



IN BRIEF

EU/Single Market: SME Week addresses challenges for SMEs in the Single Market

On 9 November 2015, Lowri Evans, Director-General of the European Commission's DG Internal Market, Industry, Entrepreneurship and SMEs, emphasised the importance of placing SMEs at the heart of the EU's policymaking. To allow for the development of strong, competitive European SMEs, policymakers on the national and European level should listen to their needs. One opportunity to do so is during the SME Week, which will take place between 16 November and 20 November in Luxembourg. The first SME Week was organised in 2009 to reach out to SMEs. It brings together relevant stakeholders to discuss policy initiatives to realise a stronger Single Market for SMEs, and helps the Commission understand where action is required to help SMEs face their everyday challenges. In addition, the SME Week provides the opportunity to highlight achievements and reflect on the benefits of the Single Market for SMEs.

To read more about the SME Week, please click [here](#).

EU/Entrepreneurship: European start-ups are catching up with Silicon Valley

On 6 November 2015, La Tribune reported that recent studies of European start-ups have found companies thriving in an increasingly favourable business environment, distinguishing themselves from their American competitors. The European innovation ecosystem is gradually emerging from the long shadow cast by Silicon Valley, the home of the GAFAs (Google, Apple, Facebook, Amazon) and the rising NATU companies (Netflix, Airbnb, Tesla, Uber), and carving out its own niche. Its performance in 2015 has been better than ever. More and more start-ups, like Blablacar, are conquering the world. The French car sharing website raised \$200 million in September to develop its international business. Other examples of brave and brazenly successful European start-ups include the Swedish Spotify and the British Shazam (in music), the German Zalando (in e-commerce) and the French Showroomprivé (in private sales) - which has just been listed on the stock exchange. According to TechCrunch, 63% of Europe's success is down to service innovation, and only 37% to technological innovation.

To read more about Entrepreneurship and SMEs, please click [here](#).

EU/Better regulation: EU should develop an SME friendly framework to keep SMEs in Europe

On 5 November 2015, Othmar Karas (EPP, AT) argued that the EU should develop an adequate legislative and financial framework to keep start-ups and SMEs in the EU. SMEs make up 99 percent of all EU business and generate two-thirds of total private sector employment in the EU, however, around 30 percent of start-up companies in New York have their roots in the EU. To avoid missed opportunities like these, the European Commission needs to help start-ups and assist SMEs in expanding their business. Karas argued that the Commission should therefore realise an SME friendly framework, improve access to finance and information, and tackle barriers to trade. One way to do so is by reducing the administrative burden for SMEs and realising better regulation. Another method is by strictly monitoring enforcement and application of EU legislation in the EU Member States.

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

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

EU/Parcel Delivery: UPS study - SMEs exports on the increase

On 5 November 2015, UPS published the results of a survey on SMEs involvement in cross border trade. The survey gathered the views of over 10,000 SMEs in several European countries and showed how there is a general trend that sees exports of these businesses to be in constant growth. The United Kingdom has the highest proportion (61%) of SME exporters reporting higher revenues over the last three years, and almost the lowest proportion (11%) reporting lower revenues. The figures that show exports growing were received with great enthusiasm from the UPS authorities. It is the very demand of the customer that pushes these enterprises to embrace international commerce according to the survey. Nevertheless, numerous barriers to export opportunities are still in place in Europe to this day. The Digital Single Market is set out to address said problems with cross-border commerce for a better and stronger development of the European SMEs.

To read more about the UPS study, please click [here](#).

EU/Environment: More SMEs should invest in resources efficiency

On 4 November 2015, Jeppe Kofod (S&D, DK) argued that more SMEs should improve their resource efficiency in order to realise economic growth and benefit the environment. Currently, too few SMEs benefit from the cost savings associated with resource efficiency: 93 percent of European SMEs have introduced some form of resource efficiency, but only 42 percent realises a reduction in production costs. An explanation for this is that large scale plans for resource efficiency are high-risk investments and because skilled knowledge is scarce at small businesses. Kofod therefore suggests setting up a European Resource Efficiency Excellence Centre linked to academia to inform SMEs of the options they could consider. A network of resource efficiency ambassadors would directly contact SMEs and help them realise real cost savings.

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

EU/Entrepreneurship: UK SMEs prefer Europe to China as a trading destination

On 4 November 2015, World First published figures showing that SMEs depend heavily on European trade relationships despite ongoing speculation on a potential 'Brexit' from the European Union. The figures show that more than 198 million pounds was transacted into euros during the month of October, up 59 per cent from September, suggesting that the EU remains an important trading partner. This can be further highlighted by the fact that this figure is more than 22 times the value of GBP that was sold in yuan which stands at 7.25 million pounds. Both China and Europe have experienced an upsurge in trade with UK based SMEs over the last 12 months: with trade between UK SMEs and China increasing to 238 per cent year-on-year, compared with a 107 per cent increase between UK SMEs and the EU. The figures therefore show that whilst China remains an important growth market for UK SMEs, the EU is the cornerstone of UK SME trade.

To read more about Entrepreneurship and SMEs, please click [here](#).

EU/Trade: EU and New Zealand launch free trade talks

On 30 October 2015, the European Union launched free trade negotiations with New Zealand. The shared aim is to set rules that correspond to the reality of global supply chains and the increasing international interdependence in manufacturing and the provision of services. Additionally, the planned agreement will seek to promote transparency of rules, fight against corruption and bring coherence between economic benefits, workers' rights and environmental protection. In 2014, New Zealand placed 51 on the list of the EU's most important trading partners, whereas the EU stood as New Zealand's third largest trading partner, after Australia and China, as New Zealand focuses increasingly on Asia. Recently, New Zealand signed the 12-nation Trans-Pacific Partnership (TPP) after

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

years of talks giving New Zealand potential access to a market of more than 800 million customers in the Asia-Pacific region.

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

EU/Environment: Leaked Internal Communication on the new Circular Economy Strategy

On 29 October 2015, leaked documents from the European Commission on the new Circular Economy package have been published by several media outlets. The internal document foreshadows the focal points that will be at the heart of the package that will be published later this year. Despite the fact that the paper was not finalised and exact figures were not included in the draft, strong emphasis was put on new legislation on waste, fertilizers, and water reuse, "strong commitments" on eco-design, strategies for handling plastics and chemicals, and "major" funding for innovation. Funding in fact was a key aspect of the new Circular strategy. The monetary aspect of the plan is very much emphasised in the internal document: the Horizon 2020 programme, alongside a "targeted outreach" will be made available by the Commission in order to fund and finance circular economy projects.

To read more about the Circular Economy, please click [here](#).

EU/Digital Single Market: Parliament approves telecoms legislation

On 27 October 2015, the European Parliament voted against last minute amendments to the telecoms single market legislation. The legislation therefore passed some controversial topics such as that of net neutrality and the end of mobile roaming charges within the EU. The legislative proposal that emerged from the trilogue talks that occurred throughout the second half of 2015 was therefore accepted without any substantial alternations. The bill will now be reviewed by EU telecoms regulator BEREC before its application on European soil. Nevertheless, critics of the new legislation are unhappy with certain aspects of the legislation. More specifically, that allow companies to present different internet quality for specialised services have caused some uproar. The legislation is set to create a rapid decrease in the prices on mobile roaming, phone calls, SMS messages and data used starting from April next year. Overall, the legislation is thought to create a level playing field for all companies in the sector opening up the door for smaller enterprises.

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

EU/Finance: How to improve SMEs access to finance?

On 23 October 2015, Debora Revoltella, European Investment Bank (EIB) Economics Department Director, and Helmut Kraemer-Eis, European Investment Fund's (EIF) Head of Research and Market Analysis wrote a publication on 'Tackling SMEs asymmetric risk: the EIB Group approach'. There are 22 million SMEs in Europe accounting for 67% of employment and 58% of EU added value. However, due to certain market failures and effect of the financial crisis, SMEs' access to finance is still limited. Some of those constraints are underestimation of their creditworthiness, usually because of the information gap, low transparency between lender and borrower, deterioration of the lending and risk-taking capacity of banks. The EIB group supports access to finance for SMEs through a wide range of debt-financing, risk sharing products and private equity/venture capital instruments for SMEs. Several instruments were launched in collaboration with the European Commission, which can help SMEs gain access to finance.

To read more about access to finance for SMEs, please click [here](#).

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

EU/Digital: New “Safe Harbour 2.0” agreement will be completed shortly

On 6 October 2015, the Court of Justice (CoJ) of the European Union ruled the transatlantic Safe Harbour agreement, which was responsible for providing protection of personal data between the EU and US, is invalid. After Edward Snowden revealed the existence of mass U.S. government surveillance programmes, the validity of the agreement was questioned. The CoJ found that the agreement had insufficient privacy safeguards and that the US does not guarantee the same level of protection as the EU. According to Penny Pritzker, U.S. Secretary of Commerce, there already was an agreement, Safe Harbour 2.0, in the making prior to the court case. They just need to negotiate on some small adjustments. Resolving the problems on the Safe harbour is very costly, especially to SMEs, which depend on the Safe Harbour agreement. Companies need to check whether their cloud or service providers are registered under safe harbour and if so make the necessary alternative arrangements.

To read more about data protection in third countries, please click [here](#).

PUBLICATIONS

European Economy: Matching demand and supply in SMEs financing

On 23 October 2015, European Economy published a report on matching demand and supply in SME financing. The traditional lending technologies and actors seem not to be able to overcome the mismatched demand and supply. Therefore, to solve this mismatch, actors and technologies used in the financial markets will have to diversify.

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

CEPS: Will Cameron get what he wants? Anticipating reactions to Britain’s EU reform proposals

On 29 October 2015, the Centre for European Policy Studies (CEPS) published a report on Britain’s EU reform proposals. The publication considers the potential responses of the other Member States and exposes four different attitudes among the EU countries. Furthermore, the authors analyse the Member States’ willingness to accommodate Britain’s demand and to provide David Cameron with the political capital he seeks.

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

CEPS: Safe Harbour or into the storm? EU-US data transfers after the Schrems judgement

On 12 November 2015, the Centre for European Policy Studies (CEPS) published a report on the effects of the Schrems judgement by the Luxembourg court on EU-US data transfers. The judgement sends a strong message to policymakers in the EU and the US about the need to provide sufficient legal guarantees to people whose personal data is transferred to third countries. There is thus a demand for clear rules governing data transfers.

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).

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

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.

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.

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

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](#).

Consultation on the Re-launch of the Common Consolidated Corporate Tax Base (CCCTB)

DEADLINE 08/01/2016

The Commission expects to gather views for instance on: To what extent the CCCTB could function as an effective tool against aggressive tax planning, without compromising its initial objective of making the Single Market a more business-friendly environment; Which criteria should determine the companies that will be subject to the rules of a mandatory CCTB/CCCTB; Whether non-qualifying companies should still be given the possibility to opt for applying the common rules.

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

Public consultation on empowering the national competition authorities to be more effective enforcers

DEADLINE 12/02/2016

The European Commission is consulting stakeholders on how to empower the national competition authorities (NCAs) to be more effective enforcers. The Commission would like to gather views on how to ensure that NCAs: (i) can act independently when enforcing EU competition rules and have the resources and staff needed to do their work; (ii) have an adequate competition toolbox to detect and tackle infringements; (iii) can impose effective fines on companies which break the rules; (iv) and have leniency programmes, which encourage companies to come forward with evidence of illegal cartels, that work effectively across Europe.

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

COMING-UP

EU Institutions: important dates

16-17 November	Foreign Affairs Council
16-19 November	European Parliament Committee Meetings
17-18 November	General Affairs Council
19 November	Coreper II
20 November	Coreper I
23-24 November	Education, Youth, Culture and Sports Council
23-26 November	European Parliament Plenary Session
25 November	Coreper I
25-26 November	Coreper II
26 November	Transport, Telecommunications and Energy Council
26-27 November	Informal meeting of the General Affairs Council
27 November	Foreign Affairs Council

ESBA Bulletin of 17 November 2015 – Volume 17 – Issue 16

27 November	Coreper I
30 November	Competitiveness Council
1 December	Competitiveness Council

Other SME-related events

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](#).

TTIP - What's in it for the social partners? 17/11/2015, Brussels

On 17 November 2015, The European Economic and Social Committee is organising full-day debate on the opportunities and challenges of TTIP for the Social Partners. The overall objective of the conference is to inform social partners at the national level about the different aspects of TTIP, to promote a balanced exchange of views and experiences between these different national groups aimed at reaching some common understanding on the TTIP and its repercussions. Some of the topics that will be discussed are: economic benefits for SMEs; Securing European social standards and labour rights; Transparency, democracy, accountability; and regulatory cooperation.

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

The Industrial Internet Era 26/11/2015, Brussels

On 26 November 2015, POLITICO is organising a conference on the Industrial Internet Era. So far the Internet has had the biggest impact on service industries and now it will start to transform manufacturing, energy, transportation and other industrial services. During the conference they will debate about how the industrial Internet of Things (IoT) will change factories, business models, efficiency, etc. and how the Digital Single Market can contribute to help develop the Industrial Internet. Furthermore they will also discuss the issues they might face like security and data protection risks or uncertain return on investments.

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