



HEADLINES

EU / SBA: Brown and Sarkozy offer support as consultation results are published

On 22 April, the European Commission published the results of its consultation on the Small Business Act for Europe (SBA). This was followed by the publication, on 30 April, of a joint letter by Prime Minister Brown and President Sarkozy urging the EU to do more to support small businesses.

From over 500 contributions received, the Commission reported that the consultation had revealed administrative burdens to be the most important problem faced by European SMEs. Respondents also commented on putting SMEs at the forefront of society, facilitating SMEs access to markets, finance and innovation, turning the environmental challenge into opportunities and enhancing the implementation of SME policy principles. In their letter, Prime Minister Brown and President Sarkozy announced their backing for the SBA and called, in particular, on the EU to boost SMEs' access to finance.

The SBA will combine a mix of general principles and concrete measures to be taken both by the EU and its Member States. The proposal is scheduled to be published in early July, with formal adoption expected under the French Presidency in December 2008.

ESBA OPINION

ESBA supports the Commission's proposal for a SBA for Europe. In its response to the consultation, ESBA too argued that the accumulation of red tape is a significant barrier to SMEs' growth. ESBA is therefore organising an Exhibition from 9 to 12 June on Place du Luxembourg and an Event, which will take place at the Bavarian Representation to the EU in Brussels on 12 June, entitled "European SMEs Team-Up against Red Tape". In the context of PM Brown and President Sarkozy's intervention, ESBA considers that the 'retention of profits' is an underutilised form of financing - fiscal incentives for entrepreneurs to reinvest their profits should be encouraged.

To read the report on the results of the consultation, please go to: http://ec.europa.eu/enterprise/entrepreneurship/docs/sba_consultation_report_final.pdf

IN BRIEF

EU / Energy: More protection for consumers urged by the European Parliament

On 6 May, the European Parliament's Industry Committee voted in favour of stronger consumer protection measures to be added to the third energy package. The proposal foresees improved access to information for energy consumers. At the same time, it offers consumers the right to withdraw, without penalty, from contracts with electricity providers and to obtain compensation for poor service quality. The European Commission also set in motion the creation of a European Energy Consumer Checklist, to compile information in an online database about local and regional energy markets, and a new Citizen's Energy Forum, to act as a platform for debating consumer protection issues between various stakeholders.

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ESBA OPINION

ESBA backs the Industry Committee's vote. Small businesses, in all sectors, act as both suppliers and consumers of goods and services - ESBA therefore reminds policy makers of the importance of recognising this dual function in new initiatives. ESBA also supports the full participation of 'demand side' actors, including SMEs, in the provision of future local and regional energy solutions, through the realisation of a Green Hydrogen Economy and a Third Industrial Revolution in Europe.

To read more about the third energy package, please go to:
http://ec.europa.eu/energy/electricity/package_2007/index_en.htm

EU / EIT: Bid to host the European Institute of Technology nears conclusion

On 6 May, a debate took place in the Parliament to allow the representatives of the committees bidding to host the European Institute of Technology (EIT) to make the case for their country's candidacy. MEPs and stakeholders from Hungary, Poland, Austria / Slovakia, Spain and Germany are in the last phase of the discussion on the location of the Headquarters and the seat of its Governing Board. The decision is expected to be made by the Competitiveness Council on 29-30 May. The Governing Board is scheduled to convene this autumn and launch its first operations by the end of 2009. The public consultation for the selection of the Governing Board closed at the end of April with 180 applications for 18 seats.

ESBA OPINION

ESBA appreciates the progress in the process of the creation of the EIT. It is intended to contribute to the Lisbon Goals of increasing growth and jobs by linking research, education and innovation. Close cooperation with the SME community in the EIT's establishment will be key to bridge the innovation gap between the EU and its major competitors. ESBA considers that SMEs should be represented in the EIT's Governing Board and be a focus of its Knowledge and Innovation Communities (KICs).

To read more about the EIT, please go to:
http://ec.europa.eu/education/policies/educ/eit/index_en.html

EU / VAT: Consultation closes - ESBA and EURMIG call for boost to tourism industry

On 12 May, the European Commission's consultation on the review of the legal framework on VAT reduced rates closed. Despite simple 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. The consultation therefore posed a number of specific questions, including the possibility of including local services in the framework, and sought feedback on the way forward. Following a first legislative proposal in 2008, a more comprehensive revision of VAT reduced rates will take place, which should make the framework more transparent and reduce administrative costs for businesses.

ESBA OPINION

ESBA welcomes the review. In a joint consultation response with the European Union Recreational Marine Industry Group, 98% of whose members are SMEs, ESBA called on the Commission to boost the tourism industry by retaining hotel accommodation and the international passengers transport within the scope of reduced rates and adding the repair and maintenance of movable property, the restoration and maintenance of historical monument, and education to the list. ESBA also considers that VAT on 'green' goods could be cut to promote their production and consumption.

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

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PUBLICATIONS

Eurostat: "Key figures on European business"

The pocketbook "Key figures on European businesses" summarises the main features of European businesses in a concise and simple manner. The publication consists of fourteen chapters and focuses on particular aspects of the European business economy. Amongst others, it provides an analysis of the structure of business sectors, discusses the importance of foreign controlled enterprises and gives an insight into the issues that determine the success and growth of newly born enterprises.

To download a free PDF version of the publication, please go to: http://epp.eurostat.ec.europa.eu/portal/page?_pageid=2293,59872848,2293_68195678&_dad=portal&_schema=PORTAL#EPCKT

IBFD: "EU VAT Compass 2008"

The "EU VAT Compass 2008" provides key reference material for all those actively working or interested in VAT. The book consists of three parts, each comprising a element of the European legislation. These include: the provisions of the new Community VAT Directive, the interpretation of the Community VAT legislation and the case law of the European Court of Justice. The book concludes with an overview of the options laid down by the VAT Directive that have been taken up by the all 27 Member States.

To purchase the publication, please go to: http://www.ibfd.org/portal/Product_European_VAT_SixthDirective.html?WT.mc_id=NewsletterMarch

OECD: "Removing Barriers to SME Access to International Markets "

Although SMEs are a major source of growth and job creation, SMEs appear to be under-represented in the international economy relative to their contribution in national and local economies. Two original OECD-APEC surveys investigated how SME policy makers and SMEs perceive the barriers to SME access to international markets. This publication presents a report on the results of the surveys and the main outcome of the conference: the Athens Action Plan for Removing Barriers to SME Access to International Markets.

To purchase the publication, please go to: <http://www.oecdbookshop.org/oecd/display.asp?sf1=identifiers&st1=852008021P1>

CONSULTATIONS

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

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COMING UP

EU Institutions: Important dates

19-12 May 2008 Plenary in the European Parliament; Strasbourg

Other SME related events

28 May 2008 Working breakfast on "SMEs & the Innovative Medicines Initiative"; organised by SME UNION and the European Association for Bioindustries; taking place in Brussels; for more information, please go to: <http://www.sme-union.org/event/index.php?lan=en&id=87>

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

9-12 June 2008 Exhibition (9-12) and Event (12) on "European SMEs TEAM UP against Red Tape"; organised by ESBA; taking place in Brussels; for more information, please email: secretariat@esba-europe.org

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>

20 June 2008 Conference "Cutting Red Tape for Europe"; organised by the European Commission, taking place in Brussels, for more information, please go to: <http://www.cuttingredtape.eu/>

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>

24-25 July 2008 The New Zealand Small Business Summit 2008 "Engaging the Key Players"; organised by the Independent Business Foundation; taking place in Auckland, New Zealand; for more information, please go to: <http://www.smallbusinesssummit.org.nz/>

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