



HEADLINES

EU / VAT: Reduced VAT rates for labour-intensive services

On 19 February, the European Parliament adopted a report on the extension of reduced VAT-rates for labour intensive services. Particularly in light of the current economic crisis, the measure was supported by majority of MEPs. The Commission proposal enables Member States to permanently apply reduced VAT rates at local level to several labour-intensive services. Five amendments have been reintroduced, enabling the application of reduced VAT in additional sectors such as agricultural services and children's clothing. The final decision on this matter lies with the Council of ministers at unanimity of votes.

ESBA OPINION

ESBA supports the extension of reduce VAT rates as a good step towards the normalisation of the currently distorted tax regime. In light of the current economic turmoil, ESBA calls on Member States to pull together on this very important issue. Small, local enterprises play an important role in getting the EU economy back on track. ESBA believes that the proposed extension would have a major impact on the SME sector, enabling local businesses to improve their economic performance significantly. ESBA therefore urges the Council to vote swiftly and positively on this matter.

EU / Better Regulation: Admin burden reduction in accounting requirements for micro businesses

On 26 February, the European Commission adopted a proposal on the reduction of accounting requirements for micro businesses. Micro enterprises are defined as enterprises which employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed 1 million Euro. Although these entities operate mostly at local or regional level and rarely engage in cross-border activity, they are subjected to the same regulations concerning reporting as larger companies. Following an opinion of the High Level Group of Independent Stakeholders on Administrative Burdens, the European Commission has adopted a proposal enabling Member States to exempt micro enterprises from EU harmonised accounting rules. The measure is in line with the Commission's Economic Recovery Plan and the Better Regulation Strategy. Internal Market Commissioner Charlie McCreevy urges the European Parliament and the Council, which are now to discuss the proposal, to adopt it rapidly.

ESBA OPINION

ESBA welcomes the Commission's proposal which aims at providing Member States with the option of exempting micro enterprises from accounting requirements. ESBA stresses the importance of the voluntary basis of the measure, enabling micro businesses to choose for compliance with the accounting regulations where needed. The proposal is in line with the Commission's Action Plan to reduce administrative burdens in the EU by 25% in 2012. In light of the financial and economic turmoil, it is important to provide full support for micro enterprises which form the bloodstream of European economy.

To read more about the reduction of administrative burdens for micro businesses, please click [here](#)

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PUBLICATIONS

European Commission: “New handbook on State Aid for SMEs”

The “New Handbook on State Aid for SMEs”, published by the European Commission, offers an explanation of state aid in the context of European Community law and discusses its relevance for SMEs. It provides an outline of the conditions for granting financial support to SMEs, and covers topics such as risk capital, state aid guarantees, and the type of the aid measures available to help EU SMEs flourish. The publication also lists available state aid measures, as well as their maximum funding levels.

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

OECD: “Science, Technology and Industry Outlook 2008”

The OECD publication addresses key trends in science, technology and industry in the OECD countries as well as non-member countries such as Russia, Brazil, Chile and South Africa. It examines topics which are high on the agenda of policy makers in the areas of science and innovation. This volume provides a profile of the science and innovation performance of each individual country in relation to its national context and current policy challenges.

To read more about this publication, please click [here](#)

OECD: “Sustainable Development – Linking economy, society, environment”

The OECD publication investigates closely various aspects of sustainable development. It includes certain data and research carried out by the OECD looking at climate change, corporate social responsibility and working together with developing countries.

To read more about 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 [here](#)

COMING UP

EU Institutions: Important dates

05-06 March 2009	Competitiveness Council
09-12 March 2009	EP Plenary Session, Strasbourg
10 March 2009	Economic and Financial Affairs Council (ECOFIN)
19-20 March 2009	European Council, Brussels

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23-26 March 2009 EP Plenary Session, Strasbourg

Other SME related events

- 03 March 2009 Conference on creativity and innovation; organised by the European Commission; taking place in Brussels; for more information, please go to: http://ec.europa.eu/dgs/education_culture/valorisation/conferences_en.html
- 04-05 March 2009 High Level Group (HLG) of Independent Stakeholders on Administrative Burdens; taking place in Brussels
- 06 March 2009 European Conference on Social Enterprises organised by the European Commission; taking place in Brussels, Conference Centre, Albert Borschette; for more information please visit: http://ec.europa.eu/enterprise/newsroom/cf/itemshortdetail.cfm?item_id=2323
- 10 March 2009 EU Finance Day for SMEs; organised by the European Commission taking place in Vienna; the aim is to inform about the EU financial instruments available for SMEs and to raise awareness about different sources of finance; for more information, please go to: <http://www.sme-finance-day.eu/>
- 17 March 2009 High Level Conference “Industrial Competitiveness – Challenges, opportunities, and the role of policy in difficult times”; organised by the European Commission; taking place in Brussels; for more information, please go to: http://ec.europa.eu/enterprise/enterprise_policy/industry/industrial_competitiveness_conference.htm