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## **HEADLINES**

## EU / Product Policy: MEP plans to extend Eco-Design standards for all products

In July 2008, the European Commission presented a proposal for an amendment of the Ecodesign Directive for Energy Using Products. The proposal is one of the elements of the Action Plan on Sustainable Consumption and Production. In its current form, the new proposal aims to extend the scope of the current Ecodesign Directive (adopted in 2005) from energy-using products to energy-related products.

On 21 January, Romanian MEP Magor Imre Csibi, will present to the Parliament's Environment Committee a report, containing plans to extend the scope of the Eco-Design standards even further, to encompass *all* goods, arguing that the Commission's own impact assessment supports this idea. The European Parliament's Industry Committee, generally sympathetic to commercial arguments, seems to be in support of extending the Directive's scope, albeit not before 2012. The EP Environment Committee will vote on the report in February of this year, followed by a vote in plenary in April.

### **ESBA OPINION**

ESBA supports the Commission's proposal in its current form, as long as the minimum requirements take into account the specificities of the small business sector. Furthermore, ESBA feels that an amendment of this magnitude should be accompanied by a thorough impact assessment. Most importantly, the Directive should not bring any additional administrative burdens for SMEs.

## EU / Employment: European Parliament restricts working time to 48 hours in the EU

On 17 December 2008, the European Parliament voted in favor of eliminating the opt outs to the Working Time Directive. By doing so, it imposes a maximum working week of 48 hours throughout the EU. The Parliament's vote, cast in second reading by a considerable majority in favor, puts the EP in direct collision course with the Council, dragging the matter into conciliation procedure. Particularly in light of the 2009 European elections this means that the long standing debate over the Working Time Directive will not be coming to an end very soon.

Perhaps the most striking feature of the Parliament's stance is that it requires inactive and on-call time to be counted as working time.

### **ESBA OPINION**

ESBA expresses serious concern about the European Parliament's decision to prevent people from working the hours they choose and describes the Directive as a further restriction on how businesses run. Particularly in light of the current economic crisis, ESBA believes it is important for the labour market to retain its flexibility and for small businesses to be able to work as hard as they need to put the economy back on track. Putting in place prohibitions to the number of hours employers will not lead to these ends.

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Removing the opt-outs from the working time directive constitutes a serious blow to small businesses, which are at the forefront responding to the current crisis. The opt-out is a sensible way of allowing decisions about working patterns to be made nationally, and currently 14 countries use the opt-out allowing employees and employers make the decision which is right for them on working hours and working culture.

To read more about the Working Time Directive, please click here

## **EU / Presidency: SME priorities of the Czech Presidency**

On 1 January 2009, the Czech Republic took over the Presidency of the Council of the European Union for a term of six months, following France and preceding Sweden. The three countries, the so-called 'Presidency Trio', have agreed to work closely on finalising certain key issues. The Czech Presidency has set itself three key priorities: Economy, Energy and Europe in the world (The three E's).

With regards to Economy, the first 'E', the primary task the Czech Presidency has set for itself is 'to prevent any further deepening of the crisis and to revive the economic growth of the EU economies'. The Czech Presidency acknowledges the fact that SMEs form the backbone of the European economy. Specific measures arising from the 'Small Business Act' end their manifestation in the Lisbon Strategy have high priority.

Emphasis is put on the 'Think Small First' principle and regulatory simplification. Special focus will be on the reduction of administrative burdens, as well as improved access for SMEs to EU programmes. Furthermore, the Presidency has set itself the goal to promote the 'only once' principle, aiming at the reduction of obligations for SMEs in the area of statistical findings. Other key issues will be the revision of the 'Late Payment Directive', and active involvement of the Czech Presidency in the first 'European SME Week'. At the end of its term, the Presidency will look back at the goals achieved through the Small Business Act, in the form of a conference which will include the *European Enterprise Awards* ceremony.

To read more about the Czech Presidency, please visit: http://www.eu2009.cz/en/

## **PUBLICATIONS**

#### **European Commission: European Competitiveness Report 2008**

The 2008 European Commission Competitiveness Report 2008 analysing different factors that may have an impact on competitiveness, shows a continued improvement of the European economy in terms of productivity and standards of living vis-à-vis the United States. According to the report, a well-developed Internal Market also plays an important role as it enables Europe to take the lead in setting benchmarks. Productivity differences within the EU are decreasing, new Member States are catching up and some of the richest EU Members States actually come out with much better results than the US.

To download this publication, please click here (full report)

### **EUROSTAT: "Quarterly Panorama of European Business Statistics"**

The 'Quarterly Panorama of European Business Statistics' is a tool which enables its readers to follow the evolution of short-term economic trends in industrial, construction, trade and other service sectors. Among the key indicators for service sectors are a set of Principal European Economic

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Indicators which play an important role when it comes to reviewing the monetary policy in the euro area by the European Central Bank. This 'tool' evaluates such figures as an index of production for total industry, number of total new orders received for manufacturing industries working on orders and so on.

To download this publication, please click here

# Knowledge Web on SMEs and Entrepreneurship: "Open innovation in SMEs: Trends, motives and challenges"

The report "Open innovation in SMEs: Trends, motives and challenges", presents the results of a survey among 605 Dutch innovating SMEs. According to the report, SMEs are increasingly adapting innovation practices. SMEs pursue an open innovation strategy in order to realise market-related objectives such as meeting customer demands, or keeping up with competitors. Furthermore, the results point to organisational and cultural differences as the main reason for reduced cooperation with other partners. Other barriers to innovation practices are caused by red tape, lack of financing and knowledge transfer problems.

To download this publication, please click <a href="here">here</a>

## OECD: Making life easy for citizens and businesses in Portugal

As a result of an ambitious initiative passed in Portugal one can register a company in the time space of an hour which consequently makes the public sector much more efficient and effective. The *Simplex* initiative aims at making life easier for citizens as well as for businesses. It focuses on how egovernment can be used as means for broader administrative simplification, making service delivery more coherent and efficient.

To download this publication, please click here

### **CONSULTATIONS**

## **ONGOING:**

## **Online consultation on Administrative Burdens Reduction**

Ongoing

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 the online consultation, please click <a href="here">here</a>

## **COMING UP**

## **EU Institutions: Important dates**

20 January 2009 Meeting of EU Finance Ministers

20 January 2009 Economic and Financial Affairs Council (ECOFIN)

22 January 2009 Informal Meeting of Ministers for Employment and Social Affairs

02 February 2009 EP Plenary Session

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## **Other SME related events**

20 January 2008 High Level Group (HLG) on Administrative Burdens