



“The voice of crafts and SMEs in Europe”

New rules against late payments: SMEs welcome Parliament’s vote

Brussels, 20 October 2010 – UEAPME, the European craft and SME employers’ organisation, welcomed today’s vote at the European Parliament on a revised set of rules against late payments in commercial transactions. MEPs approved a directive that regulates transactions between public authorities and businesses as well as B2B relations, setting a 30-day time limit for both that will be very beneficial for European SMEs if properly enforced, stressed UEAPME. Secretary General Andrea Benassi offered the following comments:

“All MEPs and especially the rapporteur Ms Weiler must be praised for pushing through a strict set of rules on late payments against resistances coming from all corners. Taking this into account, today’s text is the best possible compromise, although it is long overdue. The new rules must be now quickly put into practice and properly enforced. MEPs committed themselves to closely follow the implementation process – we will certainly do the same, and we hope that the new rules will reign in the plague of payment delays, which are the cause of one out of four bankruptcies in Europe at the moment.”

“Public authorities routinely exceed payment terms to the detriment of small enterprises. On average, the public sector is the worst payer in Europe time wise. With all the recent talk of economic stimulus and at a time when businesses are clearly struggling, governments could inject billions into their economies simply by paying private enterprises on time. Member States agreed on paper to give priority to late payments when approving Europe’s economic recovery almost two years ago. After today’s vote, public authorities at all levels cannot refrain from acting any longer.”

“B2B relations will also be better regulated after today’s vote, which strikes a reasonable balance between contractual freedom on one hand and the right to prompt payment on the other. Payment terms longer than the norm will only be possible if both parties agree and if the arrangement is not ‘grossly unfair’. This is crucial for smaller companies, which tend to be owed more than they owe. Good payers have nothing to fear from this arrangement, be they large or small. Bad payers, on the other hand, will have to stop banking on their suppliers.”

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EDITORS’ NOTES: UEAPME is the employers’ organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 85 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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