financial framework

20 - 21 October 2011

Brussels Belgium

This conference on the next Multi-Annual Financial Framework is organised by the Polish Presidency of the Council, the European Commission and the European Parliament. The conference's main aim is to engage in a debate with representatives of national parliaments. The opening session and the plenary session will be open to the public.

To learn more about this event, please click [here](#)

Workshop: European Accessibility requirements in public procurement of ICT products and services

28 October 2011

Brussels, Belgium

CEN, CENELEC and ETSI are organising this open workshop on "European Accessibility requirements in public procurement of ICT products and services". This is the second of a series of three workshops that give stakeholders an opportunity to learn about the work, to discuss the latest drafts of the standards and reports and to give feedback about the work being done. The workshop programme will be available in early September.

To learn more about this event, please click [here](#)

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Trust in the information society. In search of Trust Generating Mechanisms for the Network Society 14-15 November 2011

Leuven, Belgium

The goal of the conference is to advance the reflection and debate about “Trust in the Information Society”. What strategies and techniques have been, or could be, used to foster trust in the media, communication and information technology sectors

To learn more about this event, please click [here](#)

Supporting SME and Enterprise Development through EU Programmes and Policies 17/18 November 2011

Brussels, Belgium

This event will focus on a vast number of policy fields (e.g. Small Business Act, State Aid), which constitute the framework for the development of enterprises. An overview of European programmes and funding opportunities for SMEs will also be provided.

To learn more about this event, please click [here](#)

6th Ministerial Conference: "Borderless eGovernment Services for Europeans" 17 - 18 November 2011

Poznan, Poland

The Polish Presidency of the European Union and the European Commission are organising the sixth Ministerial eGovernment Conference, entitled "Borderless eGovernment Services for Europeans".

To learn more about this event, please click [here](#)

3rd High-Level Conference on Industrial Competitiveness: "Delivering an Integrated Industrial Policy for the Globalisation Era"

24 November 2011

Brussels, Belgium

The High-Level conference will take place approximately one year after the adoption by the Commission of the Europe 2020 flagship initiative on industrial policy, which puts forward a fresh approach to industrial policy and identifies the key actions to be implemented in order to maintain a strong, competitive and diversified industrial manufacturing value chain in the EU.

To learn more about this event, please click [here](#)

Conference: ICT Standards and Patents – the public authority and international perspective

24 November 2011

Brussels, Belgium

Throughout the world, public policies increasingly rely on innovative and interoperable ICT solutions to implement major projects for the benefit of society in domains such as e-Health, efficient energy use, cloud computing, integrated transport systems and smart grids.

To learn more about this event, please click [here](#)

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Property taxation and enhanced tax administration in challenging times

24 November 2011

Brussels, Belgium

This workshop will discuss the potential of both property taxation and enhanced tax administration for addressing high consolidation needs, while optimising the impact on growth in response to key challenges on the current agenda of taxation policy.

To learn more about this event, please click [here](#)

Conference: Doing business made easier? Making the most of the "Points of Single Contact"

28 November 2011, 14.45-18.00

Brussels, Belgium

The conference will address these questions and explore the potential of the PSCs. It will feature the presentation of the results of a large benchmarking study carried out on behalf of the European Commission in the second half of 2011. This is followed by panel discussions with business representatives, politicians and PSC managers to discuss the practical solutions put in place and explore ways forward. Particular attention will be paid to the PSCs role in helping businesses start or expand their activities in other EU countries.

To learn more about this event, please click [here](#)