



### HEADLINES

#### **EU / Internal Market: Commission presents amended services proposal to Parliament**

On 4 April, 2006, the Commission presented a revised services proposal to the European Parliament. This followed a plenary vote on 16 February 2006, which saw the European Parliament significantly diluting the original proposal for the services directive. The new proposal broadly adheres to the amendments resulting from the vote in Parliament.

One of the most important changes in the new proposal is the omission of the controversial 'country of origin' principle, which was to allow workers from one country to operate in another under the rules of their home country. Instead, the new proposal introduces the 'freedom to provide services', which simply stipulates that member states must provide unrestricted access to service providers from other member states. In addition, the Commission has conceded to demands from the Parliament that certain services, such as healthcare, financial services and services of general interest, should remain outside the scope of the directive. Moreover, the 'posting of workers' does not feature in the revised proposal.

Internal market Commissioner Charlie McCreevy described the revised text as one which could reasonably be expected to become legislation, and one which would make a real economic difference. Evelyn Gebhardt MEP (PES, Germany), the rapporteur on the issue, welcomed the new proposal as a step towards a "social Europe".

For relevant Commission documents, including the revised proposal, please go to:  
[http://europa.eu.int/comm/internal\\_market/services/ services-dir/proposal\\_en.htm](http://europa.eu.int/comm/internal_market/services/ services-dir/proposal_en.htm)

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### IN BRIEF

#### **EU / Budget: Parliament strikes additional €4 billion for EU budget deal with member states**

On 4 April, the Plenary in Strasbourg, members of the European Parliament succeeded in obtaining an additional €2 billion from member states for the EU's 2007-2013 budget, bringing the total to €864.4. In addition, a further €2 billion of the existing budget pledge will be redirected towards policy areas favored by MEPs. A portion of the additional funds will go towards small business, with the rest going towards the common foreign and security policy, the Erasmus student exchange scheme, research and the trans-European networks infrastructure programme.

To see MEP's views on the budget deal, please go to:  
[http://www.europarl.eu.int/news/public/story\\_page/ 034-7096-093-04-14-905-20060405STO07095-2006-03-04-2006/default\\_en.htm](http://www.europarl.eu.int/news/public/story_page/ 034-7096-093-04-14-905-20060405STO07095-2006-03-04-2006/default_en.htm)

For a full break down, indicating how the additional funds will be spent, please go to:  
[http://www.europarl.eu.int/news/expert/infopress\\_page/ 034-7022-093-04-14-905-20060404IPR07021-03-04-2006-2006-false/default\\_en.htm](http://www.europarl.eu.int/news/expert/infopress_page/ 034-7022-093-04-14-905-20060404IPR07021-03-04-2006-2006-false/default_en.htm)

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### **EU / Education: European universities speak out against EIT**

In February 2006, the Commission proposed the creation of a European Institute of Technology (EIT) by 2009. The EU spring Council on 23-24 March, gave its support to the project, albeit it as a network of existing institutions, rather than as a single, centralised establishment. However, in a recent communication, the European University Association (EUA), representing 700 universities, has expressed concerns that an EIT network would not contribute towards the Lisbon strategy, as it would undermine competition in higher education and lead to the increased fragmentation of Europe's higher education.

For more information on the EIT, please go to:

[http://europa.eu.int/comm/education/policies/educ/eit/index\\_en.html](http://europa.eu.int/comm/education/policies/educ/eit/index_en.html)

For the EUA communication, please go to:

[http://www.eua.be/eua/jsp/en/upload/EUA\\_Policy\\_Position\\_on\\_EIT\\_300306.1144145346390.pdf](http://www.eua.be/eua/jsp/en/upload/EUA_Policy_Position_on_EIT_300306.1144145346390.pdf)

For a Commission report on the consultation regarding the EIT, please go to:

[http://europa.eu.int/comm/education/policies/educ/eit/consult\\_en.pdf](http://europa.eu.int/comm/education/policies/educ/eit/consult_en.pdf)

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### **EU / Internal market: Commission release proposal for common tax base**

On 5 April 2006, the Commission released a communication outlining its plans for a common consolidated corporate tax base (CCCTB), to be introduced at the end of 2008. The CCCTB would set out uniform rules to calculate aggregated EU-wide profits. The intention is to reduce the costs for business which arise from the co-existence of many different national tax systems. In a press release, taxation Commissioner Laszlo Kovacs stressed that the CCCTB would only relate to the tax base, with member states maintaining the prerogative to set tax rates.

To see the communication, please go to:

[http://www.europa.eu.int/comm/taxation\\_customs/resources/documents/taxation/company\\_tax/common\\_tax\\_base/COM\\_2006\\_157\\_en.pdf](http://www.europa.eu.int/comm/taxation_customs/resources/documents/taxation/company_tax/common_tax_base/COM_2006_157_en.pdf)

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### **EU / Economy: Commission releases latest growth predictions for euro-area economy**

On 12 April 2006, the European Commission's Directorate General for Economics and Financial Affairs released its projections for European economic growth in 2006. GDP growth is predicted to be 0.4-0.8% in the first quarter, 0.3-0.8% in the second quarter and 0.2-0.8% in the third quarter. The figures have all been revised downwards slightly from the last projections on 3 March.

For all projections released so far this year, please go to:

[http://europa.eu.int/comm/economy\\_finance/indicators/euroareagdp\\_en.htm](http://europa.eu.int/comm/economy_finance/indicators/euroareagdp_en.htm)

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## **COMING UP**

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

15-18 May 06	European Parliament Plenary Session (Strasbourg)
29-30 May 06	Competitiveness Council
12-15 June 06	European Parliament Plenary Session (Strasbourg)
1 July 06	Finland takes over EU Presidency

### **SME related Events**

26 April 2006                      SME Regional Policy Breakfast, 26.4., 8.00-9.30, Brussels, organised by SME Union – More information : [sme@sme-union.org](mailto:sme@sme-union.org)

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2-3 May 2006 ESBA Annual Event, Brussels – SMEs Go International – More information : [www.esba-europe.org](http://www.esba-europe.org)

3-4 May 2006 ‘European inventor of the year’ conference and gala; venue: Parc du Cinquantenaire 11, Brussels; organized by DG Enterprise; more info: <http://www.european-inventor.org/>

11-13 May 2006 14<sup>th</sup> Nordic Conference on Small Business Research; Stockholm, Sweden; for more info, please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se)

11-14 May 2006 YES event in Ljubljana (Slovenia) - The topic of the conference is "Mobility" – More information : [secretariat@yes.be](mailto:secretariat@yes.be)

18 May 2006 ‘Integrating Innovation and Entrepreneurship Policy – how to do it!’; for more info please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se)

18-20 May 2006 Young Entrepreneur European Forum “ Building of a new Europe” - Gijón (Spain), organised by AJE - Confederacion in collaboration with AJE Principado de Asturias - More information : [secretariat@yes.be](mailto:secretariat@yes.be)

30-31 May 2006 Workshop on Venture Capital Policy; Lund, Sweden; for more info, please contact [helena.ericsson@fsf.se](mailto:helena.ericsson@fsf.se) or

13-14 June 2006 Vienna - “Conference on the European Charter for Small Enterprises”  
Conference organised by the Enterprise and Industry DG - More information will be soon available  
DG Enterprise webpage.

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