



“The voice of crafts and SMEs in Europe”

Single Market Act II: not the greatest of sequels, say SMEs

UEAPME welcomes points on transport, energy networks, second chance; concerned with costs linked to e-invoicing and MIF

Brussels, 3 October 2012 – UEAPME, the European craft and SME organisation, was left with mixed feelings by the “Single Market Act II” unveiled today by the European Commission. On the positive side, the association welcomed the chapter on transport and energy networks, stressing the importance for SMEs of competition, choice and good quality services in these sectors across the EU. UEAPME was also satisfied with the Commission’s intentions to modernise insolvency proceedings and provide second chances for entrepreneurs involved in honest bankruptcies. On the negative side, the SME association would have liked a stronger commitment from the Commission on the enforcement of all EU single market rules at national level and on infringement procedures. UEAPME also warned against making electronic invoicing the default invoicing mode for public procurement before a single, workable and EU-wide standard is in place. Moreover, it stressed that the introduction of multilateral interchange fees for payments systems could severely increase costs for SMEs if not properly thought through. Last but not least, UEAPME reiterated its doubts on the chapter on “social entrepreneurship”.

“The Single Market Act II unveiled today by the European Commission is far from being an exciting sequel to the proposals of last year. First of all, many of its twelve key actions were supposed to be undertaken anyway by the European Commission between now and next year. Secondly, the text is far too weak on the enforcement of all EU single market rules at national level and on infringement procedures, which must be stricter, quicker and more effective. Thirdly, the proposals on electronic invoicing and payment systems could actually do more harm than good and raise costs and red tape for SMEs. This is definitely not the part two we were hoping to watch”, said Secretary General **Andrea Benassi**.

On the positive side, there is certainly merit in some of the twelve key actions unveiled today, continued Mr Benassi. The chapter on energy and transport networks is in line with the requests made in the last years by UEAPME, which has repeatedly stressed the importance for SMEs of competition, choice and good quality services in these sectors across the EU. However, the EC must be resolute against infringements in the energy sector, stressed Mr Benassi, who also welcomed the plans on insolvency proceedings and on a second chance for entrepreneurs involved in honest failures.

Unfortunately, these encouraging measures for SMEs are severely outweighed by some of the Commission’s plans for the “digital economy” chapter. *“On e-invoicing for public procurement, the European Commission risks putting the cart before the horse”,* continued Mr Benassi. *“For electronic invoicing to work at European level, there must be a single, workable and EU-wide standard. This is far from being the case at the moment, as the current systems operate on the basis of incompatible and often competing national standards. The Commission should promote a single standard first, and make e-invoicing the default mode later. A failure to do so would trigger higher costs and more red tape for SMEs.”*

UEAPME also expressed doubts on “multilateral interchange fees” (MIF) for payment systems. *“These fees are a burden for retailers and easy pocket money for banks. There is no reason why they should be reintroduced through the back door, as the current regulations actually foresee their phase-out with the Single Euro Payment Area”,* said Mr Benassi.

Finally, UEAPME reiterated its reservations on “social entrepreneurship”. *“Pursuing social development, ethical and environmental objectives is a goal that we all subscribe to. However, these objectives cannot become the exclusive domain of the so-called ‘social economy’, as more and more initiatives by the EC seem to imply”,* explained Mr Benassi.

“We hope that the Commission will at least follow up with concrete actions on energy and transport networks, on insolvency proceedings and on ‘second chance’ policies. We will also closely follow its initiatives on e-invoicing, payment systems and the ‘social economy’. Hopefully it is not too late to steer them in a more SME-friendly direction”, he concluded.

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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 80 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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