UEAPME Newsflash

2018 REACH Registration: SMEs need intensive support

UEAPME, Austrian member WKÖ and the EU Chemicals Agency ECHA organised a two-day REACH regulation workshop in Vienna to raise the awareness of SMEs and their business organisations in view of the upcoming 2018 REACH registration deadline. The conference, opened by President Rabmer-Koller, showed SMEs all the steps to determine whether or not they are impacted by REACH and whether they are subject to registration according to their role in the supply chain. The conference was followed up by one-to-one sessions for companies with specific questions to ECHA and some selected national authorities. The event confirmed how complicated it can be for SMEs to first of all determine whether or not they have to register and to secondly prepare for a successful registration. Moreover, the event advocated for substantial informational, technical and financial support at national and EU level to help them in this long and complex procedure.

Contact: Guido Lena

ECOFIN should speed-up work on VAT for e-commerce

In a <u>position paper</u> on the <u>VAT e-commerce package</u> (presented by the EC in December 2016), UEAPME welcomed the extension of the current One-Stop-Shop (OSS) for electronic services to all areas of e-commerce including distant sells. Furthermore, some simplification measures for small companies and start-ups are provided. In order to further improve the functioning of the OSS, UEAPME asks for a simple accessible portal with all relevant information about VAT rules in all Member States and that SMEs not be made responsible when relying on this information, even if the information is wrong or outdated. However, the whole project will lead to a significant reduction of administrative burdens for companies active in e-commerce and UEAPME asks the Minsters of Finance for a swift adoption of the new legislation.

Contact: Gerhard Huemer

Banking regulations must become fit for SME finance

In a joint letter, UEAPME, the <u>European Saving Banks Group</u> and <u>Uni Europe Finance</u> welcomed the Commission <u>proposals</u> for the review of the Capital Requirement Regulation and Directive as an important step to further improve proportionality in banking regulations. Indeed, all banks currently have to follow the rules defined by Basel III, which are designed for large international banks. In this context, the three organisations ask that the size of a bank not be the only criteria for simplification if it is about simpler rules for less riskier banks. Simplification should also be provided to banking structures with less complex business models like decentralised saving and cooperative banks. It is those banks that provide a huge part of finance to SMEs and currently most suffer from over burdensome reporting and discloser requirements. Finally, the organisations applaud the proposed prolongation of the SME supporting factor, but ask to further increase it.

Contact: Gerhard Huemer

UEAPME recommends a simplified Erasmus+ for VET

At the occasion of the mid-term Erasmus+ evaluation, UEAPME and its members <u>assess</u> that the rules and procedures are too complex for fostering Vocational Education and Training mobility projects. The high level of administrative burdens is the first obstacle raised by VET applicants. It has significantly increased compared to the former Leonardo da Vinci programme. Resources for mobility (such as the online language tool replacing the former language classes) should be further optimised and SMEs' access to Erasmus +, as key players in the learning mobility, should be improved. The current "one size fits all" Erasmus+ approach does not meet the diversity of VET learners. Finally, forms, tools and procedures should definitively be adapted accordingly.

Contact: Liliane Volozinskis

Platform Undeclared Work tackles bogus self-employment

The <u>Platform Undeclared Work</u> launched in May 2016 aims to provide input at EU level to tackle undeclared work and falsely declared work, notably through exchange of practices and mutual learning of Member States. Bogus self-employed is one of its priorities. Social Affairs Director Liliane Volozinskis, the UEAPME representative in the Platform, explained that if tackling bogus self-employment as a source of unfair competition is justified, it should not serve as a pretext for adding new burdens on genuine self-employment. She further stated that bogus self-employment cannot be automatically assimilated to undeclared work since it is more a misclassification of declared work than actual undeclared work. She finally recalled that Europe needs to further support self-employment and entrepreneurship to create new jobs.

Contact : Liliane Volozinskis

EU needs more realistic approach for EMU deepening

At the EESC conference in Rome for the sixty years of European Community, Economic Policy Director Gerhard Huemer agreed that more actions to deepen the European Monetary Union are needed. However, he argued for a more realistic approach because treaty changes to complete the EMU – as envisaged in the 2015 5 Presidents Report – are not feasible. Indeed, further steps could be achieved by a more flexible interpretation of rules (like the Stability and Growth Pact) with more room for investments in future growth and for frontloading structural reforms. Underlining that regional purchasing power is very important for SMEs, Mr Huemer nevertheless reminded trade unions especially that higher internal demand does not only come from higher wages, but also from more jobs and lower non-wage labour costs. Finally, he agreed that the EMU needs fiscal instruments to water down external shocks, but this has to be done under the condition that Member States implement jointly agreed reforms.

Contact: Gerhard Huemer

Circular Economy: how to engage as many SMEs as possible

Sustainable Development Adviser Rosa Solanes and representatives from member organisations participated in the Circular Economy Stakeholder Conference organised by the Commission and the EESC. They actively contributed to the discussions on the Circular Economy Stakeholder Platform which was formally launched at the end of the event. The platform has a twofold aim: exchange best practices and provide recommendations to policy makers. Ms Solanes mentioned the importance of raising awareness about the initiative beyond Brussels, as well as empower SME intermediaries at local and regional level so as to engage as many SMEs as possible in the transition to a Circular Economy. Contact: Rosa Solanes

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Compiled by: Jenny Manin Press and communications officer Phone: +32 2 230 7599 Mobile: +32 496 520 329