



### HEADLINES

#### **EU/Access to Finance: Green light from European Council for € 10.4 billion SME lending instrument.**

On 27 and 28 June 2013, on the occasion of the gathering of the European Council, heads of state and government debated a joint proposal by the European Commission and the European Investment Bank to establish one single SME support instrument with a total worth of € 10.4 billion. The new instrument is fully aimed at countering the credit crunch SMEs are still facing on a daily basis. The joint proposal envisages to pool the 10bn capital increase to the EIB – as granted by the European Council in June 2012 under the Compact for Growth and Jobs – with € 420 million of funds from the EU's COSME and Horizon 2020 programmes. Through financial intermediaries, the funds will be used for loan guarantee instruments and securitisation instruments with a maximum leverage ratio of 1:10. In its conclusions, the European Council welcomed the proposal and asked the Commission and EIB to come up with a comprehensive operational programme ahead of the October 2013 summit.

#### **ESBA Secretary General Patrick Gibbels:**

**Every day, viable businesses file for bankruptcy for the simple reason that they cannot finance their day-to-day operational costs. Banks are unwilling to provide loans, unless unrealistic amounts of collateral are provided. Although the funds are still limited when put in perspective with the EU's overall budget, the European Commission and the EIB have put viable options on the table to provide invaluable assistance to these SMEs. The options would make small businesses loans cheaper for banks, have the potential to kick-start the EU's securitisation market and could reduce the 'no risk at all attitude' currently present in the EU banking sector. Provided that sound agreements between the EIB and intermediaries are signed, each of the three options could give the much needed impetus to the European economy.**

To access the proposal of the European Investment Bank and the European Commission, please click [here](#).

To access the conclusions of the meeting of the European Council on 27 and 28 June, please click [here](#).

#### **ESBA/Annual Event: Running a Business in Turbulent Times.**

On 20 June 2013, the European Small Business Alliance held its annual event. This year, the programme focused on how to run a business, in the middle of the challenging economic environment and with many businesses struggling for survival. Three crucial phases of the business life-cycle were discussed: start up, maintenance and growth. Furthermore, as half of the companies dissolve again within the first few years of existence, the event covered the possibility of insolvency and what measures to take. After the opening speeches by ESBA President **David Caro** and by **Massimo Baldinato**, member of the Cabinet of Vice-President of the European Commission Antonio Tajani, the importance of entrepreneurship to growth and jobs was highlighted by **Phil Bennion**, MEP (ALDE, UK). The start-up phase of a business was examined by means of challenging presentations from both **Leo Exter**, Founder of Westartup, Partner at HealthStartup and co-founder at Bizcamp Belgium, and **Claire Munck**, Board Member of Business Angels Europe. The maintenance and growth phase was discussed with inspirational stories from **Neil Johnson**, who explained how he and his wife have grown their company HumblePie to a vibrant business, and by the company **SpeakSet** who are

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about to start their first manufacturing run and will use the platform Kickstarter to attract the necessary finance. The dos and don'ts in the case of insolvency were discussed by **Søren Boutrup** from the Danish Business Authority. He presented the Danish Early Warning system. Finally, **Marko Curavić**, Head of Unit for Entrepreneurship 2020 at DG Enterprise and Industry, presented the European Commission's current work on second chances for entrepreneurs and insolvency proceedings.

To see the full report of the event, please click [here](#).

### **EU/Accounting: Small businesses to benefit from new accounting rules.**

On 12 June 2013, the European Parliament accepted new rules on financial reporting during its plenary session in Strasbourg. The updated Accounting Directive aims to significantly decrease the administrative and regulatory burden imposed on small businesses in relation to annual reporting. Small enterprises with a turnover of maximum € 8 million, a balance sheet total of maximum € 4 million and less than 50 employees are allowed to prepare only a balance sheet and a profit and loss account. Micro-entities – characterised by a turnover of maximum € 0.7 million, a balance sheet total of maximum € 0.35 million and less than 10 employees – may be exempted from additional burdensome obligations regarding annual financial reporting. Member States may allow them to prepare only a simplified balance sheet.

### **ESBA Secretary General Patrick Gibbels:**

**ESBA congratulates rapporteur Klaus-Heiner Lehne MEP (EPP, DE) with this excellent report. Accounting requirements are consistently mentioned by SMEs as one of the most burdensome regulatory obligations. The new accounting Directive is an important next step in the overall simplification process, which started with the exemption of micro-entities from certain burdensome obligations regarding annual accounts. It is now up to the Member States to make the best possible use of this Directive.**

To access the full report by the European Parliament, please click [here](#).

To find more information about SME accounting and the European Commission's simplification efforts, please click [here](#).

## **IN BRIEF**

### **EU/Single Market: Deal reached on professional qualifications.**

On 26 June 2013, the Committee of Permanent Representatives endorsed the trilogue agreement reached on the recognition of professional qualifications among the EU Member States. The Council and the European Parliament finalised the deal on 12 June 2013 after more than three months of negotiations. If implemented effectively, the new Directive can be an important step towards the completion of the Single Market. It aims at closing skills gaps, promoting labour mobility and ensuring more job opportunities for workers across the EU. As a key measure, the Directive will enable the introduction of a so-called European Professional Card. This will take the form of an electronic certificate and will be issued for lines of professions where the demand from businesses, workers and national authorities for such a card is greatest.

To find more information about the agreement on the review of the Professional Qualifications Directive, please click [here](#).

### **EU/Public Procurement: Trilogue negotiations concluded on Public Procurement.**

On 26 June 2013, a provisional agreement was reached between the European Parliament, the European Commission and the Council on the Modernisation of the Public Procurement Directive.

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The main aim of the Directive is to simplify the current public procurement framework. SME participation in government contracts should be enhanced by reducing the amount of forms to fill in, as well as more transparency concerning sub-contracting. Member States will need to provide justifications when contracts are not split into lots and an automatic certification system will be set up to reduce the amount of information that needs to be provided.

To access the European Commission's webpages on public procurement, please click [here](#).

### **EU/Budget: The European Commission proposes 6% cut in 2014 EU budget.**

On 26 June 2013, the European Commission tabled a draft budget proposal for 2014 focused on measures to reduce unemployment and generate growth. It implies a cut by 6% compared to 2013 EU budget, as required by the Council. On the other hand, the European Parliament raised some concerns as to whether the new budget would be able to appropriately address the current economic situation. The European Commission was accused of lacking ambition in relation to research and innovation financing. In the proposal, € 142 billion in commitment appropriations and € 135.9 billion in payment appropriations are put forward.

For more information about the draft 2014 EU budget, please click [here](#).

To access the accompanying presentation by the European Commission, please click [here](#).

### **EU/Environment: EU Institutions stroke a deal on 2020 CO2 emissions target for vans.**

On 26 June 2013, the European Parliament and the Council agreed upon a further cut on CO2 emissions from light commercial vehicles. The 2020 target will be 147g CO2/km. The deal came after the European Commission had published earlier this month the first CO2 emissions data for light commercial vehicles, showing that the new vans monitored in the EU last year emitted an average of 180.3g CO2/km. The figures are creating turmoil among the European car manufacturers who believe that the targets are too ambitious and might hinder future investments.

To find more information about the reduction of CO2 emissions from vans, please click [here](#).

To access the proposal from the European Commission, please click [here](#).

### **EU/Commission: New proposal to direct smaller, private investments to long term projects**

On 26 June 2013, the European Commission issued a proposal for the creation of a framework for European Long-term Investment Funds (ELTIFs). Building on the Green paper on Long-Term Financing of the European Economy, these new private funds are geared at meeting the demands of the market to provide capital for projects with high investment costs and a long payback period. Through the ELTIFs, individuals and professional investors should be able to invest in large scale infrastructure or transport projects, as compared to only Pension Funds and large institutional investors.

To access the proposal by the European Commission on Long-term Investment Funds, please click [here](#).

### **EU/Financial Support: Agreement reached on the budget for COSME and Horizon 2020.**

On 25 June 2013, the European Parliament announced that agreement has been reached between the European Parliament and the Council on the € 80 billion research programme Horizon 2020. This programme will sustain research and innovation in the EU, with 22.5 % of the budget reserved specifically for SMEs projects. On 20 June 2013, the Irish Presidency announced that an agreement was reached on COSME, the Programme for the Competitiveness of Enterprises and SMEs. This programme will provide financial support to SMEs by means of loan and equity facilities and will finance EU support measures to foster entrepreneurship and SME internationalisation, as well as entrepreneurial skills and attitudes.

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To access the Commission's webpages on the Horizon 2020 programme, please click [here](#).

To access the Commission's webpages on the COSME programme, please click [here](#).

### **EU/Data Protection: Vote in LIBE Committee postponed.**

On 19 June 2013, the European Parliament Committee on Civil Liberties, Justice and Home Affairs announced that the vote on the General Data Protection Regulation would be postponed to the fall of 2013. The vote was originally scheduled to take place on 9 July 2013. Due to the diverging stance taken by the rapporteur and the different political groups, more time is needed for the negotiations.

To read the common ESBA, CEA-PME, FSB & ACT position paper on the General Data Protection Regulation, please click [here](#).

## **PUBLICATIONS**

### **EU/Commission: Business Climate Indicator for June 2013.**

On 27 June 2013, DG Economic and Financial Affairs released its Business Climate Indicator (BCI) for June 2013. The BCI increased by 0.07 points for the euro area, culminating at -0.68.

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

### **EU/Commission: Economic sentiment Indicator for June 2013.**

On 27 June 2013, DG Economic and Financial Affairs issued its Economic Sentiment Indicator (ESI) for June 2013. The indicator increased over the month of June by 1.8 points in both the euro area (to 91.3) and the EU (to 92.6).

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

### **EU/Commission: EU Employment and Social Situation - Quarterly Review.**

On 25 June 2013, DG Employment, Social Affairs and Inclusion published its quarterly edition of the "EU Employment and Social Situation". According to this review, the EU labour market has been worsening continuously since the start of the economic crisis.

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

### **EU/Eurostat: harmonised indices of consumer prices.**

On 24 June 2013, Eurostat published its harmonised indices of consumer prices for May 2013. The results show that annual inflation for the EU amounted to 1.6% in May, whereas it was 1.4% in April 2013. As for the Eurozone, the annual inflation increased from 1.2% in April to 1.4% in May.

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

### **EU/Eurostat: Comparative price levels for food, beverages and tobacco.**

On 21 June 2013, Eurostat released data about price levels for food, beverages and tobacco. The data collected in 37 countries shows that there are significant discrepancies in the prices of food, beverages and tobacco across countries. This article gives detailed results per type of good and presents an analysis of price convergence at the EU level.

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

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### **OECD: Skills Development and Training in SMEs.**

On 21 June 2013, the Organisation for Economic Co-operation and Development (OECD) published a report on Skills Development and Training in SMEs, based on the OECD's Leveraging Training and Skills Development in SMEs (TSME) project which examines access to training by SMEs across seven regions in six OECD countries and pays special attention to entrepreneurial skills and "green skills".

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

### **EU/Commission: Industrial Relations in Europe 2012.**

On 18 June 2013, DG Employment, Social Affairs and Inclusion published an executive summary analysing the last development in industrial relations since 2010. The national economic reforms due to the crisis impacted the social dialogue between employees, employers and public authorities however the report underlines its importance in the resilience of the national economies.

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

### **EU/Commission: Promoting green jobs through the crisis: a handbook of best practice in Europe.**

On 17 June 2013, DG Employment, Social Affairs and Inclusion issued a study reviewing the extent to which national and regional governments have refocused their policy efforts in order to support transition to green growth in the framework of the European Commission's integrated policy approach.

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

### **EU/EAVA: Factsheet - The Added Value of the European Single Market.**

On 14 June 2013, the European Parliament's European Added Value Assessment Unit (EAVA) published a report on the added value brought by the European Single Market as part of its series of fact sheet on "European Added Value in Action". This paper gives details on its introduction and development, its macro-economic impact, its benefits in specific sectors and its short-comings.

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

### **EU/EAVA: Potential Impact on SMEs of Certain EP Amendments to Two Proposed Public Procurement Directives.**

On 14 June 2013, the European Parliament's European Added Value Assessment Unit (EAVA) released its report assessing a set of amendments proposed by the European Parliament Committee on Internal Market and Consumer Protection on the new Public Procurement Directives. The study focuses in particular all proposals that were initially considered relevant from the perspective of SMEs' access.

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

### **EU/EAVA: Application of the Principle of Equal Pay for Men and Women for Equal Work of Equal Value: European Added Value Assessment (+ Annexes I-III).**

On 14 June 2013, the European Parliament's European Added Value Assessment Unit (EAVA) published its EU Added Value Assessment. This report endorses the European Parliament's position on the reduction of the gender pay gap being beneficial for individuals as well as for society in general.

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

### **EU/Commission: Intellectual Property and Legal Issues in Open Innovation in Services.**

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On 14 June 2013, DG Connect released a report on the open service innovation. Its findings underline the necessary character of a legal framework based on deeper policy dialogue, sharing and co-creativity.

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

### **EU/EIB: Factsheet - EIB financing in Central and Eastern Europe.**

On 12 June 2013, the European Investment Bank (EIB) published a fact-sheet on its activities in Central and Eastern Europe as part of its factsheet series covering regions of the world where the EIB is active.

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

### **EU/Eurostat: Labour market and labour force statistics.**

On 7 June 2013, Eurostat published the results of the 2012 European labour force survey. Among the indicators included in this publication are the employment rate, average working hours, characteristics of self-employment and youth unemployment. The survey shows that these indicators did not improve in 2012; the employment rate went down to 64.2 %.

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

## CONSULTATIONS

### **NEW:**

#### **Consultation on problems faced by service providers in obtaining insurance cover when providing services in another Member State on a temporary basis.**

*Closes: 16 August 2013*

Entrepreneurs and businesses should be able to provide services in other Member States on an unencumbered basis. The objective of this consultation is to determine the risks and obstacles individual entrepreneurs and businesses face when attempting to secure insurance cover for another Member State.

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

#### **Public consultation on the new EU occupational safety and health policy framework.**

*Closes: 26 August 2013*

The main purpose of this consultation is to gather insights and contributions from the public further to results of the evaluation of the European Strategy on Safety and Health at Work 2007-2012. This should help identify current and future challenges in the occupational safety and health area, and identify solutions to address these challenges.

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

#### **Consultation on the Review of the European Waste Management Targets.**

*Closes: 10 September 2013*

The Targets Review Project has been commissioned by DG Environment at the European Commission. It is aimed at identifying the issues and proposing solutions to the targets in the Waste Framework Directive, Landfill Directive and the Packaging Waste Directive.

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

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### **Consultation on Single-member limited liability companies.**

*Closes: 15 September 2013*

The purpose of this consultation is to get more in-depth information on whether the harmonisation of national laws with regard to single-member limited liability companies would provide companies, and in particular SMEs, with simple and harmonised rules across the EU which could reduce the administrative burden and costs they are currently facing.

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

## COMING UP

### **EU Institutions: Important dates**

4 July 2013 – European Parliament Plenary Session  
4 July 2013 – Committee of Region Plenary Session  
4 July 2013 – European Parliament committee meeting  
4 July 2013 – Governing Council meeting of the ECB  
5 July 2013 – Coreper I  
7 July 2013 – COSAC Plenary Meeting  
8 July 2013 – COSAC Plenary Meeting  
8 July 2013 – European Parliament committee meeting  
8 July 2013 – Eurogroup  
9 July 2013 – Economic and Financial Affairs Council  
9 July 2013 – European Parliament committee meeting  
10 July 2013 – European Parliament committee meeting  
10 July 2013 – COREPER I  
10 July 2013 – European Economic and Social Committee meeting  
11 July 2013 – European Economic and Social Committee meeting  
11 July 2013 – European Parliament committee meeting  
15 July 2013 – Agriculture and Fisheries Council  
17 July 2013 – COREPER I  
18 July 2013 – Governing Council meeting of the ECB  
22 July 2013 – Foreign Affairs Council  
23 July 2013 – General Affairs Council  
25 July 2013 – Economic and Financial Affairs Council (Budget)

### **Other SME-related events**

#### **Occupational Health and Safety: Improving Working Conditions in Europe**

**9 July 2013**

**Brussels, Belgium**

On 9 July 2013, Public Policy Exchange will organise a conference on improving working conditions regarding health and safety in Europe.

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

#### **European Cluster Observatory validation workshop**

**10 July 2013**

**Brussels, Belgium**

European Small Business Alliance - Brussels Office  
Clos du Parnasse 3A, B-1050 Bruxelles

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On 10 July 2013, PwC Luxembourg and the European Commission DG Enterprise will hold the "European Cluster Observatory" validation workshop. ESBA President David Caro will participate to this event as one of the speakers.

Registration to this event will open shortly.

### **Overcoming the energy price dilemma-SMEs at the crossroads**

**10 July 2013**

**Brussels, Belgium**

On 10 July 2013, Eurochambres will organise a conference on energy demands and the supplies necessary for SMEs in order to maintain their competitiveness.

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

### **Modernising public administration: the role of e-procurement and e-invoicing**

**18 September 2013**

**Brussels, Belgium**

On 18 September 2013, the European Commission will host a conference on e-procurement and e-invoicing in the EU. This conference will deepen the contribution of e-procurement and e-invoicing in the modernisation of public procurement.

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

### **Encouraging a Europe of Enterprise SME Assembly in Lithuania**

**25-26 November 2013**

**Vilnius, Lithuania**

On 25 and 26 November 2013, the European Commission's Directorate-General for Enterprise and Industry will organise the SME assembly on Encouraging a Europe of Enterprise. The event is the focus of European SME week. During the event, it will be also displayed the European Enterprise Promotion Awards.

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