



HEADLINE

EU/Better Regulation: Better regulation and better results through REFIT Platform

On 29 January 2016, the European Commission hosted the first meeting of the REFIT Platform: one of the initiatives proposed in the Better Regulation Package of May 2015. This platform's main purpose is to assist in the simplification of EU legislation and reduce administrative burden for businesses, civil society and public authorities, while respecting the principles of proportionality and subsidiarity. The platform is comprised of a Government and Stakeholder Group with twenty-eight representatives of the different Member States; eighteen experts from businesses, civil society and social partners; and two members of the European Economic and Social Committee and the Committee of the Regions. The First Vice-President Frans Timmermans chairs the REFIT Platform.

In order to generate input from the European public, the Platform will use its 'Lighten the Load' tool where suggestions can be made online concerning the reduction of regulatory burdens. Consequently, these contributions will be assessed accordingly and examined for practical solutions which will be proposed to the European Commission. It is up to the Commission to decide how they will respond to these suggestions and elaborate on them. This also applies to representatives of the Government Group especially when the proposed solutions have national implications and provide suggestions on transposition and implementation of EU legislation.

ESBA OPINION

The European Small Business Alliance has been a active supporter of the REFIT initiative since its inception and welcomes the fact that is formalized further by means of this new platform. However, ESBA is surprised and disappointed to see that none of the European SME representative organisations are represented in the platform. This is particularly peculiar for a platform which, to a large extent, is to prevent Small and Medium Sized businesses from being overburdened by EU legislation. Whereas big business as well as consumer interests are sufficiently represented, we believe that the platforms lacks real SME input. We urge the commission to re-evaluate the composition of this platform so as to better reflect the fact that more than 98% of all EU businesses are in fact SMEs.

IN BRIEF

EU/Economy: UK SMEs continue to increase their exports

On 10 February 2016, the Barclay's Business Abroad Index demonstrated that UK businesses increased their exports to Europe by 6 percent in 2015. The Barclay's Index records overseas payments made into the accounts of its business customers and therefore is able to present a detailed overview of developments in exports. It shows that the British businesses in the retail sector increased their exports by 36 percent, while manufacturing businesses raised their exports by 10 percent compared to 2014. Furthermore, the index demonstrates the importance of long-standing relationships between UK businesses and European trading hubs: the UK SMEs' main two export destinations are Germany and France. The third main export destination is the United States and while China comes only at the 18th position. Overall, exports increased by 21 percent and continue to grow steadily.

For more on entrepreneurship and SMEs, please click [here](#).

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EU/Digital: How the data protection regulation will impact SMEs

On 9 February 2016, J.P. Burkley, lawyer at DLA Piper, warned that the General Data Protection Regulation (GDPR) that is expected to come into force as early as 2018 will have a significant impact on every type of business. Not only will the regulation increase red tape and introduce higher standards of consent, but fines for non-compliance will be also heftier and disproportionately harm smaller companies. It was argued by Mr Burkley that the UK government, together with the Information Commissioner's Office (ICO) should be more invested in making sure that smaller companies are not caught out by this new regulation. An easy guide that explains GDPR to SMEs could be beneficial especially given the fact that the smaller players in the economic environment cannot afford lawyers to make sure that their business is in compliance with the new legislation. The fines could now add up to 4 percent of turnover and will prove to be a heavy blow, especially for micro and small businesses. Overall, the ICO has pledged to publish an assessment tool on GDPR when it comes into force in 2018.

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

EU/Trade Secrets: Council and Parliament reach provisional trade secrets deal

On 28 January 2016, the European Parliament and Council reached a provisional deal on the protection of trade secrets against illegal acquisition. In the Directive an EU-wide definition of trade secrets was established: information that has commercial value because of its secrecy and attempts have been made to keep it a secret accordingly. Companies that have been victimised by the misuse of trade secrets should be able to defend themselves in court and have the possibility of legal redress. Furthermore, the directive stresses the importance of a right balance between the protection of trade secrets on the one hand and the freedom of media on the other. The deal has yet to be endorsed by the Parliament and the Council as a whole and will be put to a vote in April 2016.

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

EU/Corporate Taxation: Anti-Tax Avoidance Package the next step in fight against corporate tax evasion

On 28 January 2016, the European Commission published the Anti-Tax Avoidance Package aimed at a coordinated EU-wide approach against aggressive tax planning and other harmful tax practices. Ensuring effective taxation, increasing tax transparency and securing a level playing field are integral parts of the package. These objectives are laid out in legally binding anti-avoidance measures; a recommendation on tax treaties; a Directive on country-by-country reporting between tax authorities and measures to promote good tax governance internationally. Companies in the EU, as well as third countries, should pay taxes where the value is generated and be prohibited in their efforts of aggressive tax planning and profit shifting.

To read more about the Anti-Tax Avoidance Package, please click [here](#).

EU/Employment: Young, innovative and international SMEs are driving job growth in the EU

On 27 January 2016, the European Restructuring Monitor (ERM) published its annual report for 2015 on job creation in SMEs. The ERM tried to identify the transversal profile of SMEs and their main drivers and barriers for employment. The report shows that 71 percent of job growth in the EU is realised by SMEs. SMEs tend to be more successful in creating employment when they are young, innovative and internationally active. These businesses are often ambitious and willing to take risks, which has a positive effect on productivity and growth. Another important element is that

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businesses have experienced and qualified managers to drive internal and external performance. Furthermore, these SMEs must have sufficient access to finance and public support to finance their growth. Additionally, SMEs have proven to perform better in environments with favourable legislative and taxation regimes and sufficient supply of labour. Because SMEs make such an important contribution to the EU economy, it is essential for the European Commission to support them and their development.

For the ERM Report on job creation in SMEs, please click [here](#).

PUBLICATIONS

WTI: TTIP and the EU Member States

On 28 January 2016, the World Trade Institute (WTI) published a study which seeks to assess what a transatlantic free trade agreement will mean for EU countries. It concludes that the Transatlantic Trade and Investment Partnership (TTIP) is likely to bring a range of economic and social benefits to business, consumers and citizens across the EU. TTIP is probably particularly important for SMEs. Unlike big companies, SMEs lack the resources to overcome the burdensome costs and requirements necessary to “go transatlantic”.

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

IW: Entrepreneurial culture and start-ups: Could a cultural shift in favour of entrepreneurship lead to more innovative start-ups?

On 28 January 2016, the Cologne Institute for Economic Research (IW) published a policy paper that examines what defines the entrepreneurial culture of successful start-up regions and to what extent different entrepreneurial cultures contribute to the differences in entrepreneurial activity between large areas of continental Europe and other highly developed economies, especially the United States, the United Kingdom, and Israel. This paper examines both the societal and institutional framework that exists in an entrepreneurial culture and the personality structure of successful entrepreneurs.

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

CEPOB: More of a Burden than a solution? Potential Impacts of a New European Framework for Standards and Patents

On 10 February 2016, the College of Europe (CEPOB) published a policy brief that takes a critical look at the suggested New European Framework for Standards. In the era of rapidly advancing technologies and global corporations, striking the balance between protecting the Intellectual Property Rights of inventors and securing fair competition on the market poses a challenge to decision-makers and the industry alike. The European Commission wants to create a legislative proposal, however it appears unclear what exactly the issues are that it aims to tackle and how the new set up would improve the existing arrangements.

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

CONSULTATIONS

Green Paper on retail financial services: better products, more choice, and greater opportunities for consumers and businesses

DEADLINE: 18/03/2016

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The Green Paper seeks the views on how to improve choice, transparency and competition in retail financial services to the benefit of European consumers. It also inquires on how to facilitate cross-border supply of these services, so that financial firms can make the most of the economies of scale in a truly integrated EU market. Finally, it is discussing the impact of digitalisation on retail financial services with a view to allow for growth of innovative solutions in this area in the EU.

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

Public consultation on the evaluation and modernisation of the legal framework for the enforcement of intellectual property rights

DEADLINE: 01/04/2016

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.

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

Consultation on proposal to reform notifications of new regulatory requirements for services providers

DEADLINE: 19/04/2016

The aim of this public consultation is to seek the view of stakeholders on the existing services notification procedure established by the Services Directive and on potential improvements of that procedure. The results of this consultation will provide invaluable input for the Commission when preparing any future policy proposals and assessing the impact of different policy options

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

Consultation on the 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](#).

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 consultation, please click [here](#).

COMING-UP

EU Institutions: important dates

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|---------------------|---|
| 18-19 February 2016 | European Council |
| 19 February 2016 | Coreper I |
| 22-23 February 2016 | European Parliament Committee Meetings |
| 23 February 2016 | Coreper II |
| 24 February 2016 | Coreper II |
| 24 February 2016 | Education, Youth, Culture & Sport Council |

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| 24-25 February 2016 | European Parliament Plenary Session |
| 25 February 2016 | European Parliament Committee Meetings |
| 25 February 2016 | Coreper II |
| 26 February 2016 | Coreper I |

Other SME-related events

How to improve national insolvency regimes

23/02/2016, Brussels

On 23 February 2016, Bruegel is organising an event on improving national corporate insolvency regimes, based on the Capital Markets Union's expected effort to improve and harmonise national regimes. Speakers will look in more detail at this plan and at a recent report by the Association for Financial Markets in Europe (AFME).

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

What is wrong with Europe's Single Market?

24/02/2016, Brussels

On 24 February 2016, the European Centre for International Political Economy (ECIPE) is organising a lunch seminar on the Single Market. The seminar will focus on a paper for the Five Freedoms Project which outlines the flaws and inconsistencies of the EU Single Market. Furthermore, the speakers will discuss what can be done to fix the Single Market.

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

Digital Skills - Creating economic growth across Europe

24/02/2016, Brussels

On 24 February 2016, Friends of Europe is organising an event on digital skills and digitalisation. Speakers will discuss what progress has been made so far in fostering digital skills in Europe, and what challenges remain for businesses in Europe to be successful in the digital era. Furthermore, the speaker will touch upon Google's pledge to help European gain digital skills by the end of 2016.

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

The European Economy in the Doldrums: How can the EU Improve Productivity and Growth?

25/02/2016, Brussels

On 25 February 2016, the European Centre for International Political Economy (ECIPE) is organising a seminar in light of the Five Freedoms Project. The speakers will explore the underlying explanation for Europe's low productivity and economic growth. Furthermore, they will discuss what can be done to improve Europe's productivity and economic growth.

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