



HEADLINES

EU/ European Commission: Long awaited Action Plan to improve access to finance for SMEs published

On 7 December 2011, the European Commission published a comprehensive package with measures to improve SME access to finance. The Commission recognises that small businesses are facing severe difficulties in accessing the required capital for their businesses to operate. Furthermore banks are reluctant to provide loans to viable business initiatives. This Action Plan lays down the European Union's general strategy to improve access to finance. Among the key policies are the provision of guarantees to loans through the EU budget, a review of the state aid guidelines to enable support to SMEs, simplification measures in reporting requirements for listed SMEs and the acceleration of the implementation of the Late Payments Directive. In conjunction with this Action Plan, the European Commission has adopted two new regulations which will increase access to finance. The first aims at developing a true European venture capital market to the benefit of SMEs. The second will establish a European label which would make Social Entrepreneurship Funds more credible and visible and which would allow managers of Social Entrepreneurship Funds to market their products across the European Union.

ESBA OPINION

ESBA welcomes the Commission's much needed Action Plan and expresses hopes that the corresponding initiatives will have the impact they are set out to have in the Plan. Access to finance and administrative burden are still the most prevalent problems faced by small businesses today. It is doubtful whether Venture Capital will turn to micro-businesses for investing purposes. Improving loan guarantee schemes, a fast and proper implementation of the Late Payments Directive and simplified reporting requirements, however, should make a positive impact on small business' access to finance.

To read the full text of the European Commission's action plan, please click [here](#)

To learn more about the European Union market for Venture Capital, please click [here](#)

To learn more about the European Union's policies on Social Entrepreneurship, please click [here](#)

EU/ Council shows resilience in maternity leave

On 3 October 2008, the European Commission submitted its proposal for a Directive of the European Parliament and of the Council amending Council Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding. The main aim of the proposal is to improve the protection offered to pregnant workers and workers who have recently given birth or are breastfeeding. In particular, it extends the minimum length of maternity leave from 14 to 18 weeks.

Consequently, the European Parliament's Committee on Women's Rights and Gender Equality amended the Commission's proposal heavily, most notably by increasing the minimum term of maternity leave to 20 weeks at full pay, much to the dismay of ESBA's members as this will have significant implications for small business employers with an average staff of 3-4. Moreover, the measure could have adverse effects on employment of female workers.

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Today, during a stock-taking exercise within the European Council regarding the dossier on maternity leave, it became clear that the Council is not prepared to take the suggested 20 weeks at full pay as a realistic basis for negotiations. Even a shorter period of leave would not be acceptable at full pay. Although payment at the level of 'sick pay' has shown to be a more attractive option to the Council, several delegations raised concern that 'sick pay' is an indistinct term as levels of sick pay differ considerably between Member States. There is still discussion on whether or not to include a possibility for a 'passarelle' clause.

ESBA OPINION

ESBA President Tina Sommer said: "ESBA supports the Council's resilience in the matter. We all want adequate, flexible maternity leave but it should be for governments in dialogue with parents and their employers to decide how much their economy can afford to give and how it is to be delivered. These proposals should be about setting minimum EU standards for the health and safety of pregnant workers - not adding new payroll costs for overburdened companies and national social security systems."

IN BRIEF

EU/ Entrepreneurship: New European Social Entrepreneurship Funds

On 7 December 2011, the European Commission proposed a regulation on European Social Entrepreneurship funds. The Commission aims hereby to strengthen the European market for social investment funds. The proposal contains the possibility to obtain a European label which will allow managers of social investment funds to market their funds over the whole of Europe and will hereby break down the current barriers across Europe regarding social investments. To obtain this label, a minimum of 70% of the capital received from investors needs to be spent in supporting social business. To ensure the good functioning of this label an improved investor information system, including uniform rules on disclosure, is needed.

To read the Commission's proposal on European Social Entrepreneurship Funds, please click [here](#).

EU/ VAT: Commission Communication on the Future of the Value Added Tax (VAT)

On 6 December 2011, the European Commission published a Communication on the future of VAT. The current VAT system is 40 years old and outdated as it comes with high administrative burdens for businesses. Furthermore it does not allow Member States to reap the full potential of this form of taxation. The European Commission aims to reduce burdens, simplify business operations and adapt the system to today's business models. By creating one-stop-shops, removing exemptions and making the system more resilient to fraud, the implementation of these measures is said to enhance the overall growth of the European economy.

To learn more about the European Union's framework of VAT, please click [here](#)

To read the full text of the European Commission Communication, please click [here](#)

EU/ Competitiveness: Council Patent negotiations almost on a break-through

On 5 December, the Council discussed the patent package in the 3133rd Competitiveness Council. Many were hoping that an agreement would be reached on the unified EU patent, which would allow the Polish presidency to finally close the deal after 30 years of on-going negotiations on this topic. This optimism was partially fed by the change of government in Italy and Spain, since their new governments might be more inclined to drop their opposition towards the language scheme than their predecessors were. However, it is not their opposition which is currently stalling the

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negotiations but rather a disagreement on the seat of the Central Division of the Unitary Patent Court.

To read the Competitiveness Council press release, please click [here](#)

EU/ Finance: Facilitating SME access to funding of research and innovation

On 5 December 2011, the European Commission in cooperation with the European Investment Bank (EIB) and the European Investment Fund (EIF) presented a new plan for improving SME access to funding for research and innovation. Building on the 'Risk Sharing Financial Facility', the Commission and EIB are assuming shared responsibility for debt financing as an incentive for private sector investment. Through the 'Risk Sharing Instrument' the Commission aims to stimulate banks to increase their lending to SMEs working with R&D and innovation. The EIF will have command over this instrument and a total sum of 2 billion Euro, split equally between the Commission and EIB, has been allocated this project for the period of 2007-2013.

To learn more about the Risk Sharing Financial Facility, please click [here](#)

To learn more about the Risk Sharing Instrument, please click [here](#)

EU/ Council: Conclusions on impact assessment

On 5 December 2011, the Competitiveness Council presented its conclusions on impact assessments. The Council recognised the importance of impact assessments in the creation of European legislation. Currently the benefits of impact assessments are not sufficiently felt at the national implementation level. The Commission therefore aims to enhance the quality of impact assessments by studying both the short and long term social, environmental and economic impact of substantive amendments on a regular basis. This would include the effects of the legislation on competitiveness, SMEs and national budgets, with a thorough application of the SME-test as a standard ingredient.

To read the Council's conclusions on impact assessment, please click [here](#)

To read the Council's conclusions on reinforcing industrial policy across the EU, please click [here](#)

EU/ Access to finance: Programme for the Competitiveness of Enterprises and SMEs (COSME) published

On 30 November 2011, the European Commission made public the new structure of the European Union's financial assistance programme for SMEs, COSME. This successor of the former Competitiveness and Innovation Framework Programme (CIP) seeks to improve entrepreneurs' access to both finance and markets and aims to promote entrepreneurship. The sum of 2.5 billion euro will be allocated towards SMEs, 1.4 billion of which will directly flow into funding instruments. According to the European Commission, the programme will be of direct benefit to 39 000 businesses and secure 29 500 jobs.

To learn more about the Programme for the Competitiveness of Enterprises and SMEs (COSME), please click [here](#)

EU/ Single Market Forum: Conclusions of the Council

On 30 November 2011, during its 3133d assembly, the Competitiveness Council adopted conclusions on the Single Market Forum held in Krakow in early October. The Council declared it is ready to look into the launching of a 'European professional card', and underlined the need to improve application and enforcement of the Directive on the posting of workers. Underlining the importance of e-commerce in boosting growth, the Council also stressed the importance of having a functioning system for Alternative Dispute Resolution and user-friendly 'Points of Single Contact'. Finally, the

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Council committed itself to take all measures necessary to by end 2012 ensure compliance with all policy objectives of the Single market Act.

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

PUBLICATIONS

EU/ Monthly Labour Market Fact Sheet

On 12 December 2012, the European Commission Directorate General for Employment, Social Affairs and Inclusion published the monthly labour market fact sheet. Europe's unemployment rate edged up to 9.7 % in September 2011, or by 0.1 pp. This is 0.3 percentage points up on March 2011 and is the same level as the peak recorded in the first half of 2010.

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

EU/ Eurostat: First estimate of account balance for third quarter of 2011

On 9 December 2011, Eurostat published their first estimate for the third quarter of 2011. The EU 27 external current account recorded a deficit of 17.2 billion euro in the third quarter. This was 28.1 billion in the third quarter of 2010.

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

EU/ Eurostat: Eurozone unemployment hits ultimate high in October

On 30 November 2011, Eurostat published data on unemployment in the Eurozone for the month October. The euro area seasonally-adjusted unemployment rate was 10.3% in October 2011, compared with 10.2% in September. It was 10.1% in October 2010. The EU27 unemployment rate was 9.8% in October 2011, compared with 9.7% in September. It was 9.6% in October 2010.

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

EU/ Eurobarometer: Social survey

On 29 November 2011, the European Commission Directorate-General for Employment, Social Affairs and Inclusion presented a new Eurobarometer which shows that more than a third of European citizens currently working are worried about losing their jobs. This figure has slightly gone up since 2009.

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

EU/ Business Climate Indicator for November

On 29 November 2011, the European Commission Directorate-General for economic and financial affairs presented their Business Climate Indicator (BCI) for the month November. The Business Climate Indicator for the euro area declined for the ninth month in a row.

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

CONSULTATIONS

NEW:

Consultation on the Revision of the rules for the assessment of licensing agreements for the transfer of technology under EU competition law

Closes: 3 February 2012

European Small Business Alliance – Brussels Office

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This consultation seeks to collect the opinion of stakeholders on the revision of EU competition rules for the assessment of licensing agreements for the transfer of technology. For the purpose of the EU competition rules, a technology transfer agreement is an agreement where one party (the licensor) authorizes another party (or parties, the licensee(s)) to use its technology (patent, know-how, software license) for the production of goods and services.

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

Consultation Renewable Energy Strategy

Closes: 7 February 2012

The legislative framework as regards renewable energy is laid down in the Renewable Energy Directive which sets an obligatory target of 20% renewable energy in final energy consumption as well as a 10% target in transport for 2020. Given the long-term perspective of investors it is necessary already now to look beyond that year. This public consultation has the aim of soliciting the view of interested parties to assess in how far the orientations of the current policy framework remain valid in the medium term i.e. until 2030.

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

ONGOING:

Consultation: Protecting EU businesses against scams and unfair practices

Closes: 16 December 2011

The fraudsters hide behind national borders and exploit the vulnerability of companies - especially the small ones - when doing business in other EU countries. Professionals - such as doctors or lawyers - and civil society organisations can also be victims. To better protect them, the European Commission is launching a public consultation to gather more information from companies and others affected on the nature and scale of the unfair practices, including online scams. Following the consultation, the Commission will then assess how best to stop rogue traders exploiting loopholes in the rules and make sure that legitimate traders are effectively protected.

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

Online consultation on administrative burdens reduction

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

12-13-14-15 December 2011 - European parliament committee meetings

12-13-14-15 December 2011 - European Parliament plenary session

13-14 December 2011 - Justice and home affairs Council

19-20 -21 December 2011 – European Parliament committee meetings

19 December 2011- Environment Council

20 December 2011 – EC weekly meeting of the College

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9 January 2012- European Parliament committee meetings
11 January 2012 - Launch of the Danish presidency of the Council of the EU
12 January 2012 - European Parliament committee meetings
16-17-18-19 January 2012 - European Parliament plenary session
16-17-18-19 January 2012 – European Parliament committee meetings
17 January 2012 – EC weekly meeting of the College

Other SME-related events

A labour market for all: Efficient and innovative assistance to jobseekers

13 December 2011

Stockholm, Sweden

The conference, which will take place in Europahuset in the Centre of Stockholm, will look at how assistance to job seekers can be improved. The conference will have three thematic sessions: "The Swedish model for providing aid to job seekers", "Other national examples of providing aid to job seekers" and "How can we develop assistance to job seekers from groups facing specific difficulties?". Among the speakers will be the State Secretary to the Swedish Minister for Employment, the President of the EESC and the President of the Confederation of Swedish Trade Unions (LO).

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

Intellectual Property for Eco-innovators

14 December 2011

Hampshire, UK

The majority of eco-innovative firms own or create intellectual property (IP) in the form of trademarks, copyright, patents, database rights or registered/unregistered designs. In developing innovative environmental products and technologies, many smaller businesses are not fully aware of the opportunities to protect and exploit their IP. Knowledge of the range of protection and licensing options should complement each eco-innovator's approach to competing effectively.

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

Workshop on 'Logistic and Supply Chain Security

31 January 2012

Brussels, Belgium

The objective of the workshop organized by the "Security Research and Development" Unit within DG Enterprise & Industry is to discuss the roadmap and priorities that should be taken into consideration for a future FP7 European demonstration programme on "Logistic and Supply Chain Security".

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