

# UEAPME Newsflash

## **SMEs support 'Make Work Pay' to boost employment**

Secretary General Véronique Willems participated in the informal Employment and Social Council in Malta to discuss "Make Work Pay, Inequalities, Social Inclusion". In her interventions, she emphasised that 'making work pay' is vital for boosting employment. Besides reducing labour costs, it should include incentives for business creation and tailored approaches to reach the (long-term) unemployed and incentivise SME employers. Indeed, there is a real need to avoid that people remain outside labour market while SMEs are confronted with shortage of skilled workforce. Qualified staff is crucial to the development of SMEs and work-based learning is the best guarantee to ensure swift transition in the labour market and adaptation to fast evolving skills. Ms Willems added that UEAPME wants to join forces to fight work poverty, economic activity is the best way to avoid social exclusion and it increases internal demand and creates income for self-employed and SMEs. Contact: [Liliane Volozinskis](#)

## **ECOFIS starts the debate on Future of EU and SME policy**

Secretary General Véronique Willems presented and discussed UEAPME's new bottom-up approach to elaborate the future priorities for an EU SME policy at the ECOFIS Committee meeting. This work will be closely linked to the debate on the Future of the European Union ([White Paper](#)), where UEAPME wants to be more actively involved by working on common positions as regards internal market, economic governance and trade policy. The Committee also had a first debate on the priorities for a future framework programme on research and innovation and assessed the implementation of the current Horizon 2020 programme. Furthermore, participants were updated on the local bank initiative, the CMU mid-term review, the prolongation of EFSI and various taxation dossiers. Finally, SME Academy Avignon presented its work programme for 2017 and its cooperation with UEAPME. Contact: [Gerhard Huemer](#)

## **H2020: SMEs react positively, but improvements possible**

The [High-Level Group](#) on maximising impact of EU Research and Innovation Programmes invited stakeholders to an exchange of views on how to improve the current R&I Programmes. The group, chaired by former EU Commissioner Pascal Lamy, met ahead of the completion of the final report in June. Speaking on behalf of SMEs, Economic Policy Director Gerhard Huemer said that [Horizon 2020](#) has a stronger focus on innovation, more impact on the economy and increased participation from businesses compared to previous programmes. He recommended to keep the current structure of the programme for the future but improvements are needed. This means more support/advice at national level, as well as more coherence between European, national and regional programmes, which would hence allow simplification and more flexibility in research and innovation funding for SMEs. Contact: [Gerhard Huemer](#)

## **Insurance and SMEs: what is on offer and what is needed**

At the 2<sup>nd</sup> Annual Conference on Creating & Selling SME Insurance Products & Services in Berlin, Vice-President Gunilla Almgren spoke on behalf of UEAPME about "What does the SME require from their insurance provider in 2017?". Ms Almgren stressed that SMEs first and foremost want a fair price and a good service as well as the accessibility of the insurer or broker. Although the insurance market is very competitive and dynamic, more and more risks and activities are not insurable, indeed they are either rejected or there are no appropriate insurances available. On the specific risk of cybersecurity, she stressed that prevention should be top priority, alongside affordable risk assessments and awareness raising in cooperation with business organisations. Contact: [Luc Hendrickx](#)

## **SMEs reject general reverse charge mechanism for VAT**

At the meeting of the Working Group on Taxation, member organisations adopted the [position paper](#) on the Commission [proposal](#) for a temporary application of a generalised reverse charge mechanism in the area of VAT. Such a mechanism will lead to uncertainty, risks and costs for SMEs and will create additional barriers for the single market. UEAPME also argues against a definitive VAT system based on reverse charge because of its high risk for fraud, and rejects the EC's ideas of coming forward with a split-payment mechanism for VAT compliance. In the case of a reverse charge mechanism, SMEs have to receive trustworthy and legally binding information about potential clients' VAT status in order to avoid the risk of penalty payments. In addition, the working group members discussed first orientations for the upcoming review of the [SME VAT scheme](#). Contact: [Gerhard Huemer](#)

## **Stakeholders discuss company law, digitalisation and SMEs**

Enterprise Policy Advisor Chiara Aprea attended the stakeholder meeting, organised by DG Justice, aiming to collect early feedback on company law and corporate governance, in particular on a possible EU initiative to facilitate the use of digital technologies, and on cross-border mergers and divisions. Ms Aprea emphasised that the digital infrastructure should be available and properly functioning for all those wanting to use digital instruments throughout the entire company's lifecycle. Nevertheless, she insisted that digitalisation should be a free choice for SMEs and non-digital, face-to-face services should

remain available, UEAPME supports any initiative to improve the current system and facilitate SMEs' activities through digital technologies. Moreover, UEAPME also invited the EC to not only look at the cross-border dimension but also improve digital infrastructure at Member State level.

Contact: [Chiara Aprea](#)

### **Data protection: timely information needed**

At a workshop on the General Data Protection Regulation, organised by the European Commission, Enterprise Policy Director Luc Hendrickx expressed concern that the implementation guidelines for the GDPR, elaborated by the Article 29 Working Party will be provided too late. Indeed, enterprises need this information now in order to prepare their compliance with the Regulation. Furthermore, he asked for EU support for the SME organisations to inform their members.

Contact: [Luc Hendrickx](#)

### **Happy Easter from the press office!**

*Dear readers, the UEAPME weekly newsflash is taking a short break for the Easter holidays. Issue 382 will be sent and published on 21<sup>st</sup> April. Secretary General Véronique Willems and the UEAPME staff wish you all a wonderful Easter!*

#### **EVENTS AHEAD:**

- EU Conference on Noise in Europe (24.04, contact [Guido Lena](#))
- REACH 2018 and beyond (27-28;04, Sofia, contact [Guido Lena](#))
- Brussels Economic Forum (01.06, contact [Gerhard Huemer](#)) - [Registration](#)
- East Invest 2 Annual Conference (21.06, Kyiv, contact [Luc Hendrickx](#))

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