



HEADLINE

EU/ SMEs: Access to finance: still a major problem for SMEs

On 12 November, the European Commission published a report, showing that access to finance remains a major problem for small businesses. Micro companies are having the most difficulties in acquiring financing. More than 33% of the SMEs interviewed were not able to get the full bank loan they applied for. For over two thirds of SMEs, bank loans are still the preferred form of financing.

Whereas most SMEs indicate a drop in interest rates, collateral and other requirements are on the rise. One major obstacle is that many SMEs are not confident about their ability to negotiate with banks or other investors, such as venture capitalists. Confidence is lowest in small and non-innovative companies.

To address the problems of access to funds, certain EU's 2014 - 2020 funding programmes aim facilitate SME financing. Notably COSME, Structural Funds and parts of Horizon 2020 are there to ensure that the existing gap is closed. Apart from the more traditional forms of assistance, such as loan guarantee schemes, the Commission is also looking into alternative financing, like crowdfunding.

ESBA Opinion

The European Small Business Alliance has long advocated the need for additional financing, and welcomes the Commission's efforts to diversify. The past focus on Venture Capital has not been fruitful as this form of financing is only of interest to a very specific group of SMEs. Refocusing on loan guarantees and branching out to alternatives such as crowdfunding is a good idea. However, ESBA urges the European Institutions to scrutinize the lending institutions and intermediaries to ensure that the funds that are made available through programmes such as COSME actually reach their intended beneficiaries.

IN BRIEF

US/TTIP: Winning support for TTIP in the EU

On November 4, the United States mid-term elections came to a close, resulting in the largest Republican majority in nearly a century. Although the current administration's party lost many seats in the Senate, the outcome might also serve to benefit Obama's economic agenda. On the other side of the Atlantic, both parties have favorable views on the US-EU free trade deal, but the same cannot be said in Europe. Just a few weeks ago, France's Secretary of State for Foreign Trade Matthias Fekl, stated that France will not sign TTIP because of the controversial Investor State Dispute Settlement (ISDS) clause. Perhaps, the silver lining rest on Obama, the current administration needs to be at the forefront of this issue and invest more of their political capital to win support for TTIP across the Atlantic.

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

EU/TTIP: A breath of fresh air for TTIP?

On November 25, The Commission adopted a Communication indicating ways to make TTIP negotiations more transparent. Jean-Claude Juncker announced that the new provision that will call on negotiators to notify other MEPs in advance, about any new measures that could the ongoing trade deal, so as to provide a means for commenting on them. As part of this new measure, the Commission will publish and update on a regular basis a public list of TTIP documents shared with the European Parliament and the Council. In order to reconsolidate the hostility against TTIP negotiations from MEPs, the Commission aims to implement the new measures before the end of the year. To be sure, it looks like 2015 will be a better year for EU-US free trade negotiations.

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

EU/ Data protection: Germans ready to pay for data protection

On 17 November, the German Institute for Trust and Security on the Internet (DIVSI) and the polling institute dimap conducted a survey showing that German internet users are firmly against the sale and misuse of their personal data. They would be willing to pay €900 million to ensure that their data is effectively protected. This willingness to pay, very well illustrates the challenges of globalization and new technologies on our data's safety, which the ongoing reform initiated by the Commission is trying to tackle.

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

EU/COSME: €2.3 billion for SMEs!

On Monday 18, the implementation of COSME programme was discussed by the Commission's representatives and the Parliament's industry Committee. The MEPS, although they welcomed the initiative, raised some concerns about COSME. This EU programme, which stands for Competitiveness of Enterprise and Small and Medium-Sized Enterprises will invest €2.3 billion in SMEs which do not receive funding from banks. Useful information can be found about the program on Your Europe Business portal.

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

EU/Interchange Fees Regulation: Council seeking for compromise

On 7 November, the Council adopted a general approach on the Interchange Fees Regulation. With this general approach, the Council brings two compromises from the Parliament's version. It gives Member States the freedom to exclude three party schemes in certain circumstances, when for example they license other parties to issue their cards. Moreover, even though the cap on domestic interchange fees would still be at 0.2%, it would have to represent a weighted average.

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

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PUBLICATIONS

EU/EPC: Towards a New Pact for Europe (second report)

On 13 November 2014, the EPC published its second report. This report identifies two challenges faced by the European Union: the economic, social and political divergences fragmenting the EU on the one hand, and the lack of faith in the benefits of European Integration.

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

EU/CEPS: The Junker Plan: From €21 to €315 billion, through smoke and mirrors

On 27 November 2014, the European Center for Policy Studies (CEPS) published a report outlining that the 315 billion euro addition investment announced by the new President of the Commission, Junker is not likely to have any real growth impulse.

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

EU/CEPS: Does EU regulation hinder or stimulate innovation?

On 19 November 2014, the CEPS published a report analyzing the impact of EU regulation on innovation. One of the conclusions drawn by this publication is that the more flexible EU regulation is, the more innovation can be stimulated.

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

EU/ Bruegel: Defining Europe's Capital Markets Union

On 13 November 2014, Bruegel published a paper taking position on the Commission's plan to create a capital markets union. According to the author, a capital market union will not lead to the rebalancing of Europe's financial system.

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

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CONSULTATIONS

[Consultation on cross-border mergers and divisions](#)

DEADLINE: 01/12/2014

The European Commission is launching a consultation on cross-border mergers and divisions in order to collect information, which would allow the Commission to assess the functioning of the existing EU legal framework for cross-border operations of companies and any potential need for changes in the current rules.

[A strong European policy to support Small and Medium-sized enterprises \(SMEs\) and entrepreneurs 2015-2020. Public consultation on the Small Business Act \(SBA\)](#)

DEADLINE: 15/12/2014

Since its adoption in 2008, the Small Business Act (SBA) has proven its worth as a policy tool in support of the small and medium enterprises (SMEs). Various initiatives have been taken at both EU and national level to improve the environment in which these businesses operate and help them grow. It is now time to reflect on what can be done in the years that lie ahead to make life easier for SMEs. The Commission has drafted a consultation document including the on-going measures and the new proposals (see the link below). This consultation is designed to collect feedback on the new initiatives set out in the consultation document.

[Patents and Standards - A modern framework for standardisation involving intellectual property rights](#)

DEADLINE: 31/01/2015

The objective of this consultation is, on the one hand, to gather information and views on the interplay between standardisation and intellectual property rights (IPR) such as patents. On the other hand, this consultation aims to allow stakeholders interested in standardisation involving patents, to bring to the Commission's attention their views on how the current framework governing standardisation involving patents performs and on how it should evolve to ensure that standardization remains efficient and adapted to the fast-changing economic and technological environment.

COMING-UP

EU Institutions: important dates

1-2 December: 17th European Forum on Eco-innovation (Lyon, France)

1-4 December: European Parliament Committee Meetings (Brussels)

2 December: Lessons and insights to work towards the goals of the European Employment Strategy (Brussels)

1 December: Employment, Social Policy, Health and Consumer Affairs Council (Brussels)

4-5 December: Competitiveness Council (Brussels)

Other SME-related events

Co-operative banks: a model to finance the real economy

1/12/2014

Brussels

This conference will allow bankers, SMEs representatives and regulators to exchange their views on the new financial instruments which SMEs have started benefiting from early this year.

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To find out more about this event, please click [here](#).

A new course for Europe: Focusing on enhancing competitiveness and returning to sustainable growth

2/12/2014

Brussels

CCA, the Association of Chartered Certified Accountants, will discuss, in partnership with the Italian Presidency, the right framework the Europe needs to put in place to enable the economy to back up on its feet.

To find out more about this event, please click [here](#).

The future of Mobility: new engines for a new industry

3/12/2014

Strasbourg

The conference will address the challenges automotive supply chain is facing today. The issues tackled will be: the expected development of new technologies and creation of better adapted business model.

To find out more about this event and register, please click [here](#).

FEB Forum: Think Europe Because it Matters

8/12/2014

Brussels

Key European figures will debate the European drivers behind competitiveness of our business community.

To find out more about this event and register, please click [here](#).

Tax Regulation 2015 in Belgium and Slovenia: news, developments and impact on SMEs and industry

9/12/2014

Brussels

This working breakfast will host a discussion on the impact on SMEs of tax Regulation in Belgium and Slovenia.

To find out more about this event and register, please click [here](#).