



"The voice of crafts and SMEs in Europe"

"Single Market Act" lacks punch and coherence, say SMEs

Brussels, 27 October 2010 – The "Single Market Act" unveiled by the European Commission today (Wednesday) lacks the vision, ambition and coherence needed to bring Europe's internal market to the next level, according to UEAPME, the European craft and SME employers' organisation. On the positive side, UEAPME welcomed the Commission's plans on the review of the Small Business Act and on the evaluation of the implementation of the Services Directive as well as its calls for progress on a Community patent. On the negative side, UEAPME deplored the lack of discussion with small businesses in the preparation phase of the text, which led to a worrying choice of wording in the chapter on corporate social responsibility and to clear errors of judgment on SMEs elsewhere in the text. The consultation phase announced by the Commission today will be crucial to give a new direction to the current text if small businesses' concerns are finally taken on board, stressed UEAPME.

Secretary General **Andrea Benassi** offered the following comments:

"After all the hype anticipating its unveiling and all the work made to prepare the ground, we were expecting more from the 'Single Market Act' presented today. As it stands, the text is not a strategy capable of inspiring the relaunch of the internal market, but a mixed bag of old news and half-baked proposals, with some occasional good ideas thrown in the mix. The single market deserves much more than this. It needs clear principles, a long term vision, a plan on how to get there and the enforcement of rules. If the aim was to inspire, today's text falls quite short of achieving it."

"On the positive side, the text opens with a clear call on the Parliament and on the Council to adopt the proposals for a Community patent, which we appreciate and fully support. The lack of a single European patent system is one of the key obstacles facing our internal market, where the same invention can be subject to up to 27 different legal systems at the moment. The text has also good ideas on how to review the Small Business Act and follow up on the implementation of the Services Directive, two points that clearly deserve attention."

"On the negative side, the Commission seems to be leaning towards legislation again as a means to regulate corporate social responsibility. We thought that we all agreed that compulsory disclosure via reporting requirements was not an option. Also on the negative side, the language used for SMEs is spot on at the beginning, when their fundamental role for the single market is highlighted, but becomes somewhat patronising elsewhere in the text, for instance when it says that 'small companies of today are the large companies of tomorrow'. The truth is, most of them will stay small, and that is not necessarily a bad thing as the Commission seems to imply."

"The current text has many shortcomings both as far as the structure and the proposals are concerned. We hope that the consultation phase launched today will take small businesses' concerns finally on board and help in transforming the document into a concrete and ambitious strategy, since the 'Single Market Act' as it stands is not likely to make a significant difference in the daily life of European small businesses."

**** END ****

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/>

FOR FURTHER INFORMATION PLEASE CONTACT:

Luc Hendrickx, Director for Enterprise Policy and External Relations, Tel. +32 (0)2 230 7599, Email: l.hendrickx@ueapme.com
Francesco Longu, Press and Communications Officer, Tel. +32 (0)496 520 329, Email: pressoffice@ueapme.com