



HEADLINE

EU/Digital: ESBA Welcomes Vote on Data Protection Regulation

On 14 April 2016, the European Parliament voted to adopt the revised Data Protection Regulation. The new rules, which enter into force in two years, set out to increase protection of citizens regarding their personal data. A revision was long overdue as the current rules, stemming from the late 90s were vastly outdated, considering the many technological developments that have taken place since.

The European Small Business Alliance is particularly pleased to see that the voice of its members has been heard regarding reporting requirements for micro and small businesses. Whereas the European Commission understood the need to exempt this category of non-data driven businesses from having to appoint a data protection officer and undertake costly and time consuming assessments and reports, the European Parliament initially went for a ‘catch all’ approach which would bring *all* businesses under the full scope of the regulation. ESBA has advocated thoroughly the fact that small businesses, unless their core activity is handling (sensitive) data, should not be burdened with the same heavy requirements as large data processing companies. It is not reasonable to assume that traditional small businesses hold large quantities or sensitive data or mishandle the data they hold on clients or other ‘data subjects’. ESBA is pleased to see that the final report takes account the specific situation of micro- small and medium sized companies and therefore fully supports this outcome.

To learn more about Data Protection, please click: [here](#)

IN BRIEF

EU/Industry: ESBA addresses Commissioner Bienkowska on the future of SME legislation

On Tuesday 5 April 2016, ESBA Secretary General Patrick Gibbels was invited as a guest speaker on the Employers Group within the European Economic and Social Committee (EESC). Addressing Commissioner Elzbieta Bienkowska, he raised several issues related to Better Regulation, such as a better implementation of the SME-test, as well as the need to understand the discrepancies between different company sizes within the SME spectrum. What can be perfectly manageable for a company of 200 can be disproportionately burdensome for a company of 3, yet both companies fall within the SME definition and are obliged to adhere to the same regulations. Mr. Gibbels also stressed the need to strengthen access to finance for SMEs, other than the current emphasis on equity financing such as venture capital, which is not of interest to most traditional micro and small companies.

To read more about the event and the statements made, please click [here](#)

EU/Internal Market: Labour mobility package to implement EU’s labour market.

On April 4 2016, Marianne Thyssen, European employment, social affairs, skills and labour mobility Commissioner, gave her opinion on labour mobility to the Parliament Magazine. Labour mobility allows workers throughout the Europe to find a job and helps employers to fill labour and skill shortages. It is also of great economic importance for the internal market. Therefore, there is a need for clear, fair and enforced rules in this area. The EU has already four instruments that offer national authorities

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tools to make sure that free movement is fair and well managed: EURES; the platform to fight undeclared work; the enforcement directive on free movement of workers and the enforcement directive on posting of workers. Ms. Thyssen explained that to have a fair European labour market, there is a need for an implementation of the existing measures and stated that the Commission finalized the preparation of a labour mobility package. Its adoption was postponed until after the European Council, in which the UK issue was to be settled in order to avoid any interference with ongoing political discussions.

For more information on labour mobility, please click [here](#).

EU/ Trade Secrets: Plenary sitting approves EU Trade Secret Reform

On 14 April 2016, European lawmakers approved a new set of common rules to protect undisclosed know-how and business information. The Parliament drastically changed the Commission's initial proposal whose language had been deemed by some as too business oriented. The general understanding that whistle-blowers ought to be protected and not silenced by this directive was an ongoing theme in the political debate. In fact, despite the overwhelming majority in the vote (503 MEPs in favor and 131 against) several political groups asked for a delay in the vote in order to wait for the Whistle-blower package that the Commission promised for June before approving this law. Overall, the new trade secrets directive will be creating a stable legal basis, fight fragmentation and improve those key structures that enterprises need in order to trust the European soil with their know-hows.

For more information on Trade Secret, please click [here](#).

EU/TTIP: Negotiations need to speed up if a deal is to be reached by the end of the year

Negotiations on TTIP are picking up pace in the face of the US presidential elections. Progress has been slow in discussions, as the EU dealt with crises such as the migration crisis, the Greek crisis, the Ukraine crisis and Brexit, but if a deal is to be reached by the end of the year, this cannot be the case. Experts deem the upcoming months as crucial for making sure that the deal is reached before a US change of administration, which would lead to a long delay in the conclusion of negotiations and the eventual coming into force of the agreement. The aim for the 13th round, which is set to start on 25 April 2016, is to make steady progress on services and conformity assessment bodies (CABs). The tough areas such as tariffs on agricultural products, market access for financial services, and the investor-state dispute mechanism (ISDS) will be tackled in the endgame phase of the negotiations.

For more information on TTIP, please click [here](#).

EU/Innovation: Industry 4.0 and the challenges to businesses.

In the past months, the European Institutions have been trying to shape the entrepreneurial culture in order to accommodate the technological advancements of industry. Commissioner for Innovation, Carlos Moedas, was very concerned on the matter when he stated that Europe is lagging behind in the data driven business environment in a speech on 16 February 2016. Industry 4.0's has unmatched business potential, including faster manufacturing processes, integrated value chains and improved quality systems. Nevertheless the main obstacle to its implementation in Europe is not of

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economic nature but can be found in the entrepreneurial spirit. To bridge the gap between the old continent and the world's leading countries, the Commission has therefore put forward, in 2013 an action plan for "reigniting the entrepreneurial spirit in Europe" by 2020. In April 2016 a new more elaborate effort will be released by the Commission to complement the 2013 plan and introduce a new spirit for Industry 4.0.

For more information on the Entrepreneurship 2020 Action Plan, please click [here](#).

EU/SME eLearning: A new tool out to facilitate SMEs in gathering information on standardisation

On 6 April 2016, the European Commission introduced a new tool with the aim to help SMEs learn about standardisation in a quick and easy way. The tool has been developed by the European Committee for Standardisation (CEN) and CENELEC (the European Committee for Electrotechnical Standardisation) with the support of the Commission. It is available in 23 languages and is a part of a wider range of CEN/CENELEC information for SMEs. Its purpose is to help SMEs learn about what standards are, what they mean for their companies, who develops them and how they should be used, among other useful information.

For more information and to access the tool, please click [here](#).

EU/Investment: The Commission investment plan uses recapitalised Greek banks to fund SME investments through the European Fund for Strategic Investments

Speaking on 7 April 2016, Jyrki Katainen announced the beginning of a funding programme for SMEs with financing from the EFSI (European Fund for Strategic Investments). The programme is accomplished within the framework of the Juncker Plan, which benefits public-private and private investments. Commissioner Katainen emphasised on the fact that Greece is the country that needs investment more than any other EU country and that SMEs in the country can be the much-needed engine for job creation and growth. They will benefit from the programme through easier access to loans from recapitalised Greek banks.

For more information on the European Fund for Strategic Investments, please click [here](#).

EU/Investment: European Central Bank reports growth in investment rate in the euro area in the last quarter of 2015

On 11 April 2016, Eurostat published its findings on investment rate and profit share of non-financial organisations in the euro area in the last quarter of 2015. The findings show growth in investment rates (up to 22.2% from 22.0% in the previous quarter) and in profit share (up to 40.0% from 39.9% in the previous quarter). Definitions and methods used are explained in the report, which is available on the European Commission's website.

For more information on the report, please click [here](#).

EU/TTIP: As the next round of negotiations approaches, concerns rise that an ambitious TTIP will not be achieved

In the wake of the 13th round of TTIP negotiations, which has officially been announced to take place from 25 to 29 April 2016, it seems as if the negotiators of the Transatlantic Trade and Investment Partnership are in a rush to conclude the talks at the cost of the substance of the trade agreement. The political pressure to wrap up the negotiations stems from the upcoming US presidential elections, which will see Obama leave office early next year. Politicians are concerned that if the negotiations

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are not completed before the end of his term, they will be put off for later down the road, while businesses are concerned that if they are concluded by the end of the year, the content of the agreement will not be comprehensive enough. Before this round of negotiations, Obama, Merkel, Malmström and Froman will meet in the context of the Hannover Messe trade fair, which is being labelled a “last chance” for a 2016 conclusion of the negotiations.

For more information on the next round of negotiations, please click [here](#).

EU/Environment: European Commission serious on Circular Economy Implementation

On 5 April, representatives from DG Grow commented on the infringement procedures in relation to the Circular Economy Package released in December 2015. The Commission has vowed to be more committed to policing the rules and the implementation of the Package. What changed between the new efforts presented in 2015 and the axed predecessor is the pragmatism, enforcement and implementation that will now be more present in all of the phases of a product’s life cycle. Moreover, the low and more achievable targets should incentivize Member States to perform in order to fully abide by the European regulations. Nevertheless, the Commission’s intensity and scrutiny over the project should not hamper with the international competitiveness of European enterprises. This prerogative has been acknowledged by the Commission that has recently claimed to understand the importance of making European enterprises flourish alongside the correct enforcement of the Circular Economy.

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

EU/Data Protection: The General Data Protection Regulation opens up to new EU laws

On 14 April, the Plenary session of the European Parliament will be voting on a series of directives closely tied to the general data protection regulation (read: Protection of individuals with regard to the processing of personal data; Processing of personal data for the purposes of crime prevention; Use of Passenger Name Record data). These debates stem from the newly reached agreement between the European institutions on the new data protection rules, establishing a modern and harmonised data protection framework across the EU. The Regulation has been considered as an essential step to strengthen the fundamental rights of citizens in the digital age and facilitate business and simplifying rules for companies within the framework of the Digital Single Market.

For more information on Data Protection, please click [here](#).

EU/VAT: Commissioner Moscovici presents the VAT Action Plan

On 7 April 2016, Pierre Moscovici, Commissioner for Economic and Financial Affairs, Taxation and Customs, presented the new VAT Action Plan. Moscovici explained that the ‘VAT gap’, id est the difference between the expected VAT revenue and VAT actually collected in Member States, was 170 € billion in 2013. The key elements of the Action Plan are: the creation of a definitive EU VAT system for cross-border trade to reduce opportunities for fraud; the proposal of measures to tackle VAT fraud under the current rules; the modernisation of the framework of VAT rates following one of two presented options. The following press release stated that the current VAT system for cross-border e-

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commerce is both complex and costly for the businesses. To tackle this issue, the Commission will publish the legislative proposal on cross-border VAT in November 2016. A simplification package for SMEs that will seek to create an environment that will favour their growth and cross-border trade will be presented in 2017.

For more information on the VAT Action Plan, please click [here](#).

PUBLICATIONS

CEPS: The Digital Market for Local Services: A one-night stand for workers? An example from the on-demand economy

On 4 April 2016, the Centre of European Policy Studies (CEPS) published a report on the digital market. In this CEPS Special Report, Willem Pieter De Groen, Ilaria Maselli and Brian Fabo analyse the dynamics in the digital market for locally provided personal services. Based on a case study for a Belgium platform with 14,113 identified workers and 9,459 posted tasks, the findings suggest that the current intermediation is inefficient. Only a limited share of the tasks posted on the platform are being completed, whereas the characteristics of the not-completed tasks are fairly limited.

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

ECIPE: Competition, Growth and Regulatory Heterogeneity in Europe's Digital Economy

In April 2016, the European Centre for International Political Economy (ECIPE) published a paper on Digital Economy. In this paper, Matthias Bauer and Fredrik Erixon diagnose Europe's economy from the viewpoint of digital expansion and analyse the economics of slow growth in the digital economy. The authors argue that the EU's most pressing structural impediment for digital businesses to develop and reach scale is regulatory heterogeneity in non-digital industries.

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

European Environmental Bureau: Eight factsheets on how the EU can get the circular economy right

On 12 April 2016, the European Environmental Bureau published a report on the circular economy. In this report, the authors analyse the situation created by the Circular Economy Package, using eight factsheets. The factsheets show a full picture of how the EU can take the lead and cut waste, boost jobs, and reduce our resource dependency. They cover all angles from making sure we have good, repairable products that last, to how to cut landfilling and incineration.

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

CONSULTATIONS

Enforcement of intellectual property rights LAST DAY

With this consultation the Commission seeks views from all interested parties, in particular rightholders, the judiciary and legal profession, intermediaries, public authorities, consumers and civil society, on the question if the legal enforcement framework is still fit for purpose.

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

Public consultation on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship (the so-called "Written Statement Directive")

DEADLINE: 20/04/2016

The main purpose of this consultation is to gather insights and contributions from the public in the context of the ongoing evaluation of the Written Statement Directive.

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

Public Consultation on Improving double taxation dispute resolution mechanisms

DEADLINE: 10/05/2016

The consultation is part of the work on implementing the June 2015 Action Plan for a Fair and efficient Corporate tax system in the European Union and focuses on improving the double taxation dispute resolution mechanism.

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

Consultation on an effective insolvency framework within the EU

DEADLINE: 14/06/2016

This consultation seeks stakeholders' views on key insolvency aspects. In particular, it seeks views with regard to common principles and standards which could ensure that national insolvency frameworks work well, especially in a cross-border context.

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

Public consultation on the role of publishers in the copyright value chain and on the 'panorama exception'

DEADLINE: 15/06/2016

The Commission is launching a public consultation on the role of publishers in the copyright value chain and on the 'panorama exception'. It will serve to gather views in particular on the impact that granting an EU neighbouring right to publishers could have on the publishing sector, on citizens and creative industries and as to whether the need (or not) for intervention is different in the press as compared to other publishing sectors.

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

Public consultation under the Start-up Initiative

DEADLINE: 30/06/2016

The objective of this public consultation is to seek direct feedback from all relevant stakeholders, including entrepreneurs and start-up communities, with the aim of improving the environment for start-ups in Europe.

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

Public Consultation on the Evaluation and Review of the ePrivacy Directive

DEADLINE: 05/07/2016

The objective of the consultation is to collect opinions which will be used for an overall review and a future REFIT of the ePrivacy Directive. It is looking at a number of issues with the existing 2009 Directive, which include: ensuring consistency of ePrivacy rules with the General Data protection regulation; updating the scope of the directive in light of the new market and technological reality; enhancing security and confidentiality of communications; addressing inconsistent enforcement and fragmentation at national level.

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

Public consultation on the European Pillar of Social Rights

DEADLINE: 31/12/2016

The objective of the consultation is to make an assessment of the present EU social "acquis", determining the extent to which existing rights are practiced and remain relevant or whether and

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where new ways to deliver on these rights should be considered; to reflect on new trends in work patterns and societies due to the impact of new technologies, demographic trends or other factors of importance for working life and social conditions.

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

COMING-UP

EU Institutions: important dates

18 April - 28 April

18 April 2016	Informal meeting of employment, social policy and health ministers
18 April 2016	European Parliament Committee Meetings
19 April 2016	European Parliament Committee Meetings
20 April 2016	European Parliament Committee Meetings
20 April 2016	COREPER I
20 April 2016	COREPER II
20 April 2016	Informal meeting of employment, social policy and health ministers
21 April 2016	European Parliament Committee Meetings
22 April 2016	COREPER I
23 April 2016	Informal meeting of economic and financial affairs ministers
27 April 2016	COREPER I
27 April 2016	Trade Policy Committee (TPC)
28 April 2016	COREPER II

Other SME-related events

SMEs and the circular economy package: challenges and opportunities

20/04/2016, Brussels

On 20 April 2016, the SME inter-group of the European Parliament will be holding a breakfast discussion on the Circular Economy and its implications for Small and Medium Enterprises. Members of the European Parliament Mr. Calleja-Crespo Director General in DG Environment and other prominent individuals will be discussing the challenges and opportunities that SMEs will encounter when dealing with the Circular Economy.

Copyrights and Wrongs: Making a Single Market for Digital Content Work

19/04/2016, Brussels

On 19 April 2016, POLITICO will be holding an event to comment on some of the most debated measures on copyright included in the Digital Single Market Strategy and touch upon their impact on the smaller players. The event will bring together senior policymakers and key stakeholders from the creative industries to discuss whether the proposed changes to copyright rules will meet the challenge of protecting intellectual property and funding models in the digital era and creating a well-functioning market for digital content.