



## HEADLINES

### **EU/ Single Market: Commission publishes Review and MEPs adopt report on Rome I**

On 20 November, the Commission outlined plans for 'A Single Market for 21st Century Europe.' The Review, which follows a Parliamentary report in September, was foreseen in the Communication "A Citizens' Agenda - delivering results for Europe" published in May 2006.

Whilst recognising the significant growth and jobs, which the removal of barriers to cross-border trade have brought since 1993, the Commission's new Package seeks to further empower consumers and small businesses. A range of measures are proposed, including a "one-stop shop" online assistance service, a 'researchers'passport' to stimulate innovation, a new initiative to enable citizens to gain cross-border collective redress and specific actions to help SMEs, including a proposed Small Business Act for Europe (SBA) and a European Private Company Statute (EPC) to facilitate cross-border activities.

On the same day, the Parliament's Legal Affairs Committee adopted a report on the law applicable to contractual obligations (Rome I). It seeks to determine if the laws of the country in which the supplier or the consumer is based, apply to agreements online. A package of compromise amendments were adopted on block. Article 5 of the original proposal, which applied the strict consumer country principle, would have deterred SMEs from engaging in cross-border e-commerce, hindering completion of the Single Market and restricting growth and jobs. The report will be voted on in Plenary on 29 November.

### **ESBA OPINION**

**ESBA welcomes the Review of the Single Market. Removing barriers to enable small businesses, which represent 99% of all EU enterprises, to trade across the Union, is a key driver of EU growth of jobs. In this context, ESBA has been engaged in a campaign on Rome I. Despite the amendments, no Impact Assessment was undertaken and ESBA reminds the European Institutions of their commitment to Better Regulation and to 'think small first'. Rigorous application of these principles to all legislation will be to the advantage of both consumers and entrepreneurs across the Single Market.**

To read more about the Single Market Review, please go to:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1728&format=HTML&aged=0&language=EN&guiLanguage=en>

To read more about Legal Affairs Committee's report on Rome I, please go to:

[http://www.europarl.europa.eu/news/expert/infopress\\_page/012-13353-323-11-47-902-20071119IPR13324-19-11-2007-2007-false/default\\_en.htm](http://www.europarl.europa.eu/news/expert/infopress_page/012-13353-323-11-47-902-20071119IPR13324-19-11-2007-2007-false/default_en.htm)

To read more about ESBA's campaign on Rome I, please go to:

[80725/EU\\_Advocacy/Current\\_Campaigns.aspx](http://80725/EU_Advocacy/Current_Campaigns.aspx)

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### **EU/ Better Regulation: Commission launches new HLG - ESBA nominee appointed**

On 19 November, President José Manuel Barroso, Vice-President Günter Verheugen and Mr. Edmund Stoiber announced the composition of the Commission's new High Level Group (HLG) on the Reduction of Administrative Burdens and launched its work.

The main aim of the HLG, which will be chaired by Mr. Stoiber, the former Prime Minister of Bavaria, will be to support the Commission in meeting the goals of the Action Plan for Reducing Administrative Burdens in the EU. The key target of this Plan, adopted in January 2007, is to reduce administrative burdens for business in the EU by 25% by 2012. The HLG's work will follow a measurement exercise carried out by a consortium within the 13 priority areas. It will also examine the burdens and suggested solutions identified by stakeholders in on-line consultations and workshops carried out in the Member States so far. Based on the HLG's proposals, the Commission will make decisions on further actions.

Described as a 'flagship project' by President Barroso, the HLG will be composed of 15 experts representing national anti-red-tape bodies, industry, SMEs, trade unions and environmental and consumer organisations. It will first meet at the end of 2007 or beginning of 2008, with a three-year mandate. Gabriel Goucha, ESBA Secretary and Vice-President of member association PME Portugal has been appointed a member of the HLG.

#### **ESBA OPINION**

**ESBA supports the initiative to set up a high-level group on administrative burdens and congratulates Mr. Goucha on his appointment. The emphasis in the Commission's Action Programme on stakeholder involvement through online consultation, workshops and the HLG, is important. The small business community backs the ambitious 25% reduction target – research carried out by the UK FSB for its recent short film campaign (see below) shows that SMEs spend on average over 7 hours each week filling in forms. ESBA looks forward to supporting the HLG in its work.**

To read more about the HLG on Admin Burdens, please go to:

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/07/471&format=HTML&aged=0&language=EN&guiLanguage=en>

To read more about the Better Regulation initiative, please go to:

[http://ec.europa.eu/enterprise/regulation/better\\_regulation/index\\_en.htm](http://ec.europa.eu/enterprise/regulation/better_regulation/index_en.htm)

#### **IN BRIEF**

##### **ESBA/ Website: Audiovisual presentation and final film on Admin Burdens available**

On 9 November, ESBA launched the first of its new audiovisual presentations on EU SME-related issues. In the presentation, first delivered at ESBA's Annual Event, which took place in June, ESBA President Tina Sommer stresses why EU leaders should 'think small first' on the future Energy Policy. ESBA has identified both threats and opportunities for SMEs in the legislation now arising from Commission's Energy and Climate Change proposals. The last of the 4 thematic films in the UK Federation of Small Businesses' campaign on cutting admin burdens for SMEs is also now available. It explains how SME owners would improve their work-life balance if they could claim back the 7 hours a week they spend on red tape.

To view the new audiovisual presentation, please go to:

[5CODA/EU\\_Advocacy/NEW\\_Presentations.aspx](5CODA/EU_Advocacy/NEW_Presentations.aspx)

To watch the final thematic short film on admin burdens, please go to:

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<http://www.fsb.org.uk/data/default.asp?id=532&loc=policy>

### **EU/ Lisbon Strategy: ECOFIN Council meets to discuss the next cycle and VAT**

On 13 November, EU Economics and Finance Ministers met in Brussels in order to debate, amongst others topics, the Lisbon Strategy, the VAT Package and a draft directive on reduced rates. The Council adopted conclusions in preparation for a new 3-year cycle of the Lisbon Strategy beginning in 2008, including integrated guidelines for national economic and employment policies. The ECOFIN Council also held an exchange of views on outstanding issues regarding the VAT Package the draft Directive on reduced rates – it was decided to re-examine these topics on 4 December, with the aim of reaching a compromise on the former and a final decision on the prolongation of derogations for 5 new member states on the latter.

### **ESBA OPINION**

**ESBA welcomes the Council's discussions on the Lisbon Strategy. Its stated objective of making Europe the most competitive and the most dynamic knowledge-based economy in the world by 2010 requires frequent reiteration and the suggested focus on implementation and delivery in the next 3-year cycle is therefore particularly crucial, at both EU and Member State level, to boost growth and jobs. ESBA awaits the Council's conclusions concerning the VAT Package and reduced rates in December with interest.**

In order to read Council's conclusions, please go to:

<http://www.eu2007.pt/NR/rdonlyres/B8F0323A-D67B-4518-AB2D-37AAEB9D8DF4/0/97098.pdf>

### **EU/ Procurement: Council and Parliament adopt directive improving rights of bidders**

On 15 November, the Council and Parliament adopted the Commission's proposal for a Directive reviewing EU rules on remedies in the area of public procurement. It seeks to improve national review procedures, which businesses can use when they consider that a public authority has awarded a contract unfairly. Amongst other measures, the Directive establishes a 'standstill period' of 10 days that gives rejected bidders time to examine the decision and to assess the need for a review procedure. The Directive also seeks to combat illegal direct awards of public contracts, which is the most serious infringement of EU procurement law. The Directive must be implemented into national laws within 24 months.

### **ESBA OPINION**

**ESBA backs adoption of the Directive improving the rights of rejected bidders. It is crucial to make sure that Public Contracts are awarded to the company that made the best offer, based on quality and price. Public Procurement accounts for 16% of EU GDP every year and is therefore, in principle, a key tool to facilitate SMEs' growth into the global market leaders. Despite the EU's commitment to opening up Public Procurement, small businesses continue to face a range of barriers and, regrettably, negative discrimination persists. Whilst broad cultural change is fundamental to facilitate better access for SMEs, revision of the remedies rules is a positive step.**

To read more about the Revision of the Remedies Directive, please go to:

[http://ec.europa.eu/internal\\_market/publicprocurement/remedies/remedies\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/remedies/remedies_en.htm)

## **PUBLICATION**

### **The FSB "Employment Law - Key Facts"**

The UK Federation of Small Businesses' publication on "Employment Law" is motivated by significant increase over the last decade in employment legislation, originating from both the EU and the UK. The FSB strongly supports a mutually ethical relationship between employer and employee, but has concerns that if the legislative pendulum swings too far in favour of the employee, that same

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legislation will cause the opposite effect of what it set out to achieve. Amongst other statistics, it reveals that nearly 80% of SME owners have to deal with increasing levels of employment law by themselves.

To download this publication, please go to:

<http://www.fsb.org.uk/documentstore/filedetails.asp?id=384>

### **The Work Foundation: Exploiting Europe's Knowledge Potential "Good work" or "Could do Better"**

The Work Foundation's report looks at the characteristics of Europe's knowledge-workers, explores the nature of knowledge work and demonstrates how it varies across the EU by drawing on the data from the fourth European Working Conditions survey (EWCS). It creates a 'good work' index based on 19 indicators in order to find out if knowledge work is 'good work' and if European countries are making the most of their knowledge work force. The reports establishes a link between the ability to support knowledge workers and the performance of individual countries' social models.

To download this publication, please go to:

<http://www.theworkfoundation.com/products/publications/azpublications/exploitingeuropesknowledgepotentialgoodworkorcoulddobetter.aspx>

### **The EPC: "How to grow old without going bust"**

The French strike in protest at President Nicolas Sarkozy's pension reforms underlines the difficulties facing governments in responding to the challenges posed by the ageing of Europe's population. This Policy Brief argues that while pension reform is crucial, much more attention should also be paid to labour market reform. While healthy labour markets alone cannot solve the problem, they can provide the breathing space needed to introduce other necessary reforms.

To download this publication, please go to:

<http://www.epc.eu/en/pub.asp?typ=TEWN&lv=187&see=y&t=&pg=TEWN/EN/detailpub&l=12&ai=908>

## CONSULTATION

### ONGOING:

#### **Public consultation on the Consumer Scoreboard**

The European Commission has launched a public consultation with the aim of collecting the stakeholders' views on the monitoring of consumers' markets and establishing a Consumer Scoreboard to reflect its findings. The consultation is open to Member States, consumer NGOs, businesses and individuals. Responses will be used as an input to the Commission's thinking on the development of the Consumer Scoreboard, which forms part of the Commission's Citizen's Agenda, specifically the ongoing Review of the Single Market.

For more information and to download the questionnaire, please go to:

[http://ec.europa.eu/consumers/consultations/consultations\\_en.htm](http://ec.europa.eu/consumers/consultations/consultations_en.htm)

*Closes 28 November 2007*

#### **Public consultation on the Doorstep Selling Directive**

The European Commission has opened a public consultation on the Doorstep Selling Directive as a part of the ongoing Review of the Consumer Acquis. The aim of this consultation is to take a stock of the effectiveness of the existing Directive on contracts negotiated away from business premises. The

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Commission invites stakeholders to comment on the implementation of this Directive and to report any problems it might not be aware of.

For more information and to download the questionnaire, please go to:

[http://ec.europa.eu/consumers/cons\\_int/safe\\_shop/door\\_sell/doorstepselling\\_discussionpaper.pdf](http://ec.europa.eu/consumers/cons_int/safe_shop/door_sell/doorstepselling_discussionpaper.pdf)

*Closes 4 December 2007*

### **Public consultation on Social Reality Stock-Taking**

The European Commission launched a public consultation on the “social reality” of Europe. It covers the nature of work, family life, demographic trends, social mobility, the position of women in the society, poverty and inequality. The role of the consultation is to generate debate on the social reality across Europe and to seek views on current social trends and on what contributes to today’s “well being”. It will invite views on access to education and employment as well as on the implications of changing social relationships.

For more information and to download the questionnaire, please go to:

[http://ec.europa.eu/citizens\\_agenda/social\\_reality\\_stocktaking/index\\_en.htm](http://ec.europa.eu/citizens_agenda/social_reality_stocktaking/index_en.htm)

*Closes 31 December 2007*

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

The European Commission has launched an online consultation on the reduction of administrative burdens. Inspired by an example of Best Practice in Belgium, 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 Commission's 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](http://ec.europa.eu/economy_finance/A5B5B/EU_Intelligence/Test_an_SME_Tool_.aspx)

*Closes 21 September 2008*

## **COMING UP**

### **EU Institutions: Important Dates**

26-30 Nov 2007 Committees and Political Groups in the EP

28-29 Nov 2007 Mini Plenary Session of the EP in Brussels

03-06 Dec 2007 Political Groups in the EP

29-30 Nov 2007 Transport, Telecommunications and Energy Council

03 Dec 2007 Transport, Telecommunications and Energy Council - energy issues

04 Dec 2007 Economic and Financial Affairs Council

05-06 Dec 2007 Employment, Social Policy, Health and Consumer Affairs Council

### **Other SME related Events**

26-27 Nov 2007 Conference on “Restructuring: the adaptation of SMEs to change”; organised by the European Commission’s DG Enterprise and Industry; taking place in Brussels; for more information, please go to:

[http://ec.europa.eu/employment\\_social/restructuring/forum\\_en.htm](http://ec.europa.eu/employment_social/restructuring/forum_en.htm)

27 Nov 2007 Conference on “Towards a Global Low Carbon Economy”; organised by European Commission and the High Level Group on Competitiveness, Energy and Environment; taking place in

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Brussels; for more information, please go to:  
[http://ec.europa.eu/enterprise/environment/hlg/conference\\_nov\\_2007.htm](http://ec.europa.eu/enterprise/environment/hlg/conference_nov_2007.htm)

27-28 Nov 2007 5<sup>th</sup> Global SME Conference on “Innovation and Competitiveness for World Market”; organised by Small and Medium Business Development Chamber of India and India International Trade Centre; taking place in India; for more information, please go to:  
<http://www.iitcindia.com/gsme/index.htm>

28 Nov 2007 Breakfast Policy Briefing on “The Priorities of the Slovenian Presidency of the EU”; organised by European Policy Centre for members; taking place in Brussels; for more information, please go to: <http://www.epc.eu/en/cal.asp?typ=ABOUT&lv=224&pg=AE/en/calendar&ai=1&see=n>

29 Nov 2007 Working Breakfast on “EU Emission Trading - Chances and Challenges for SMEs”; organised by SME UNION; taking place in Brussels; for more information, please go to: <http://www.sme-union.org/event/index.php?lan=en&id=69>

03-04 Dec 2007 E-BSN Workshop on “E-business policies for SMEs”; organised by the European Commission’s DG Enterprise and Industry; taking place in Oslo; for more information, please go to: <http://www.bit-forum.no/ebns-norway/>

06-07 Dec 2007 Conference on “SMEs and Entrepreneurship” and European Enterprise Awards Ceremony 2007; organised by European Commission, Portuguese Presidency and Committee of the Regions; taking place in Porto; for more information, please go to: <http://www.iapmei.pt/iapmei-mstplindex.php?msid=11>

13-14 Dec 2007 Conference on “Fostering Gender Equality: Meeting the Entrepreneurship and Microfinance Challenge”; organised by European Microfinance Network and Women’s World Banking Spain; taking place in Madrid; for more information, please go to: [http://www.european-microfinance.org/conference\\_madrid\\_en.php](http://www.european-microfinance.org/conference_madrid_en.php)