



HEADLINE

ESBA responds to the Single Market Strategy

On the 28th of October 2015, the European Commission presented its new Single Market Strategy. The European Small Business Alliance (ESBA) welcomes the new strategy, in particular the Commission's drive for a fairer and more integrated Single Market. Additionally, ESBA is pleased with the specific focus placed on a number of practical measures to help SMEs and start-ups grow, expand and trade cross-border. However, it is important that the European Commission considers all SMEs and start-ups, and not solely those young, innovative and technology-focused ones.

One of the many obstacles SMEs face in the Single Market is complex VAT regulation. ESBA is pleased that, in addition to addressing this issue in the Digital Single Market Strategy, the European Commission will bring forward an Action Plan to reduce the administrative burdens of VAT by creating a simplified regulation for SMEs.

Furthermore, the lack of information and understanding of regulatory requirements are obstacles for SMEs and start-ups to make full use of the Single Market. Therefore, the European Commission will launch a Start-up Initiative which will help set up the Single Digital Gateway that was announced in the Digital Single Market Strategy. This Single Digital Gateway should facilitate cross-border operations of firms and provide information to small businesses and start-ups. ESBA welcomes this initiative. A lack of information is one of the main reasons holding back SMEs from trading across national borders.

ESBA welcomes the Single Market Strategy's aim to complete the Single Market for services by, for example, introducing a services passport and targeting regulatory barriers. This would allow professionals and service providers to access the markets in other Member States more easily.

David Caro, President of the European Small Business Alliance, commented that: "ESBA welcomes the European Commission's renewed focus on better implementation and enforcement of both existing and new Single Market regulation in the Member States. We are pleased with the deepening partnership between the European Commission and the Member States which will ensure a practical delivery of the new strategy, and we are looking forward to more concrete proposals that will benefit small and micro businesses.

IN BRIEF

EU/Finance: SMEs desire banks to digitalise

On 21 October 2015, Misys, a financial software firm, published a survey showing the levels of dissatisfaction of SMEs across North America, Europe and the Middle East when it comes to bank services. The survey sought to find out in which areas SMEs wanted their banks to improve, with the results showing that SMEs feel banks have failed to adapt with technology. Therefore many SMEs desire a wider range of digital banking solutions. In particular, businesses demanded more efficient processing of payments, automated bank processes and online and mobile banking services that can integrate into their ERP and TMS tools. The same survey found that around one-quarter of SMEs are now accessing their financing needs through both traditional banks and alternative lenders and that

ESBA Bulletin of 28 October 2015 – Volume 17 – Issue 15

the dependence on alternative lenders is now greater than it was two years ago. As a result, banks are beginning to both fear and recognise the competition from alternative sources and analysts have suggested that these banks need to respond by embracing digital tools.

To read more about Access to Finance, please click [here](#).

EU/Finance: What if we could turn job seekers into job creators?

On 20 October 2015, the 1st European Microfinance Day (EMD) was organised by the European Microfinance Network (EMN), the Microfinance Centre (MFC) and the European Economic and Social Committee. The European Investment Fund (EIF) and the European Commission provided 20,000 micro-enterprises with access to loans worth €237 million under the European Programme for Employment and Social Innovation (EaSI). The EaSI guarantee will support disadvantaged micro-entrepreneurs, provide business opportunities for the unemployed and support social enterprises through investments. The EIF will not provide direct financial support to enterprises but will work through local financial intermediaries, such as microfinance, social finance and guarantee institutions.

To read more about Microfinance, please click [here](#).

EU/UK: Low confidence among UK SMEs leads to delayed investments

On 20 October 2015, Smith & Williamson published their quarterly Enterprise Index Survey. Smith & Williamson surveyed 151 UK SMEs, of which one third has delayed their investment plans as a result of macro-economic issues. Among these macro-economic issues, a potential Grexit and a lack of confidence in the global economy were mentioned. In addition, national developments, such as the new dividend tax rules and the potential 2016 EU Referendum, have led to postponed investments. The survey also demonstrated that SME owners experience a lack of support from the government: the belief in the government's promise to support private enterprises dropped from 80 to 70 percent. Additionally, 87 percent of the surveyed SMEs expressed that the government should provide more support to SMEs to stimulate business export.

For more on the Enterprise Index Survey, please click [here](#).

EU/Environment: New Circular Economy Package - the requests of the EPP

On 16 October 2015, the European People's Party (EPP) draft resolution on the new Circular Economy package was published. The *leitmotiv* of the document was light regulation. The EPP strongly favors market mechanisms over hard regulation as the means of achieving the goals set by the new strategy. Overall, the EPP would want a Circular Economy obtained via a series of industry-led initiatives and projects supported by EU funds. Moreover, the document stresses the importance of clear and usable definitions on waste given the importance of the markets for secondary raw materials. As the largest political group in the European Parliament and one of the strongest forces in all institutions the EPP's voice will surely be heard throughout the drafting of the new strategy. Both the President of the European Commission, Jean-Claude Juncker, and Vice-President Jyrki Katainen are EPP members and are very involved in the creation of the new package. The market focus is thus likely to be carried through in the new set of legislative proposals that are to be published in December 2015.

For more on Circular Economy, please click [here](#).

ESBA Bulletin of 28 October 2015 – Volume 17 – Issue 15

EU/Trade: The European Commission unveils its new trade and investment strategy

On 14 October 2015, the European Commission presented its new trade and investment strategy, entitled ‘Trade for All: Towards a more responsible trade and investment policy’. The new strategy sets out the Juncker Commission’s vision to make trade policy more effective, transparent and reflective of the EU’s values. As the title of the strategy suggests, it is intended to benefit as many people as possible: workers, consumers, developing countries and small and medium-sized enterprises. It is also a direct response to the current intense debate on trade, including on the Transatlantic Trade and Investment Partnership (TTIP). Additionally, the new strategy contains the EU’s future trade programme which includes plans to open negotiations with New Zealand and Australia, update the FTA’s with Chile and Mexico, and complete the negotiations with the United States, Japan and China.

For more on the Trade and Investment Strategy, please click [here](#).

PUBLICATIONS

CEPS: Light and shadows in Europe’s new Action Plan for Capital Markets Union

On 6 October 2015, the Centre for European Policy Studies (CEPS) launched a report on the Capital Markets Union, which provides an overview of the major policy updates unveiled in the European Commission’s new Action Plan for Capital Markets Union, published on September 30th 2015. The European Commission’s Action Plan consists, in a nutshell, of a short-list of technical proposals and a longer one of (rather general) potential actions. Overall, the plan proposes to achieve some short-term objectives, such as a reduction of listing costs for SMEs, but it lacks long-term vision. Diego Valiante, Head of Research at ECMI and Head of the Financial Markets and Institutions research unit at CEPS is the author of this publication.

To access this publication, please click [here](#).

CER: Power to the parliaments! But will Cameron’s EU partners join his crusade?

On 16 October 2015, the Centre for European Reform (CER) published a report on the British views on the future of Europe. The British Prime Minister, David Cameron, has been touring European capitals to present his package for reforming the EU. Among other things, he wants a stronger role for national parliaments in the EU, but he has yet to make detailed proposals. Philip Hammond, the foreign secretary, calls this the “scoping stage” during which Cameron is testing Europe’s appetite for reforms. National parliaments can already club together to tell the Commission that a draft EU law is unnecessary if it covers an issue better left to individual member-states to regulate (the ‘subsidiarity principle’).

To access this publication, please click [here](#).

EPC: Getting energy diplomacy right: a challenge starting at home

On 23 October 2015, the European Policy Centre (EPC) published a report discussing the European Energy Policy. In July 2015 the European Commission, together with the High Representative (HRVP), presented the EU Energy Diplomacy Action Plan. This will be an integral part of the EU’s efforts to build up an Energy Union, felt as increasingly urgent in light of mounting political turmoil in the whole European neighbourhood, affecting both supply and transit countries. This commentary argues that the Action Plan is, in principle, a strategy for gas imports and pins too much hope on the diplomatic dialogue with alternative producers for gas, whilst neglecting that an essential pre-condition for an effective energy diplomacy starts with removing the misalignments in member states’ preferences for their external energy relations.

ESBA Bulletin of 28 October 2015 – Volume 17 – Issue 15

To access this publication, please click [here](#).

CONSULTATIONS

Public consultation on the Priority ICT Standards Plan

DEADLINE: 16/12/2015

With this consultation, the Commission seeks input from stakeholders to achieve broad convergence around a set of priority standards in key technology areas sufficiently mature and critical to achieving the Digital Single Market (DSM).

To access this consultation, please click [here](#).

Public Consultation on Modernising VAT for cross-border e-commerce

DEADLINE: 18/12/2015

The open public consultation will seek the views of business, the public and representative organisations on current VAT rules for business to consumer cross-border supplies of goods and services; the implementation of the 2015 changes to the VAT place of supply rules and the Mini One Stops Shop; and the commitment by the Commission in 'A Digital Single Market Strategy for Europe'.

To access this consultation, please click [here](#).

Public Consultation on Geo-blocking and other geographically-based restrictions when shopping and accessing information in the EU

DEADLINE 28/12/2015

This consultation aims at gathering views and opinions on the different restrictions faced by users, consumers and businesses when they access or provide information, shop or sell across the borders in the European Union. This will inform the Commission for its ongoing work in preparing legislative proposals on geo-blocking under the Digital Single Market Strategy as well as the follow up to the forthcoming Internal Market Strategy for Goods and Services planned for October 2015. Questions apply regardless of whether the action takes place online or offline, unless the context makes it clear otherwise.

To access this consultation, please click [here](#)

Public Consultation on regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy

DEADLINE 30/12/2015

The open public consultation will seek views on online platforms; tackling illegal content online and the liability of online intermediaries; data and cloud in digital ecosystems and the collaborative economy.

To access this consultation, please click [here](#)

Call for evidence: EU regulatory framework for financial services

DEADLINE: 06/01/2016

The Commission is looking for empirical evidence and concrete feedback on: rules affecting the ability of the economy to finance itself and growth; unnecessary regulatory burdens; interactions, inconsistencies and gaps; rules giving rise to unintended consequences.

ESBA Bulletin of 28 October 2015 – Volume 17 – Issue 15

To access this consultation, please click [here](#).

Public consultation on covered bonds in the European Union

DEADLINE: 06/01/2016

This consultation paper falls under the scope of the Capital Markets Union project and evaluates signs of weaknesses and vulnerabilities in national covered bond markets as a result of the crisis, with a view to assessing the convenience of a possible future integrated European covered bond framework that could help improve funding conditions throughout the Union and facilitate cross-border investment and issuance in Member States currently facing practical or legal challenges in the development of their covered bond markets.

To access this consultation, please click [here](#).

Public consultation on the review of the European Venture Capital Funds (EuVECA) and European Social Entrepreneurship Fund (EuSEF) regulations

DEADLINE: 06/01/2016

The Commission is launching a consultation on the review of the European Venture Capital Funds (EuVECA) regulation (No 345/2013) and European Social Entrepreneurship Funds (EuSEF) regulation (No 346/2013) with a view to improve the take-up of these funds as part of the Action Plan package.

To access this consultation, please click [here](#).

COMING-UP

EU Institutions: important dates

26 October	Foreign Affairs Council
26 October	Environment Council
26-29 October	European Parliament Committee Meetings
26-29 October	European Parliament Plenary Session
28 October	Coreper II
29 October	Coreper II
30 October	Coreper I
4 November	Coreper II
5 November	Coreper II
6 November	Coreper I

Other SME-related events

How can we design a financial system for the future? Resolution Framework, Crisis Prevention and Capital Markets Union

28/10/2015, Berlin

On 28 October 2015, Bruegel is organising the Financial Stability Conference 2015 in Berlin. Experts will discuss the regulatory and political efforts made to realise financial stability in the EU and to build a more resilient financial system which supports sustainable growth. Furthermore, the experts will examine whether enough efforts have been taken to deal with future crises and discuss how the European banking sector can be improved.

To find out more about this event, please click [here](#).

ESBA Bulletin of 28 October 2015 – Volume 17 – Issue 15

Data protection vs. Digital Single Market - Can the Juncker Commission square the circle?

09/11/2015, Brussels

On 9 November 2015, the Centre for European Policy Studies (CEPS) is organising a Digital Forum Seminar, during which the General Data Protection Regulation and the Digital Single Market will be discussed. The discussion will focus on some of the conflicts between these two dossiers and the Juncker's Commission approach to these.

To find out more about this event, please click [here](#).

TTIP: Political and Economic Rationale and Implications?

10/11/2015, Brussels

On 10 November 2015, the Centre for European Policy Studies (CEPS) and Intereconomics are organising an event on the Transatlantic Trade and Investment Partnership (TTIP). In the first session, speakers will discuss the economic gains of TTIP and its effects on SMEs. In the second session, the American perspective and the geo-economics of TTIP will be discussed. In the third session the consumer concerns and consumer protection will be discussed.

To find out more about this event, please click [here](#).

Annual Data Summit - Unlocking the Potential of Digital

17/11/2015, Brussels

On 17 November 2015, POLITICO is organising the Annual Data Summit, during which policy makers and industry leaders will discuss what it takes to achieve a truly digital economy in the EU. The first session, 'Getting Competition Right for the Market', will focus on fair and open digital access. The second session, 'The Battle for Trust and Confidence', will discuss how to restore consumer confidence.

To find out more about this event, please click [here](#).