



HEADLINES

ESBA / Annual Exhibition and Event: “European SMEs Team-Up against Red Tape”

To mark its 10th Anniversary, ESBA is holding an exciting exhibition and event to coincide with the beginning of the Euro 2008 football Championships. The goal is to support the European Commission's efforts to reduce admin burdens on businesses by 25% in 2012.

The exhibition and event, which will bring together policy-makers, the SME community and media, will present and discuss real life case studies describing red tape and its impact on entrepreneurs. Given that SMEs represent 99.8% of all enterprises, new recommendations on how and why the EU & its Member States should 'Think Small First' will be formulated. The exhibition will run from 9 to 12 June on Place du Luxembourg and the Event will take place at the Representation of the Free State of Bavaria to the EU in Brussels on 12 June 2008.

On 17 April, meanwhile, one month after presenting eleven new Fast Track Actions (FTAs) to reduce admin burdens to the European Council, the European Commission has approved proposals for four of these measures, which aim to abolish requirements in company law.

ESBA OPINION

ESBA backs the ambitious 25% reduction target and welcomes the results achieved. Research carried out by the UK FSB, an ESBA Member, shows that SMEs spend on average over 7 hours each week filling in forms – cutting red tape could boost the EU's economy by €150 billion. The emphasis in on stakeholder involvement is important. ESBA therefore urges small businesses to take part in the Commission's online consultation, which invites entrepreneurs to identify unnecessary red tape (see below).

To view the Save the Date Invitation to ESBA's Exhibition and Event, please go to: C6214/Coaching/ESBA_Annual_Event/2008.aspx

IN BRIEF

EU / Standards: EC proposal seeks to boost innovation and improve SMEs' access

The European Commission has published a new Communication entitled 'Towards an increased contribution from standardisation to innovation in Europe'. In order to adapt to increased global competition in the field, it identifies sustainable industrial policy, the lead market initiative, public procurement and ICT take-up as areas in which standardisation can make an important contribution to boosting European innovation and competitiveness. In addition, the Communication seeks to promote the voluntary use of standards by end-users, to better utilise EU's knowledge-based economy in their development, and to improve access to standardisation for all stakeholders, in particular SMEs.

ESBA OPINION

ESBA welcomes the Communication. SMEs should have better access the European Standardisation Organisations and the right to vote in its committees. Standards do, however, present an

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administrative challenge to SMEs - despite their voluntary nature, market forces often render them obligatory and limited resources are a barrier to implementation. ESBA therefore considers that certification should be affordable and duplication avoided - impact assessments would also ensure application of the 'Think Small First' Principle.

To read more about Standardisation, please go to:
http://ec.europa.eu/enterprise/standards_policy/index_en.htm

EU / Tax: New VAT Initiatives announced – Reduced Rates, 'Green' Goods and Fraud.

The European Commission has launched a consultation on the review of the legal framework on VAT reduced rates. Despite simple basic rules (Member States can apply a standard rate, two reduced rates to certain goods and services and a reduced rate to labour intensive industries), derogations have created a complex situation across the EU. A Franco-British proposal, backed by the Spring Council, to cut VAT on certain environmentally friendly goods will, however, not feature in the resulting legislative proposal to be presented in 2008. Meanwhile, the Commissioner responsible for Taxation, László Kovács, announced on 17 March new measures to combat VAT carousel fraud.

ESBA OPINION

ESBA supports the review of VAT reduced rates. As a large majority of SMEs serve local markets, Member States should be allowed more flexibility to adopt their own rates, in particular concerning locally supplied services, without prejudice to the Single Market. ESBA also considers that VAT on 'green' goods could be cut to promote their production and consumption. Following a recent meeting with DG TAXUD, ESBA is currently gathering case studies from its members to submit as part of its response to the consultation (see below).

To read more about VAT rates, please go to:
http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/rates/index_en.htm

EU / Environment: IPCC Chair urges Europe to lead on Climate Change in MEP speech

On 25 March, Dr. Rajendra K. Pachauri, Chair of the United Nation's Intergovernmental Panel on Climate Change (IPCC) delivered a stark message during a speech on global warming and security to the European Parliament's temporary committee, declaring: 'We sink or swim together'. Dr. Pachauri, who in June 2007 gave a special video update for ESBA's 10th Annual Small Business Event on the 4th IPCC Assessment Report, has since won the Nobel Peace Prize for his efforts to raise awareness of the issue. In his address to MEPs, Dr. Pachauri argued that 'Europe can lead by example' in mitigating climate change and the associated threat it poses to global peace and stability.

ESBA OPINION

ESBA backs Dr. Pachauri's intervention and, during 2007, identified both challenges *and* opportunities for SMEs arising from the EU Institutions Climate Change and Energy Proposals. ESBA supports the establishment of a Green Hydrogen Economy and a Third Industrial Revolution. It foresees a post-fossil fuel, decentralised energy model based on renewable energy sources and would facilitate the full participation of 'demand side' actors, including SMEs, in the provision of energy solutions - with significant environmental benefits.

To read more about Dr. Pachauri and the IPCC, please go to: <http://www.ipcc.ch/>

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PUBLICATIONS

European Environment Agency: "Time for action - towards sustainable consumption and production in Europe"

The report 'Time for action – towards sustainable consumption and production in Europe', a joint initiative of the European Environment Agency (EEA), the Slovenian Ministry of the Environment and Spatial Planning and the UNEP/Wuppertal Institute Collaborating Centre on Sustainable Consumption and Production (CSCP), lists a number of recommendations to step up efforts towards a sustainable consumption and production policy. To reach sustainable consumption and production in Europe, the report identifies key priority recommendations for decision-makers at national, supranational and global level.

To download a summary of this publication, please go to:
<http://www.eea.europa.eu/highlights/time-to-step-up-efforts-towards-sustainable-consumption-and-production-says-a-new-report>

Centre for European Reform: "The Lisbon scorecard VIII: Is Europe ready for an economic storm?"

The pamphlet 'The Lisbon scorecard VIII: Is Europe ready for an economic storm?', published by the Centre for European Reform (CER), discusses the current economic performance of the European Union and outlines recommendations how to reach the Lisbon targets. The Lisbon Scorecard VIII shows how much EU member-states still have to do to encourage innovation, bring people into the workforce, cut greenhouse gases and meet their many other Lisbon targets. It singles out those countries that have made the fastest progress towards boosting employment, encouraging innovation and opening up markets.

To download a free PDF version of the publication, please go to:
http://www.cer.org.uk/publications_new/index_recent_publications.html

International Bureau of Fiscal Documentation: "A Guide to the European VAT Directives, 2008"

The publication "A Guide to the European VAT Directives, 2008," produced by the International Bureau of Fiscal Documentation, provides a comprehensive overview of the most essential parts of VAT Directives in Europe. The first volume provides an introduction to European VAT by focusing on the implications of the Community legal principles on indirect tax matters and of the Community VAT rules in force, and a discussion of the case-law of the European Court of Justice in indirect tax matters, especially VAT. The second discusses the integrated texts of the Recast VAT Directive and the former Sixth VAT Directive.

To read an excerpt of the publication, please go to:
http://www.ibfd.org/portal/Product_evdbook.html?WT.mc_id=Newsletter

Eurostat: "Enterprises by size class - overview of SMEs in the EU"

This new Eurostat publication reveals that, in 2005, there were 19.6 million small and medium-sized enterprises (SMEs) in the EU, accounting for 99.8% of all EU businesses. Their impact in terms of employment and added value varies substantially between economic sectors, across countries and between the component size class brackets. 'Enterprises by size class – overview of SMEs in the EU' provides a statistical overview of SMEs in the EU, with special focus on micro, small, and medium-sized enterprises.

To download the publication, please go to:
http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1073,46587259&_dad=portal&_schema=PORTAL&p_product_code=KS-SF-08-031

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CONSULTATIONS

NEW:

Public consultation on VAT reduced rates

Closes 12 May 2008

The European Commission has launched a public consultation on Review of existing legislation on VAT reduced rates (see above). The consultation poses a number of specific questions and seeks feedback from the public and businesses on the way forward. Following a first, limited legislative proposal, the Review will lead to a more comprehensive revision of the framework for reduced rates, which should be more transparent and simpler and reduce administrative and financial costs.

To access the online consultation, please go to: http://ec.europa.eu/taxation_customs/common/consultations/tax/article_4850_en.htm

Online consultation on Diversity in the Workplace

Closes 16 May 2008

The European Commission has launched a new research project to promote the 'Business Case for Diversity' in Europe. It aims to encourage the exchange of good practices and promote the development of diversity policies and activities by businesses, employers, and business schools. In this context, a new online consultation, managed by Focus Consultancy Ltd, seeks to understand how SMEs address a range of diversity issues. Responses will provide input for a compendium report, which will be published and launched at a European Conference on Workplace Diversity at the end of 2008.

To access the online consultation, please go to: <http://www.eim.nl/diversity/>

ONGOING:

Online consultation on Administrative Burdens Reduction

Closes 21 September 2008

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 go to: A5B5B/EU_Intelligence/Test_an_SME_Tool_.aspx

COMING UP

EU Institutions: Important dates

5-8 May 2008 Committees in the EP; Brussels

Other SME related events

6 May 2008 Working Breakfast on "Late Payment: Kiss of Death for SMEs"; organised by SME UNION, Intrum Justitia and SME Circle; taking place in Brussels; for more information, please go to: <http://www.sme-union.org/event/index.php?lan=en&id=85>

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13 May 2008 High Level Conference on Counterfeiting; organised by the European Commission together with MEPS; taking place in Brussels; for more information, please contact: MARKT-IPRENFORCEMENT@ec.europa.eu

15 May 2008 Working Breakfast on "Towards a New Community Patent: a View from SMEs"; organised by SME UNION and the German Engineering Federation (VDMA); taking place in Brussels; for more information, please go to: <http://www.sme-union.org/event/index.php?lan=en&id=86>

3-4 June 2008 Conference on the European Charter for Small Businesses; organised by the European Commission and the Slovenian Presidency; taking place in Bled, for more information, please go to: http://ec.europa.eu/enterprise/enterprise_policy/charter/conf2008/

3-4 June 2008 Forum 2008 on "Climate Change, Growth, Stability. The price of reform and the cost of inaction"; organised by the OECD; taking place Paris; for more information, please go to: http://www.oecd.org/site/0,3407,en_21571361_39644413_1_1_1_1_1,00.html

5-6 June 2008 Conference on "Recent Developments in Private International Law and Business Law"; organized by the Academy of European Law (ERA); taking place in Trier; for more information, please go to: http://www.era.int/web/en/html/nodes_main/4_2127_474/conferences_0000_Date/5_1796_5497.htm

11-12 June 2008 Employment Week (15th Annual Conference and Exhibition); organised by Employment Week Advisory Panel; taking place in Brussels; for more information, please go to: <http://www.employmentweek.com/index.asp?page=34&language=fr&eventid=1>

22-25 June 2008 53rd World Conference; organised by the International Council for Small Business; taking place in Halifax, Nova Scotia; Canada; for more information, please go to: <http://www.icsb2008.org/welcome.html>

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