



HEADLINE

EU/Data Protection: GDPR Risks Legal Uncertainty for SMEs

The European Small Business Alliance (ESBA) welcomes yesterday's decision of the Council to begin trilogue negotiations on the General Data Protection Regulation (GDPR). The proposal had been deadlocked for some time, which does not benefit anyone. However, ESBA has expressed concerns in the past on the possible implications of the GDPR for micro and small companies. Whereas the European Commission had foreseen to exempt non-data driven SMEs from having to hire or train a Data Protection Officer, the European Parliament voted to delete this provision, making a Data Protection Officer mandatory for virtually all SMEs. The European Council's Common position now states that (art 28) SMEs will not be asked to maintain records of categories of personal data processing activities, unless the processing it carries out is likely to result in a high risk for the rights and freedoms of data subjects. Though ESBA supports this fair provision, the document is unclear as to whether SMEs that will not maintain these records are still expected to hire a (costly) Data Protection Officer. Though common sense would dictate that they should not have to do so, it is not made explicit in the Council position. The article (35) on the Data Protection Officer furthermore states that a Data Protection Officer may or where required by Union or Member States law shall designate a personal data protection officer.

ESBA OPINION

ESBA fears that leaving it up to the Member States to decide whether a Data Protection Officer is required defeats the purpose of having a Regulation and creates legal uncertainty for SMEs. It will also create fragmentation, which will hamper the development of the Digital Single Market. ESBA urges the European Institutions to use the ensuing trilogue negotiations to clarify the situation regarding the Data Protection Officer, requiring such an officer only in cases of high-risk data handling.

IN BRIEF

EU/Better Regulation: “We are all in this together” EU institutions must all agree to Better Regulation!

On 26 May 2015, the ECR's Legal Affairs Committee coordinator, Sajjad Karim (UK), and the ECR's Employment Committee coordinator, Anthea McIntyre (UK), came out in support of the European Commission's Better Regulation Package. According to Karim, many of the initiatives contained within the Better Regulation Package have been ECR Group priorities for years and therefore are a welcomed step in the right direction to minimising bureaucracy, streamlining existing EU legislation, and tackling the issue of red tape. However for the package to be a success, both the European Parliament and the Council must mirror the Commission's commitment to better regulation. Commission proposals rarely emerge from the legislative process intact: amendments are made by the Parliament and the Council. Therefore it is the responsibility of both the Parliament and the Council to adhere to and embrace the better regulation principles, as well as take full account of

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any direct and/or indirect impacts that their amendments may have. In light of this, the ECR is intending to play a constructive role in reaching an agreement on the Commission's recent proposal for an interinstitutional agreement, which is aimed at embedding the better regulation principles across the EU decision-making bodies.

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

EU/Digital: IMCO and ITRE fight over responsibility for the Digital Single Market Strategy

On 27 May 2015, the European Parliament's Industry, Research and Energy (ITRE) Committee Chair, Jerzy Buzek (EPP, PL), demanded responsibility over the Digital Single Market strategy. The strategy was officially assigned to the Internal Market and Consumer Protection (IMCO) Committee on 21 May, because its core competencies are in line with the strategy. ITRE argues that it deserves a greater role, because it has expertise in areas such as cybersecurity, data economy and fostering interoperability. The dossier is attractive because it could raise the status of a Committee if it handles it successfully, and it will give the Committee more meeting time with the European Commission. Because ITRE has raised this objection, the Conference of Committee Chairs will review the decision on 9 June. If they fail to reach an agreement, the decision will be referred to the Conference of Presidents.

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

EU/Taxation: Commission works towards a stronger corporate taxation system

On 27 May 2015, the College of Commissioners examined possible measures to improve the corporate taxation system to tackle tax evasion, create a more business friendly environment and to ensure sustainable revenues. During the orientation debate, the Commissioners expressed the need to establish a comprehensive approach to corporate taxation which takes the latest international developments into account. This new approach should help the taxation system to become more effective and more transparent. The results of the debate will feed into the June Action Plan, which will include measures to tackle tax avoidance, enhance tax transparency, and which will include a strategy to re-launch work on the Common Consolidated Corporate Tax Base.

To read more about the Common Consolidated Corporate Tax Base, please click [here](#).

EU/Company Law: Council agrees on proposal to facilitate cross-border activity for businesses

On 28 May 2015, the Competitiveness Council agreed on a position on the proposal for single-member private limited liability companies. The proposal is considered to be an example of the benefits of digitalisation in company law. It aims to facilitate cross-border activities of businesses, especially of SMEs, and the establishment of subsidiaries abroad. Furthermore, the proposed Directive will reduce the costs and administrative burden of setting up a company by an online registration system and a minimum capital requirement of €1. The provisions on the separation of a company's seat have been deleted from the original proposal and will be left to the Member States. The European Parliament is still drafting a position on the proposal. In the Committee for opinion, the Employment and Social Affairs Committee, a majority of the MEPs are ready to reject the Commission's proposal.

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

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EU/Trade: “Light at the end of the tunnel?” TTIP wins key panel vote

On 28 May 2015, after some fierce horse-trading between parliamentary groups, the European Parliament’s International Trade Committee gave its blessing to a resolution backing the EU-US free trade agreement, the Transatlantic Trade and Investment Partnership (TTIP). The Committee voted 28-13, with no abstentions, in favour of the non-binding resolution. All eyes were, however, focused on one particular amendment: amendment 50A, a compromise on the investor court, which settles to use the Investor State Dispute Settlement (ISDS) reform proposals recently presented by the Commissioner for Trade, Cecilia Malmstrom, as a basis for a permanent solution for resolving disputes between investors and states. The Committee also voted in favour of that amendment with 29-13 votes in favour. Therefore the resolution sails through to the parliamentary assembly, where all 751 MEPs will vote on the resolution during the next parliamentary session in Strasbourg on 9 June.

To read more about the Transatlantic Trade and Investment Partnership, please click [here](#).

EU/Investment: EU institutions one step closer to realising the Investment Plan for Europe

On 28 May 2015, the Latvian Presidency and the European Parliament concluded the trilogue meetings on the European Fund for Strategic Investments (EFSI). The provisional agreement establishes the EFSI within the European Investment Bank for an initial period of three years. The fund will be governed by a steering board and an investment committee and will support projects in a broad range of areas, such as transport, energy infrastructure and risk financing for SMEs. However, there will be no sectoral or regional earmarking. An important victory for the Parliament is the reduction of contributions from Horizon 2020 and the Connecting Europe Facility. Instead, the financing will rely more on unused margins within the budget. The co-legislators also agreed on the establishment of a European Investment Advisory Hub and a European Investment Project Portal to inform investors about investment projects.

To read more about the Investment Plan for Europe, please click [here](#).

EU/Economy: Potential of the DSM threatened by barriers to free movement of goods

On 1 June 2015, the European Express Association (EEA) expressed its disappointment regarding the many impediments that continue to affect the free movement of goods across the EU, especially cross-border deliveries. This threatens the success of the Digital Single Market (DSM), and more specifically the growth of e-commerce. The lack of a single market for delivery in the EU is caused by the 28 different regulatory frameworks, which force express carriers to adjust their operations to the rules of each Member State. This creates disorganisations, inefficiency and higher costs. The EEA calls for a reliable common regulatory framework to realise efficient transportation of goods across the EU.

To read more about the EU free movement of goods, please click [here](#).

EU/Data: “To be, or not to be: that is the question” Will data protection ever be reformed?

On 2 June 2015, European Data Protection Supervisor Giovanni Buttarelli warned that there is little room for compromise on data protection. In less than one month’s time, the European Commission, European Parliament and Council are expected to discuss a legislative package on data protection. The current data protection legislation comes from a directive passed in 1995 and therefore an updated package is on the agenda. This new package is designed to respond to a wide range of data protection issues and will include measures to safeguard privacy and will seek to set the terms in which companies can use and store an individual’s data. There are significant concerns amongst some Member States about the ‘one stop shop’ mechanism of the directive, but Buttarelli has

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warned against giving “too much space for adjustment” and “against clarifications that can simply reintroduce through the main door what we are throwing out through the window.” It therefore remains to be seen whether the passage of the updated data protection legislation will be successful.

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

EU/Trade: “Punch and Judy Politics at its finest” EP debate and vote on TTIP recommendations postponed

On 9 June 2015, the European Parliament’s President, Martin Schulz (S&D, DE), decided to postpone the plenary vote on the European Parliament’s recommendations to the negotiators of the Transatlantic Trade and Investment Partnership (TTIP), scheduled for the following day. In line with Rule 175 of the EP Rules of Procedure, Schulz decided to refer the 116 amendments tabled to the report back to the INTA Committee for consideration and a vote on whether they are to be put to a plenary vote. MEPs say this decision reflects the shortcomings of the “Grand Coalition” between the centre-right EPP and the centre-left S&D groups in the Parliament. Despite the earlier compromise between the two groups in the INTA Committee on the recommendations, the S&D decided to adopt its original position and take the controversial ISDS out of the agreement. As a result, the vote was postponed. In response, on the 10 June, the EPP succeeded in calling off the debate as well and the Parliament decided by 183 votes in favour, 181 against, and 37 abstentions to postpone the debate on the basis of article 152. Therefore it appears that the horse-trading, and “Punch and Judy politics”, between the two parliamentary groups making up the Grand Coalition is far from over.

To read more about the Transatlantic Trade and Investment Partnership, please click [here](#).

EU/Better Regulation: Conference of Presidents shows its commitment to better regulation

On 11 June 2015, the European Parliament’s political group leaders unanimously supported President Martin Schulz’s (S&D, DE) plan to propose to start the negotiations on the interinstitutional agreement on better regulation in the light of the 25 and 26 June European Council meeting. The interinstitutional agreement will be signed by the Commission, the Parliament and the Council to demonstrate their commitment to reducing unnecessary regulatory burdens in the EU. The leader of the ALDE Group, Guy Verhofstadt (ALDE, BE), will participate in the negotiations with the other two institutions on behalf of the Parliament. Verhofstadt will be supported by a mandate from the Conference of Presidents, which will include contributions from the Legal Affairs and Constitutional Affairs Committees.

To read more about Better Regulation and the agreement, please click [here](#).

PUBLICATIONS

CER: How will the Eurozone cope with the next downturn?

On 27 May 2015, the Centre for European Reform (CER) published a policy brief which analyses the current European economic situation and in particular the slow, but positive, start of economic recovery in the Eurozone. The author warns for a potential future downturn and the lack of effective European capacity to deal with it.

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

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CEPS: Last chance for Europe in the digital saloon?

On 29 May 2015, the Centre for European Policy Studies (CEPS) published a commentary on the development of the digital economy in Europe. The author conducts a thorough analysis of the possible effects of a connected Digital Single Market on the Member States and determines whether the proposed strategy will be enough to save the European Digital Single Market.

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

CEPS: Building a Capital Markets Union... or designing a financial system for the euro area?

On 2 June 2015, the Centre for European Policy Studies (CEPS) published a commentary on the Capital Markets Union. The authors warn for the consequences of applying one monetary policy to 28 Member States with greatly varying financial practices and structures. Instead, the financial integration of the Member States in the Economic and Monetary Union should have the priority.

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

CEPS: This time it's different: Turbo-charging regulatory cooperation in TTIP

On 4 June 2015, the Centre for European Policy Studies (CEPS) published a paper on regulatory cooperation in the Transatlantic Trade and Investment Partnership (TTIP). The paper demonstrates that concerns about regulatory cooperation will be reduced by political and legal limits on cooperation. It also clarifies the US' and EU's approaches and degrees of ambition in this area.

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

CONSULTATIONS

Public consultation on remedies in the field of public procurement

DEADLINE: 20/07/2015

The aim of this consultation is evaluating the effectiveness of the Directive 2007/66/EC on remedies in the field of public procurement. The latter puts in place provisions improving the quality and reducing the time needed for reviews of decisions taken by contracting authorities or contracting entities, in particular when these have infringed EU public procurement law.

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

Public consultation on cross-border parcel delivery

DEADLINE: 29/07/2015

The aim of this consultation is to consult all interested parties on the main issues and possible areas of improvement for cross-border delivery services when sending packets and parcels across the EU.

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

Public consultation on contract rules for online purchases of digital content and tangible goods

DEADLINE: 03/09/2015

The aim of this consultation is to collect interested parties' views on the possible ways forward to remove contract law obstacles related to the online purchases of digital content and tangible goods. It does not aim at addressing copyrights related issues as this will be subject to a separate course of action.

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

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COMING-UP

EU Institutions: important dates

15 June 2015 - Environment Council
15-16 June 2015 - Justice and Home Affairs Council
15-17 June 2015 - European Parliament Committee Meetings
16 June 2015 - Agriculture and Fisheries Council
17 June 2015 - The Commission adopts its Action Plan on Corporate Taxation
17 June 2015 - Coreper I and II
18 June 2015 - Eurogroup
18 June 2015 - Coreper II
18-19 June 2015 - Employment, Social Policy, Health and Consumer Affairs
19 June 2015 - Economic and Financial Affairs Council
22 June 2015 - Foreign Affairs Council
22-23 June 2015 - European Parliament Committee Meetings
23 June 2015 - General Affairs Council
24 June 2015 - Coreper I
24 June 2015 - European Parliament Plenary Session
25 June 2015 - European Parliament Committee Meetings
25-26 June 2015 - European Council

Other SME-related events

What Digital Union?

15/06/2015

Warsaw, Poland

Bruegel, in cooperation with the Ministry of Foreign Affairs of Poland, organises a conference on the digital economy during which the macroeconomic features of the digital revolution will be debated. Officials and experts will also formulate a policy response to the digital revolution and discuss a strategy for a coherent Digital Single Market.

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

Access to Finance for Research, Innovation and SMEs 2015

15-17/06/2015

Riga, Latvia

The Latvian Presidency of the Council and the European Commission organise an innovative enterprise week in Riga. High level policy-makers, financial intermediaries and representatives of the research, innovation and business communities will come together to discuss the EU investment policy and EU support for business development and innovation.

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

Towards a Capital Markets Union - Striking the balance between economic growth and financial stability

16/06/2015

Brussels, Belgium

Friends of Europe hosts a debate on the Capital Markets Union with Commissioner Jonathan Hill. The speakers will discuss the challenges the EU faces in its attempt to strike a balance between economic growth and financial stability. Furthermore, they will discuss how the Capital Markets Union can generate growth and enable access for businesses to capital markets across the EU.

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

Digital Single Market Strategy: a new start

16/06/2015

Riga, Latvia

The European Economic and Social Committee (EESC), in cooperation with the Latvian Information and Communications Technology Association and Chamber of Commerce and Industry, organises a conference on the Digital Single Market Strategy. Speakers will identify possible future actions in the context of the Digital Agenda, with special attention to e-society and e-skills.

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

Strengthening Data Protection Standards in Europe: Towards a harmonized European digital market

18/06/2015

Brussels, Belgium

Public Policy Exchange hosts a debate on data protection standards and the digital economy. Speakers will discuss the imminent data protection reform and how Member States and businesses can prepare for its consequences. Furthermore, they will consider the right balance between citizens' privacy needs and growth of Europe's digital economy.

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

The Impact of the Digital Single Market on E-Commerce: what are the trickle down effects for corporations and consumers?

23/06/2015

Brussels, Belgium

PubAffairs Bruxelles organises a debate on the Digital Single Market Strategy. Speakers will discuss e-commerce reform and the potential impact of the new strategy on e-commerce. Furthermore, they will discuss how these reforms will affect corporations and consumers in the digital single market.

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

Making the EU services market an engine for growth

02/07/2015

Brussels, Belgium

The European Commission, in cooperation with the Bertelsmann Stiftung, organises a conference on the Internal Market Strategy for Services. The Commission aims to bring together stakeholders that wish to contribute to shaping European policy on services. Speakers will discuss the opportunities and challenges of services as part of the internal market.

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