



### HEADLINES

#### **EU/Data Protection: MEPs back Data Protection reform**

On 12 March 2014, the Members of the European Parliament expressed their strong support for the reform of the Data Protection rules, by voting with 621 votes in favour, 10 against and 22 abstentions for the draft regulation. This followed after a debate on the reports tabled by rapporteurs Jan Albrecht (Greens/EFA, DE) and Dimitrios Droutsas (S&D, GR), during the plenary sitting on 11 March. Next, the incoming Parliament will be able to start negotiations with the member states as soon as the Council of Ministers will adopt its position. The new set of rules will replace the existing national provisions.

#### **ESBA opinion**

ESBA hopes that this procedural vote will result in very firm position by the Member States and a re-think of the dossier by the new European Parliament (8<sup>th</sup> legislature). Whilst we acknowledge and supports the need for revision of Data Protection regulations, a balance must be found which allows for maximum consumer protection, whilst being mindful of the capacity of micro and small businesses. Certain provisions within the proposal, such as costly impact assessments and Data Protection Officers, can be disproportionately burdensome on Europe's smallest businesses. Moreover, these provisions are not necessary for most businesses, as they do not handle data as a primary activity and are therefore not in a risk category. Whereas the Commission's proposal foresees exemptions for SMEs for these reasons, the European Parliament's lead committee chose to remove these exemptions. ESBA urges 8<sup>th</sup> Legislature, to consider the concerns of our small businesses and to opt for a more sensible and realistic approach.

For more information on the European Parliament's legislative resolution on the proposal for a regulation, please click [here](#).

### IN BRIEF

#### **EU/Public procurement: Digitisation of public procurement: new rules on e-invoicing**

On 11 March 2014, the European Parliament approved the European Commission's proposal to modernise EU rules on e-invoicing in public procurement. The Directive introduces the development of a new European standard for electronic invoicing, ensuring interoperability between national systems. Small businesses will benefit the most from the new procedure because legal uncertainty, as well as other additional costs will be eliminated and it will increase transparency in public procurement procedures. Next, the Directive will be formally adopted by the Council and then published in the Official Journal of the EU.

To read more on e-invoicing in public procurement, please click [here](#).

## ESBA Bulletin of 04 April 2014 – Volume 16 – Issue 3

### **EU/Green economy: SMEs have their say on the Green Action Plan**

On 18 March 2014, the European Commission published the results of a consultation it held in the period September-December 2013, on its upcoming initiative, the Green Action Plan for SMEs. The results of the consultation outlined that SMEs still lack information, both in terms of resource efficiency improvements and business opportunities in eco-innovation. The inputs received will be reflected by the measures in the Green Action Plan, aiming at improving productivity and exploiting green opportunities.

To read more about the consultation, please click [here](#).

### **EU/International trade: SMEs are discussed in the TTIP negotiations**

From 10 to 14 March 2014, The EU and US held their fourth round of negotiations for the Transatlantic Trade and Investment Partnership (TTIP) in Brussels. In an effort to highlight the benefits of the agreement, the negotiators focused on the opportunities for SMEs. US Chief Negotiator Mr Dan Mullaney stated that small businesses that trade internationally grow faster and create more jobs than companies trading only in their domestic market. Nevertheless, for SMEs to fully take advantage of an eventual deal, existing trade barriers must be addressed. Currently, the European Commission is carrying out a sustainability impact assessment, which will seek to understand the limitations faced by SMEs when doing business in the US.

To access the EU webpage dedicated to TTIP, please click [here](#).

To read more on the SMEs opportunities in the framework of TTIP, please click [here](#).

### **EU/Access to finance: EIB's new program confirming its strong support to SME**

On 31 March, the European Bank of Investment renewed its commitment to SME. A new program worth EUR 2 billion for the second quarter of 2014 will focus on speeding up lending operations. Based on the complementary nature of the EIB loan for SMEs, the proposed EU Loan is expected to generate up to EUR 4bn of financing. The program aims at stimulating SMEs' capacity of investment, which is being seriously hampered in current market's conditions. The EIB is sending a strong signal, placing SME support at the core of its contribution policy.

To read about EIB's program, please click [here](#).

### **EU/Industry: Council adopted new rules for roadworthiness**

On 24 March, the European Council adopted the final version of three directives, following a vote by the European Parliament on 11 March. The set of measures updates existing EU rules on vehicles dating back as far as 1977. It aims at fortifying vehicle checks as well as widening their scope. The new rules concern periodic roadworthiness tests, technical roadside inspections for commercial vehicles and vehicle registration documents. Besides improving road safety and cutting back emissions in road transport caused by poor maintenance of vehicles, harmonisation of rules aims to facilitate competition for commercial vehicles.

For more information on the roadworthiness directive, please click [here](#).

## ESBA Bulletin of 04 April 2014 – Volume 16 – Issue 3

### **EU/ Insolvency: new approach to insolvency and second chances for entrepreneurs**

On 12 March 2014, the European Commission adopted recommendations outlining a new approach for rescuing businesses and providing honest entrepreneurs with a second chance, as it called on Member States to incorporate the principles into their national legislation. The recommendations follow a public consultation, launched in July 2013, aimed at defining a European approach to business failure as well as the European Parliament's endorsement of the Commission's proposal to review the current EU rules on cross-border insolvency. The Commission's proposal is to shift the attention from insolvency and liquidation to early-stage restructuring. Moreover, it reduces the need to open court proceedings in case of restructuring.

To read more about business failure and insolvency, please click [here](#).

### **EU/ Access to Finance: European Commission endorses crowdfunding**

On 27 March 2014, the European Commission adopted a Communication on crowdfunding, as a result of the rapid increase in popularity of this alternative means of financing, applicable to both business and non-profit projects. The rise of such tools is primarily linked to the current difficulties small businesses are facing in accessing traditional forms of financing. Crowdfunding is indeed understood as a tool for fostering sustainable and inclusive growth. The Communication draws on a recent public consultation for identifying the challenges to crowdfunding development in Europe and to put forward possible solutions aimed at promoting the further diffusion of the practice. Specifically, the Commission engages in greater research in the development of this market by raising awareness as well as highlighting positive and potentially negative effects of crowdfunding.

For more information on the Communication please click [here](#).

For more information on crowdfunding in the European Union, please click [here](#).

### **EU/ Finance: European Investment Bank to resume normal lending**

A decision, resulting from a compromise proposed to COREPER II by the Hellenic Presidency is expected to go through on the 16th April, following a call from the European Council in December 2013 to increase the funding for the EIB and resume normal lending to the economy, and especially SMEs. The decision is expected to improve SMEs' access to finance by developing SME loans capital markets, enhance the EIF's role in microfinance and social impact investing and supporting its role in the venture and growth capital market by raising 450 million euros worth of shares over a period of 4 years.

To read more about the European's Commission's proposal, please click [here](#).

### **EU/CESL: Europe divided on the Common European Sales Law**

Council working groups are examining the proposal for a bill to create a pan-European contract law for cross border online sales which traders and consumers would opt-in to, parallel to their national law. But as countries such as Poland Luxembourg, Estonia and Italy seem favourable others such as Germany the UK and Austria are opposed. Although Viviane Reding, EU justice commissioner urged the Council to put the bill up to a vote, discussions between the EP and the Council are unlikely to start until 2015.

To read more about the European Commission's proposal, please click [here](#).

**European Small Business Alliance – Brussels Office**

Clos du Parnasse 3A, B-1050 Bruxelles

Tel. : +32 (2) 274 25 04 – Fax. : +32 (2) 274 25 09 – email : [secretariat@esba-europe.org](mailto:secretariat@esba-europe.org)

## ESBA Bulletin of 04 April 2014 – Volume 16 – Issue 3

### **EU/ Financial crime: European Commission and Parliament on different wavelengths**

On 11 March 2014, MEPs in plenary session voted in favour of a proposal for an anti-money laundering directive requiring banks, lawyers, auditors, real estate agents and notaries to be even more vigilant regarding their clients. MEPs, wanting to go beyond this proposal, recommended the creation and interconnection of public registers of ultimate beneficial owners for a variety of legal arrangements. Although The Notaries of Europe applauded the initiative, they have taken note of a Commission plan for a directive allowing single member private limited companies, to be registered without the owner's presence, potentially inconsistent with the parliament's proposal.

For more information on the European Parliament's legislative resolution, please click [here](#).

### **EU/ Finance: Commission adopts new set of measures to support long-term financing**

On 27 March the European Commission adopted a package to boost European Long Term financing. The EU traditionally relies on banks for financing investment but the actual bank deleveraging constrains this source. The new set of measures aims at stabilizing the financial sector, hence supporting Europe's return to sustainable economic growth. Significant long-term investment will be needed under the Europe 2020 strategy and the 2030 climate and energy package, in infrastructure, new technologies and innovation, R&D and human capital. The long-term perspective is to improve governance, transparency, and cross-border activity.

For more information on the Communication, please click [here](#).

## **PUBLICATIONS**

### **EU/Eurostat: International trade**

On 18 March, Eurostat published on international trade in goods surplus in Euro area. The first estimate for the euro area trade in goods balance with the rest of the world in January 2014 gave a 0.9 billion euro surplus, compared with -5.4 bn in January 2013. The December 2013 balance was +13.8 bn, compared with +9.7 bn in December 2012.

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

### **EU/Eurostat: Production in construction**

On 19 March, Eurostat stated that Production in construction up by 1.5% in euro area up by 1.3% in EU28. In January 2014 compared with December 2013, seasonally adjusted production in the construction sector grew by 1.5% in the euro area and by 1.3% in the EU28. In December 2013, production in construction rose by 1.3% and 1.2% respectively. In January 2014 compared with January 2013, production in construction increased by 8.8% in the euro area and by 7.3% in the EU28.

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

### **EU/Eurostat: Inflation**

On 31 March, Eurostat published a document giving a first estimate for the Euro area annual inflation. It was expected to be 0.5% in March 2014, down from 0.7% in February. Looking at the main components of euro area inflation, services is expected to have the highest annual rate in March (1.1%, compared with 1.3% in February), followed by food, alcohol & tobacco (1.0%,

## ESBA Bulletin of 04 April 2014 – Volume 16 – Issue 3

compared with 1.5% in February), non-energy industrial goods (0.3%, compared with 0.4% in February) and energy (-2.1%, compared with -2.3% in February).

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

### **EU/Eurostat: Industry**

On 2 April, Eurostat stated that Industrial producer prices were down by 0.2% in both euro area and EU28 in February 2014, compared with January 2014. In January, prices decreased by 0.3% in both zones. In February 2014, compared with February 2013, industrial producer prices decreased by 1.7% in the euro area and by 1.6% in the EU28.

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

### **EU/Eurostat: Retail trade**

On 3 April, Eurostat stated that In February 2014 compared with January 2014, the seasonally adjusted volume of retail trade rose by 0.4% in the euro area and by 0.5% in the EU28, according to estimates from Eurostat, the statistical office of the European Union. In January retail trade increased by 1.0% and 0.6% respectively. In February 2014 compared with February 2013 the retail sales index increased by 0.8% in the euro area and by 1.5% in the EU28.

## **CONSULTATIONS**

NEW

### **Consultation on investment protection and investor-to-state dispute settlement (ISDS) in the Transatlantic Trade and Investment Partnership Agreement (TTIP)**

DEADLINE: 21/06/2014

The proposed approach contains a series of innovative elements that the EU proposes using as the basis for the TTIP negotiations. The key issue is whether the EU's proposed approach for TTIP achieves the right balance between protecting investors and safeguarding the EU's right and ability to regulate in the public interest.

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

NEW

### **Consultation on Retail Energy Market**

DEADLINE: 17/04/2014

The aim of this public consultation is to seek the views of stakeholders on the functioning of the retail energy market and consumer participation.

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

### **Consultation on Review of existing VAT legislation on public bodies and tax exemptions in the public interest**

DEADLINE: 25/04/2014

One of the priority areas in this regard is the review and possible revision of the VAT rules on the public sector including the special rules for public bodies and the tax exemptions in the public interest.

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

**European Small Business Alliance – Brussels Office**

Clos du Parnasse 3A, B-1050 Bruxelles

Tel. : +32 (2) 274 25 04 – Fax. : +32 (2) 274 25 09 – email : [secretariat@esba-europe.org](mailto:secretariat@esba-europe.org)

## COMING-UP

EU Institutions: important dates

07 April 2014 – European Parliament Committee meetings  
09 April 2014 – COREPER I  
09 April 2014 – COREPER II  
10 April 2014 – European Parliament Committee meetings  
10-11 April 2014 – European Competition Day  
12 April 2014 – COREPER I  
14-17 April 2014 – European Parliament Plenary Session  
14-15 April 2014 – Foreign Affairs Council  
14-15 April 2014 – Agriculture and Fisheries Council  
14 April 2014 – General Affairs Council  
14-17 April 2014 – European Parliament Committee meetings  
16 April 2014 – COREPER I  
16 April 2014 – COREPER II  
30 April 2014 – COREPER I  
30 April 2014 – COREPER II

### Other SME-related events

#### **Professional Certificate in Foundations of Economic Development**

07-11 April 2014

London

From 07<sup>th</sup> to 11<sup>th</sup> April, the International Centre for Parliamentary Studies is organizing a specialist training course. The program will examine the issues which determine prospects for economic development and develop comprehensive and effective plans for the delivery of measurable economic improvements to citizens' lives.

#### **Leveraging the integration of SMEs to global digital value chains**

08 April 2014

Brussels

On 08 April, the European Commission DG Enterprise and Industry is gathering stakeholders for a launch conference presenting the DG Enterprise initiative on "how leveraging the integration of SMEs to global digital value chain".

#### **Consultative Commission of Industrial Change Plenary meeting**

08 April 2014

Brussels

On 08 April, the European Economic and Social Committee is hosting the Consultative Commission of Industrial Change plenary meeting. Several issues will be discussed, e.g the impact of demographic change on industry and the role of regional, national and European industrial policy in tackling imbalanced age pyramids and restoring of EU industries in the framework of reindustrialisation.

#### **A Europe in crisis. A Europe without jobs**

**European Small Business Alliance – Brussels Office**

Clos du Parnasse 3A, B-1050 Bruxelles

Tel. : +32 (2) 274 25 04 – Fax. : +32 (2) 274 25 09 – email : [secretariat@esba-europe.org](mailto:secretariat@esba-europe.org)

## ESBA Bulletin of 04 April 2014 – Volume 16 – Issue 3

10 April 2014 – 3:00-6:30pm

Brussels

On 10 April, the Confederal Group of the European United Left/Nordic Green Left is organizing an event on precarious employment and unemployment in Europe.

### **The future of transatlantic trade**

10 April 2014

Paris

On 10 April, the Washington Post and Europe Voice are co-hosting an event gathering over 100 key policymakers and business leaders to debate on the political, economic and social impacts of an integrated transatlantic market place.

### **BNG Lunch & Learn EU election series – The EGP Campaign with Johannes Hillje**

15 April 2014

Brussels

On 15 April, the British Chamber of Commerce is organizing an event on the EGP Campaign with Johannes Hillje.