

UEAPME

Annual Report 2012

&

**Committees Working
Programme 2013**



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UEAPME in 2012

European SMEs did not witness the recovery they were hoping for in 2012. Austerity measures dampened internal demand, a key source of revenues for small companies. As a consequence, the performance and confidence of SMEs suffered throughout the year. On the policy side, the various programmes and policies for the 2014-2020 period dominated the agenda, next to more short term worries on SME finance and on employment in Europe. 2012 also marked the end of the mandate for Andrea Benassi as Secretary General of UEAPME, after five years at the helm of the organisation.

Economic and fiscal policy: crisis, SME finance, “Basel III” and “Horizon 2020” take centre stage

➤ A bleak economic outlook

Europe's *economic outlook* remained quite bleak in 2012. EU Member States kept performing unevenly, and continued austerity measures started putting a dent on internal demand and as a consequence on the performance of many SMEs. Speaking in **February** at the Macroeconomic Dialogue between Council, Commission, European Central Bank and European Social Partners, Secretary General Andrea Benassi stressed that there were no alternatives to lowering public debt and deficits, as long as action was taken at the same time to promote confidence, undertake the structural reforms needed, tackle the economic imbalances in the Euro zone and promote SME growth especially in the countries hardest-hit by the economic crisis.

In **March**, UEAPME published its seventh “Craft and SME Barometer”. Our “SME Business Climate Index” went down to 70.5 from 70.8, hovering around the 70 points barrier that is seen as a neutral business climate. The confidence gap between Portugal, Ireland, Italy, Greece and Spain combined and the rest of the EU kept widening, found the survey, which also recorded a deterioration of turnover, employment and orders indicators in the second semester of 2011. Speaking some days later at the Tripartite Social Summit with the Commission, the Council and the EU Presidency, President Gunilla Almgren stressed once more that the reduction of public demand stemming from the needed fiscal consolidation must be compensated with structural reforms.

Policymakers seemed to realise the need to push for more growth in the spring, and started working on a “European Growth Pact” capable of stimulating the economic recovery of the EU. In **June**, UEAPME wrote to the Presidents of the European Council, of the Council of the European Union and of the European Commission on this subject. It stressed that it would support such a pact as long as it accompanied fiscal consolidation, warning however that it required the commitment of all Member States to its policy outline and priorities as well as to implement the pact at national level. The European Council

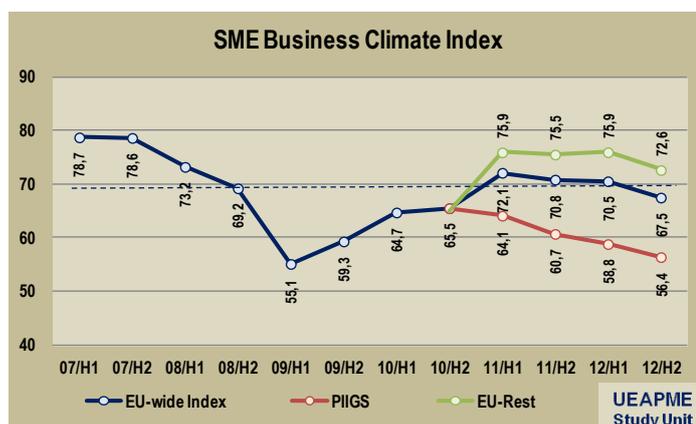
rubber stamped the “European Growth Pact” at the end of the month. Our Administrative Council in **July** adopted a position paper on the pact, stressing that the private sector must be the driver for future growth and new jobs in Europe’s economy, and that the recovery would not take place without an implementation of the needed structural reforms in the different Member States.

In **October**, more than 350 delegates from national SME organisations, EU institutions and Member States participated to the second “SME Convention” organised in Brussels by UEAPME with the support of the European

Commission. The convention was opened by Máire Geoghegan-Quinn, European Commissioner for Research. It also featured high level speakers from the European Commission, the Parliament, the EESC, the EIF as well as the Cyprus, Irish and Lithuanian EU Presidencies. The aim was to discuss the proposals for the 2014-2020 programming period and the economic conjuncture. At the event, Secretary General Andrea Benassi launched a “to do list” of key measures for the EU and Member States to support the real economy, including labour market reforms, better access to finance for SMEs, support measures for innovation, “green” investments and last but not least a further cut in red tape.

Also in **October**, UEAPME published its second “Craft and SME Barometer” for the year. Our “SME Business Climate Index” decreased by 3 percentage points to 67.5, below the 70 points barrier. The confidence gap between Portugal, Ireland, Italy, Greece and Spain combined and the rest of the EU was still large, found our survey, which also recorded a lower confidence index for the Euro zone (66 points) than for the other EU members (70.6 points). All the measured economic indicators declined compared to the first half of the year. Micro enterprises were the hardest hit, according to our statistics, which revealed in addition highly negative turnover results for the three sectors relying the most on the EU’s lowering internal demand, i.e. construction and both business services and personal services.

Our “SME Business Climate Index” returned below the 70-point safety line in the second half of the year



Some days later, President Gunilla Almgren spoke at the Tripartite Social Summit. She stressed that the downturn we measured was largely due to the consolidation programmes put in place to tackle soaring public debts and deficits. These measures were necessary but triggered a slump in internal demand in the EU and in SMEs’ revenues. Against this background, Ms Almgren called for a three-pronged approach: restablising the financial sector and public finances to restore confidence, putting in place the needed structural reforms for new business and job opportunities, and providing growth enhancing and supporting measures to kick-start the recovery.

In **November**, UEAPME spoke again at the Macroeconomic Dialogue, putting forward the same arguments. While agreeing with trade unions that austerity alone was not a solution, UEAPME called on workers' representatives to reconsider their opposition to structural reforms.

➤ **SME finance: ensuring funding for all SMEs**

Next to the economic crisis, SME finance remained of course very high on our agenda. In **January**, Secretary General Andrea Benassi spoke at a workshop on the EU financial instruments for SME competitiveness and innovation organised by the European Investment Fund and the European Commission in Luxembourg. He stressed that SMEs are very diverse, ranging from traditional family businesses to high-tech and fast growing enterprises and start-ups. The next generation of EU financial instruments must cover the whole range and provide tailored support for each company type, he said.

In **March**, UEAPME participated to a meeting of the SME Finance Forum in Brussels. On the agenda was an update on the state of play on the financial instruments in the "COSME" and "Horizon 2020" programmes. Participants also discussed how to improve the financial advisory capacity of the Enterprise Europe Network, before moving on to tackle the impact of new capital requirements in the "CRD IV" *directive on SME financing* (see below). In **May**, at the 10th pan-European conference on mezzanine finance in Paris, UEAPME called for public support to create financial instruments to cover riskier than average projects such as innovation, internationalisation and business transfers. At EU level, the 2014-2020 programmes and policies should be used to aim at having mezzanine programmes in place in all EU countries by 2020, we stressed.

In **November**, the European Central Bank released a new round of figures on SMEs' access to finance. Access to bank loans kept worsening, rejection rates when applying for a loan went up and the percentage of respondents reporting access to finance as their main problem remained very high, the ECB data revealed. The UEAPME Board of Directors released a statement against this background stressing that this trend must be reversed as soon as possible. In the short term, the Board underlined the need to fully and swiftly implement *the late payments directive*, ideally before the legal deadline for doing so. It also stressed again the importance of guarantee schemes as a fundamental measure to support growth and job creation, and commented on the implementation in the EU of the "*Basel III*" *rules on capital requirements*, a third key concern in this policy area throughout the year.

➤ **Basel III: calling for lower risk weights for SME loans**

Back in **January**, UEAPME and Barclays Bank organised a roundtable discussion at the European Parliament on *Basel III*. We stressed that funding from banks is and is likely to remain the most important source of external finance for SME in the EU. Therefore, it was crucial to ensure that the new rules for capital requirements then under discussion at the EP did not hamper this funding channel. In particular, we called for the immediate revision of the "risk weights" for SME loans. In **February**, we made the same request when meeting with a delegation from the European Banking Authority, which was tasked by Vice President Tajani and Commissioner Barnier to explore whether the current 75% risk ratio for SME loans could be reduced.

In **March**, a study made in France was presented at a working meeting of the SME Finance Forum in Brussels, showing that real risk weights for SME loans turned out to be lower than those actually applied. This reinforced our appeal for a decrease of the risk weights, we stressed. In the same month, the SME Intergroup of the European Parliament organised a breakfast meeting on the topic. UEAPME warmly welcomed the amendments presented by Othmar Karas MEP, rapporteur on *Capital Requirements Directive IV* and President of the SME Intergroup, as well as from colleagues from the main political groups at the EP. In particular, we praised MEPs' action in favour of reduced risk weights for SME loans. In **April**, President Gunilla Almgren and Secretary General Andrea Benassi met the European Commission's President José Manuel Barroso. Among the many issues discussed at the meeting, President Almgren highlighted the possible negative effects on SMEs' access to finance linked to the implementation in the EU of the "*Basel III*" rules. In **May**, the European Parliament's Economic and Monetary Affairs Committee adopted the report by Mr Karas, which struck a very good balance between the requirement to increase the resilience of the financial system and the need not to harm the provision of financing to the real economy. Besides the proposed reduction of risk weights for retail loans, UEAPME also praised Mr Karas for supporting a regulatory level playing field across Member States, as well as for resisting pressures to weaken the requirements on capital quality and liquidity risks.

➤ **A single management structure and a dedicated budget for SMES in "Horizon 2020"**

The upcoming "Horizon 2020" research and innovation programme for 2014-2020 was the clear focus of our action in this policy area in 2012. Our "red lines" were decided in **March** at a meeting of our working group on R&D and Innovation: a single management structure for the "SME instrument" in Horizon 2020, to ensure coherence and transparency across all the societal challenges and enabling technologies, a specific budget line ring fencing 15% of the overall funding to support research and innovation in SMEs, and the use of the official EU definition of SME to identify the programme's beneficiaries. Later in the same month, UEAPME issued a position paper detailing these requests.

In **April**, at a meeting organised by the European Parliament's SME Intergroup, we put forward our main demands on the programme and commented on the European Commission's proposal to finance loan guarantees up to 150.000 EUR via the COSME programme and to use Horizon 2020 funds above this threshold and for innovation-related activities. There is no good argument why this setup should be kept, we stressed, calling for thresholds to be abolished and for loan guarantees to be provided in parallel by both programmes. In the same month, we reinstated our "red lines" at a seminar on "Horizon 2020" organised by the ALDE group at the European Parliament and during the meeting between President Almgren and President Barroso (see above).



Commissioner Geoghegan-Quinn at the second “SME Convention”, Brussels, October 2012

At the second “SME Convention” in **October** (see above), Commissioner Geoghegan-Quinn reconfirmed the Commission’s intentions to reduce red tape and to use the official SME definition. However, the issue of the overall budget for Horizon 2020 and for the SME-dedicated instrument requested by UEAPME remained pending.

Enterprise policy: COSME, EEN reform, Corporate Social Responsibility, Small Business Act on the radar. Bringing COSME closer to the Small Business Act and to the needs of all SMEs

The upcoming *Programme for the Competitiveness of SMEs 2014-2020* (COSME) topped the list of our concerns in this policy area in 2012. In **March**, at a workshop organised by the EPP group, we stressed that COSME should address all SMEs, not only those internationally active or highly innovative, and that special attention should be given to micro and small companies facing difficulties in accessing EU funding. The references to the *Small Business Act* in the text are too limited, we continued, as COSME should give a strong impetus to its implementation. We also called for a stronger involvement of SME organisations in the governance, design and implementation of the programme.

In **April**, the European Economic and Social Committee adopted its opinion on COSME, drafted by rapporteur Ronny Lannoo from our Belgian member UNIZO. In line with UEAPME's remarks, the report pointed out the lack of references to the *Small Business Act* and to its priorities in COSME and rightly stressed that the programme should address all SMEs. Moreover, the report called for support for SMEs and their access to advice, focusing on small and micro enterprises, as well as for better governance and a bigger budget than the 2.5 billion EUR foreseen. President Gunilla Almgren reinstated our calls on COSME at her meeting with President Barroso in the same month (see above).

The COSME programme also featured in the "to do list" unveiled by UEAPME at the second "SME Convention" in **October** (see above). UEAPME called for the programme to be used to monitor the application of the *Small Business Act* principles in all policies and programmes, stressing again the importance of partnerships with SME organisations. On the next day, our Secretary General handed over our requests to the EU and to Member States at a press conference at the European Parliament with Antonio Tajani, Vice President of the European Commission responsible for industry and entrepreneurship, and Jürgen Creutzmann MEP, rapporteur on COSME.

The audience at the second "SME Convention", Brussels, October 2012



On a closely related topic, we also worked on the revision of the Europe Enterprise Network (EEN) in 2012. In the first half of the year, UEAPME stressed the need for a thorough overhaul of the network in several instances, including at the EPP workshop in **March**, and the EESC report adopted in **April** also

followed the same line (see above). In **October**, UEAPME published a position paper with its proposals for a renewed EEN. In many Member States, the EEN still does not reach SMEs, we wrote, as in several regions the representative SME organisations are not involved and thus it is not possible to build a network between enterprises and enterprise organisations. Therefore, the EEN must be evaluated and reformed, taking into account the specific situation in different countries and the diversity of SMEs. It should build on the existing networks that representative organisations have developed over decades, continued UEAPME, which also provided concrete examples of the consequences of the actual situation for SMEs and proposed specific conditions to be met by all EEN centres after its upcoming reform.

➤ **Corporate Social Responsibility: doubts about new definition**

UEAPME also kept a close look on *Corporate Social Responsibility (CSR)* in 2012. In **February**, at a meeting of a study group on *Corporate Social Responsibility (CSR)* set up by the European Economic and Social Committee, we criticised several aspects of a communication on CSR presented by the European Commission at the end of 2011. In particular, we expressed strong doubts on the new definition of CSR, i.e. “the responsibility of enterprises for their impacts on society”. This does not reflect the voluntary nature of CSR as it was previously the case, we stressed. In **March**, an international networking event for advisors to SMEs on *Corporate Social Responsibility (CSR)* took place in Berlin. The event was based on an idea put forward by UEAPME and was attended by representatives from our members CGPME (France), Håndværksrådet (Denmark) and UNIZO (Belgium), as well as from NORMAPME and the Berlin Crafts Chamber, part of our German member ZDH. Arguments discussed included the need for feasible tools for SMEs to deal with CSR in their supply chains and the importance of tailored tools capable of answering to the concerns of the entrepreneur and to the problems experienced within the company.

In **June**, at a roundtable organised by the office of the Polish region of Silesia in Brussels, we stressed that externally driven CSR, which is led by pressures outside the company, is often seen by small entrepreneurs as a threat rather than as an opportunity and only leads to conformity with norms. On the other hand, internally driven CSR led by the voluntary actions, personal values and attitudes of the entrepreneur is much more suitable to achieve an integrated CSR policy. Public authorities should encourage this kind of CSR instead of imposing formalistic structures, we concluded. In **October**, the EPP Group at the European Parliament organised a hearing on CSR. SMEs need concrete tools and tangible solutions to tackle the challenges linked to CSR and sustainable development, we stressed. These tools, starting from advice and support measures, must be tailored to SMEs and adapted to their characteristics. In **November**, the high level group of Member States representatives on *Corporate Social Responsibility (CSR)* and the coordination committee of the European CSR Multi-Stakeholder Forum met in Brussels to review the implementation of the EU policy on CSR. At the event, UEAPME regretted the lack of progress on the support for capacity building of intermediary business associations to improve the quality and availability of CSR advice to SMEs. We also commented again on the EC plans for compulsory disclosure of non-financial information. While the EC in the meantime clarified that it aimed to focus only on larger companies, we warned that safeguards must be inserted to avoid SMEs being forced to comply with the new rules, for instance when acting as subcontractors.

➤ **Small Business Act: finally some progress**

Compared to 2011, which brought about significant changes and new developments including a review by the European Commission, 2012 was focused more on the implementation at national level of the *Small Business Act*. In **November**, we released our yearly “Think Small Test” and “SBA Implementation Scoreboard”. According to our survey, for the very first time since its adoption in 2008 policymakers at EU and national level were finally making progress on the commitments made with *the Small Business Act*. Our “SBA Implementation Scoreboard” recorded steps forward across all the ten surveyed policy areas related to *the Small Business Act*. Results were particularly positive for public procurement, promotion of entrepreneurship and State aid. When it came to the respect of the “Think Small First” principle, the European Commission and the European Parliament fared quite similarly on average in our “Think Small Test”. However, while both were close by on business support, the Commission was ahead on the legislation chapter and quite behind on administration. Moreover, both remained below the average index measuring Member States’ performance.

➤ **Better regulation: speaking against blanket exemptions for micro companies**

In 2012, the European Commission also came up with a suggestion to exempt micro companies from EU legislation unless the proportionality of their being covered could be demonstrated. At a meeting of the network of national SME Envoys in Luxembourg in **January**, UEAPME warned that what micro companies actually need is a thorough application of the “Think Small First” principle, which would rule out the need to exempt companies from legislation in the vast majority of cases. If micro companies do not need a piece of legislation then most probably it is not needed at all.

In **February**, UEAPME published a position paper on the issue. While supporting the efforts by the Commission and by Member States to achieve a better regulation and cut red tape, UEAPME warned that the “reverse burden of proof” suggested by the EC, by which “micro-entities should be excluded from the scope of the proposed legislation unless the proportionality of their being covered can be demonstrated”, was a step too far. In **March**, we put forward our arguments again at a meeting with the European Commission’s Secretary General Catherine Day and Director for Better Regulation Marianne Klingbeil. At a hearing organised by the European Parliament’s ITRE Committee in **May**, UEAPME explained its stance to MEPs, stressing that micro companies are obliged to respect standards and regulations on quality if they want to be successful and competitive on the market, even locally. Moreover, exempting them from EU rules could have a negative “threshold effect” on SME growth and lead to fragmentation in the single market, as several issues would have to be regulated at national level. President Almgren also touched upon the issue of exemptions at her meeting in **April** with President Barroso (see above).

Other topics of relevance in this policy area included the official EU definition of SME, with UEAPME speaking repeatedly against all attempts to increase the current staff thresholds, the full and correct implementation of the late payments directive, trade policy and trade defence instruments, human rights and SME internationalisation. Moreover, the president of UEAPME and several members participated in 2012 in the “Missions for Growth” organised by the cabinet of the European Commission’s Vice President

Antonio Tajani (e.g. Brazil/Uruguay/Argentina/Chile, United States, Tunisia/Morocco). UEAPME also regularly participated to the monthly meetings of the Market Access Advisory Committee of the European Commission.

Internal market: Single Market Act II, retail market, SEPA and public procurement among key concerns.

➤ Single Market Act II: not the greatest of sequels

Further to the “Single Market Act” presented in 2011, the European Commission issued in **October** 2012 its “Single Market Act II”, a second set of actions for the completion of the internal market. UEAPME was left with mixed feelings. On the positive side, it welcomed the chapter on transport and energy networks, stressing the importance for SMEs of competition, choice and good quality services. UEAPME was also satisfied with the Commission’s intentions to modernise insolvency proceedings and provide second chances for honest bankruptcies. However, the SME association stressed the lack of a strong commitment on the enforcement of all EU single market rules. It also warned against adopting e-invoicing as default method for public procurement before a single EU-wide standard is in place.

➤ Towards a European retail action plan

The actions of the European Commission in this policy area also focused on the retail market. At the end of **March**, several speakers from UEAPME participated to a workshop on a “European retail action plan” organised by the European Commission. On the external dimension, we stressed that regulations should not discriminate foreign companies, but issues such as opening hours or urban planning are better left to the national level. On the needs of retail SMEs, we stressed the importance of strengthening the application of the “SME test” and consult stakeholders on the first draft of impact assessments, before their finalisation. A real single market should guarantee a diverse retail landscape. In this respect, some rules cannot be seen as an obstacle: for instance, the prohibition of sales below cost should be kept where it exists, and urban and local planning rules should be respected.

UEAPME also spoke about “green growth” in the sector. On sustainable consumption, we stressed the need to improve the image of environmentally friendly products, which consumers often deem unfit for use, and to simplify Ecolabel criteria to promote their uptake by SMEs. On the environmental impact of retailers, we warned that one-size-fits-all rules designed for large retailers would not help micro companies with a limited surface and a relatively small footprint.



President Almgren meets President Barroso, Brussels, April 2012

Last but not least, UEAPME commented on the mismatch between the skills needs of companies and those of staff in the retail sector. Despite the impact of the crisis, recruiting and retaining well-qualified staff remains a major challenge for retail SMEs and micro companies, we stressed. Companies also increasingly faced with a skills mismatch, as education and training systems are not equipping people with the skills needed on the labour market. Against this background, we called for a stronger identification and anticipation of skills needs, the improvement of education and training outcomes according to labour market needs, the improvement of the framework conditions to better match supply and demand and last but not least a better support to the training requirements of SMEs and micro companies.

➤ **SEPA: focusing on governance**

The *Single Euro Payments Area* (SEPA) was another hot topic in 2012. The aim of SEPA is to introduce Europe-wide rules for credit transfers, debt transfers and payment card services. UEAPME was active on this issue both on its own and as part of the Payment Systems End-User Committee (EUC), which also features consumers' organisation BEUC, EuroCommerce and other associations. In **January**, we participated to a meeting of the Stakeholders Forum of the European Payments Council, the decision-making and coordination body of the European banking industry in relation to payments. On the agenda was the governance of SEPA, a matter that was further discussed in **May** at a technical meeting organised by European Central Bank and the European Commission. Participating to this meeting as part of the EUC, we stressed that a better structure would lead to an increased ownership of the project for all the stakeholders involved. This in turn would ensure that agreed solutions are readily accepted and better implemented in the changeover process to SEPA. In **September** UEAPME, EuroCommerce, the European Retail Roundtable, the European Association of Corporate Treasurers and BEUC wrote a letter to the ECB and to the Commission on the representation of stakeholders in the SEPA Council, a high-level body they set up and co-chair to steer and complete the transition to the Single Euro Payments Area. The organisations stressed the need to balance the high level of the speakers required by EC and ECB with the need to find members who are sufficiently knowledgeable of the policy and legislative issues at hand.

➤ **Facilitating SMEs' participation in public tenders**

The European Commission's proposals to modernise the *EU public procurement rules* were also on our radar. In **April**, our Legal Affairs Committee adopted a position paper on the issue. UEAPME welcomed the proposed measures to facilitate the participation of SMEs in public tenders, such as the threshold for turnover requirements, the simplification of information obligations, the possibility of direct payment to subcontractors and the “apply or explain” principle facilitating the division of tenders into lots. It also praised the Commission for its stance on “green procurement”, “social procurement” and all cases where public tenders are used to promote other goals. On the negative side, UEAPME expressed concerns on the wider use of less transparent “negotiation” procedures and spoke against a separate and more lightly regulated regime for “social services” tenders. In **June**, we put forward our arguments again at a workshop organised by the European Economic and Social Committee, calling for the rejection of a report by the European Parliament that gave too much leeway to public authorities and introduced the obscure concept of “social sustainability”. In **September**, the European Economic and Social Committee organised another hearing focusing specifically on e-procurement. Electronic procedures can indeed help to significantly improve efficiency by triggering higher participation, especially among SMEs, more competition as well as time and cost savings, we stressed. However, only a fully integrated process covering all steps from e-tendering to e-payments and e-invoicing can lead to the savings estimated by the EC, i.e. around 100 billion EUR per year. However, a single standard must be agreed before the e-procurement use becomes mandatory, we warned. In **November**, UEAPME and the SME Intergroup of the European Parliament jointly organised a meeting on the topic, during which we reinstated our main policy lines.

Other topics we dealt with in this policy area included the “Points of Single Contact” in the framework of the Services Directive, the mid-term review of the EU industrial policy and “second chance” policies for honest bankruptcies.

Legal affairs: Common European Sales Law, data protection, ADR/ODR, EU patent and much more.

➤ Doubts on the European Common Sales Law

In 2012, UEAPME kept working on the proposal made by the European Commission in **October** 2011 for a *Common European Sales Law* (CESL). In **February**, we published two position papers with our general and specific remarks, which we kept regularly updating throughout the year. While supporting the Commission's intention to boost cross-border sales in the single market, we stressed that the commercial reality of SMEs was not properly taken into account in the Commission's proposal and we expressed doubts on whether such an instrument would make the cross-border activities of SMEs easier and more attractive. In **April**, the European Economic and Social Committee adopted its opinion on the CESL, drafted by rapporteur Ana Bontea from our Romanian member CNIPMMR. UEAPME welcomed this well-balanced text, which rightly stated that the proposal needed a number of important improvements, highlighting the need to take into account the specific characteristics of SMEs and to guarantee legal certainty. In **June**, we spoke at a workshop organised by the European Parliament on the CESL. We put forward our arguments and concerns on the proposal, focusing on its general provisions and on the issue of remedies, calling for the final text to clarify that consumers must first require repair or replacement and can claim a price reduction or contract termination only at a later stage and only in certain circumstances. In the second half of 2012, UEAPME discussed its position and possibilities for improvement in various meetings with the European legislators. In November, UEAPME published an updated version of its position paper on the CESL, reflecting on a working document on the EC proposal by the Legal Affairs Committee of the European Parliament.

➤ Working for an SME-friendly revision of data protection rules

In addition, we followed the European Commission's plans to update the EU regulation on data protection. In **April**, we published a position paper on the issue. There is a clear need to revise the current legal framework to bring it in line with new technological developments and especially to the challenges of the online world, we wrote. However, this must be done in a technology-neutral way. Moreover, inappropriate administrative burdens for SMEs should be avoided and the new rules should define clear-worded rights and obligations for the data subject, controller, processor and data protection officers. UEAPME also stressed the need for information campaigns for SMEs on personal data protection backed by EU funding. In **June**, we spoke at a workshop on the issue at the European Parliament. We welcomed the lighter regime proposed by the European Commission for SMEs, namely on documenting data processing operations, appointing a data protection officer and administrative sanctions.

However, we warned against the red tape arising from information requirements and from the obligation for data controllers to assess the impact of their action on personal data in some circumstances. Finally, while recognising the challenges for data protection linked to online activities, we stressed that the offline dimension of the issue should not be neglected, as this is where most SMEs actually operate. In

November, UEAPME wrote to the members of the European Parliament's Civil Liberties, Justice and Home Affairs Committee, calling for the discussions on data protection at the EP to focus on the effects of the new rules on SMEs. Our letter gave several examples of clauses that would be problematic for small companies to implement. Throughout the year, UEAPME also participated in several round table discussions with data protection NGOs and other industries. A detailed exchange of views took place with different actors about the wide range of consequences for SMEs of this initiative.

➤ **Alternative and online dispute resolution: claims must work both ways**

The topics of *alternative dispute resolution* (ADR) and *online dispute resolution* (ODR) also kept us busy during the year. In **May**, at a breakfast discussion organised by the European Parliament's SME Intergroup, we welcomed the plans by the European Commission in this respect. However, we called on the EC not to overburden retailers with information obligations and to make sure that terms and definitions were the same in both proposals to guarantee a coherent legal approach. Later in the same month, UEAPME published a position paper on the issue. We insisted again on the need to limit information requirements to what is practical and necessary, and we stressed that the recourse to ADR must be strictly voluntary and an additional option, that it should not be used in collective dispute resolutions and that it should not be considered at the same level of collective redress. Moreover, the scope should include claims from consumers against retailers, but also vice versa, for instance for non-payment or reduced payment. In **June**, we put forward our requests again in a panel on "legal uncertainty in case of disputes" at a seminar organised by the ALDE group at the European Parliament. In **November** our member HOK, the Croatian Chamber of Trades and Crafts, organised the 3rd international conference on *Alternative Dispute Resolution* (ADR) in Zagreb. At the event, UEAPME stressed that SMEs are in favour of ADR, as it is often faster and cheaper than court proceedings and does not have negative effects on commercial relations. We also warned against the intentions by the Council and the Parliament to exclude claims from businesses to consumers from the scope of the EU rules. In **December**, the European Parliament's Committee for Internal Market and Consumer Protection voted on ADR and ODR. On the positive side, MEPs limited information requirements compared to the EC proposal. As requested by UEAPME, they also made the ODR system available both for claims from consumers towards traders (C2B) and the other way around (B2C). However, they did not follow the same line for the ADR system, making it not available for traders to settle claims against consumers. UEAPME regretted this choice and called on the Parliament's plenary to make both ADR and ODR available for B2C and C2B.

➤ **Finally an agreement on the European community patent**

The second half of 2012 also saw a breakthrough on the longstanding issue of *the European community patent*. In **November**, the Council's Committee of Permanent Representatives found a compromise on the unitary patent court. In **December**, the Competitiveness Council and the European Parliament approved the deal, paving the way to a unitary patent system to provide automatic patent protection in all 25 participating Member States. UEAPME welcomed this positive development. The unitary patent will act as a driver for innovation, lowering costs and fostering SMEs' competitiveness and hopefully allowing

Europe to catch up on R&D and innovation with its international competitors, stressed UEAPME, which also called on the Spanish and Italian governments to join the unitary system in the interest of crafts and SMEs in their countries.

➤ **Misleading company directories: some progress at long last**

Last but not least, 2012 also saw progress finally being made on unfair commercial practices and particularly on *misleading company directories*, i.e. cases when small companies are invited by a business directory to update their contact details under the false impression that they will be listed free of charge, only to discover later that they have unintentionally signed up to a paid contract. After years of insistence by UEAPME and its members, the European Commission issued in **November** a communication on this phenomenon. UEAPME warmly welcomed this initiative and stressed that EU-wide rules are fundamental in this respect, as scammers increasingly operate cross-border. Clearly banning such practices in the EU, increasing penalties for infringements, designating an enforcement authority in each Member State and promoting cooperation between these authorities would go a long way towards reducing deceptive marketing techniques in the EU, wrote UEAPME, calling for a legislative proposal to follow soon.

Other issues covered in this area included the review of *the General Product Safety Directive (GPSD)*, with UEAPME calling on several instances for a legal clarification and a lighter regime on “isolated cases”, i.e. situations where a problem with only one sample of a product has been detected. We also worked on “cloud computing”, the use of software and other ICT services over the internet, calling for minimum data security standards and proportional compensation clauses in case of data loss to be introduced. Other files we worked on were *the revisions of the insolvency regulation, of the Insurance Mediation Directive* and of *the Package Travel Directive*, as well as trademarks and e-commerce. Last but not least, UEAPME participated in a one-year project to establish a new homepage for the Office of Internal Market Harmonisation (OHIM) to make it more easily understandable and user-friendly, in particular for SMEs.

Social affairs: employment/unemployment, social and economic governance and social dialogue top priorities

➤ Employment and youth employment a key concern

The effects of the economic crisis on employment in general and on youth employment in particular were one of the most pressing social and labour market issues that we followed in 2012. In **January**, Secretary General Andrea Benassi participated to a meeting between the European Commission's President José Manuel Barroso and the European Social Partners on this topic. He recalled the key role of SMEs as job creators, calling for measures on youth unemployment to be targeted to suit the special needs of small and medium-sized companies and for actions to be taken on the functioning of labour markets, on education and training policies and on supporting young people willing to become entrepreneurs. At the Tripartite Social Summit in **March**, President Gunilla Almgren also touched upon the issue, presenting a full set of recommendations compiled by UEAPME and stressing the need to avoid at all costs a "lost generation".

In **April**, the European Commission presented an "Employment Package" containing a set of actions to boost job creation in Europe. UEAPME welcomed the strong political signal launched by the EC to tackle unemployment, as well as its call for labour market reforms. It also praised the Commission for highlighting the need to better involve social partners in the macroeconomic governance at EU level, with a stronger focus on wage developments. On the negative side, UEAPME stressed the lack of references to *the Small Business Act* and to the "Think Small First" principle. It also criticised the chapter on skills, as it disregarded the importance of vocational education and training and work-based learning, including apprenticeship.

Also in **April** youth unemployment was the main topic discussed between European social partners and the Social Troika of the European Social Affairs Ministers in Horsens under the Danish Presidency. President Almgren recalled that the 2012-2014 work programme of the European Social Partners puts youth employment as the number 1 priority. She urgently called for improving the functioning of labour markets and making them more flexible, as well as for adapting education and training systems in line with labour market needs and promoting entrepreneurship. In **May**, UEAPME participated to a ministerial dinner with the social partners organised by the Danish Presidency on "how to ensure employment and prospects for young people in Europe". We reinstated our main points on youth employment. President Almgren also reconfirmed UEAPME's commitment to work alongside the other EU Social Partners to tackle youth unemployment during her meeting with President Barroso in **April** (see above).

In **June**, UEAPME and its members participated to a conference on the "Employment Package" with the European Social Partners organised by Commissioner László Andor. We expressed our overall positive opinion on the package, although it should have better taken into account SMEs' specific needs as job creators. We also stressed the need for education and training systems to be more relevant for the labour market, the importance of alternated training and work-based learning, including apprenticeship, of learning outcomes, of lifelong learning and of skill needs' anticipation and identification. UEAPME put

forward the same policy arguments in **September**, on the occasion of the “Employment Policy Conference” in Brussels.



*Press conference after the Tripartite Social Summit
Brussels, October 2012*

In **October**, UEAPME participated to a meeting with the European Social Partners organised for the very first time by the European Commission to discuss the employment part of its “Annual Growth Survey” before its adoption. This was a first trial from the EC to consult social partners before issuing the document, as part of its efforts on improving governance within the “EU Semester” process. Commenting on an EC paper, we stressed that the description of the main problems linked to employment in the EU was spot on, but the EC did not elaborate on the reasons for these issues, which is a precondition to solve them. On wages, we stressed that, while the autonomy of social partners on this issue must be respected, there is a rationale for intervention at EU level if wage developments create imbalances among EU Member States. The debate should include not only wages in the private sector, but also costs linked to inefficient public services. Later in the same month, President Almgren participated with the other European Social Partners to the Tripartite Social Summit ahead of the European Council.

➤ **Pensions: doubts about Commission’s plans on IORPs**

UEAPME also worked in 2012 on the opposite end of the employment spectrum, i.e. the issue of pensions. In **February**, the European Commission presented a White Paper setting out an agenda for adequate, safe and sustainable pensions. UEAPME agreed with the Commission on the need to work longer by creating a better balance between time spent in work and retirement, as well as for individuals to save more by developing complementary private retirement savings. However, the organisation expressed concerns about the announced revision of the rules regulating and supervising the so-called Institutions for Occupational Retirement Provision (IORP), such as pension funds. The review must not make these schemes more expensive and less attractive, warned UEAPME. In **March**, the Commission organised a public hearing on the review of the rules regulating and supervising IORPs. On this occasion, the European Social Partners and a number of industry associations issued a joint press release calling

on the Commission to reconsider its plans to make important elements of the “Solvency II” legislation for insurance companies applicable to IORPs in Europe, stressing that there are essential differences between insurance companies and IORPs and that any effort to harmonise the regulatory regime could have unintended consequences on pension plan members, IORPs and the economy overall. In another joint statement in **October**, the signatories stressed that the revision must be driven by realistic timelines and truly aim at improving the adequacy and sustainability of occupational pensions in Europe.

➤ **European Social Dialogue: much progress but also a setback**

2012 was also a busy year for UEAPME in the framework of the European social dialogue. At the Tripartite Social Summit in **March**, the European Social Partners UEAPME, BUSINESSEUROPE, CEEP and ETUC unveiled their joint work programme for 2012-2014, focusing inter alia on youth unemployment, the challenges facing European labour markets, gender equality, education and lifelong learning, mobility and economic migration and the consequences of the debate on European economic governance on social dialogue. The work programme was presented by the European Social Partners in a joint press conference later in the month.

The European Social Partners also worked at a number of events in the framework of two joint projects in 2012. Two training and mentoring seminars were organised for candidate and acceding countries in the framework of their joint project on the “Resource Centre of the European Social Dialogue”. The first took place in **March** in Istanbul, covering Turkey and Iceland, while the second took place in **September** in Zagreb, covering Croatia, Macedonia and Montenegro. The aim of both seminars was to give an overview of the history and outcomes of the EU Social Dialogue, as well as to discuss the impact and implementation of its texts and instruments at national level. Advice on budget lines for funding proposals and joint projects was also provided.

As part of their joint work programme, the European Social Partners also organised in 2012 a series of four seminars on the texts and instruments of the European Social Dialogue for their members in EU Member States. The first took place in **April** in Sofia, covering Bulgaria, Romania and Slovakia. The second took place in **May** in Tallinn, focusing on the Baltic countries. The third seminar took place in **June** in Berlin, involving Italy, Spain and Germany, while the fourth and last event took place in **October** in Larnaca and dealt with Cyprus, Greece and Malta. The seminars gathered representatives from trade unions and employers from each country and focused on the implementation at national level of the results of the European Social Dialogue.

Despite the good progress made on several important topics, the European Social Partners could not come to a shared agreement on the revision of the *working time directive* in 2012. In a joint statement issued in **December**, UEAPME, BUSINESSEUROPE and CEEP regretted that the European Trade Union Confederation was not able to continue negotiations, stressing the importance to re-establish the conditions for the application of the working time directive in practice. The three organisations also recalled that they made substantial and concrete proposals to solve the crucial issue of “on-call time” and its link in some countries with the use of the “opt out”, which allows Member States to derogate from the 48-hour weekly working time limit. These proposals are to the benefit of both employers and employees,

they stressed, and the distinctive nature of “on-call time” needs to be defined in the directive to allow legal certainty for a different treatment than working time. UEAPME also insisted on the need for SMEs not covered by collective agreements to get access by law to a 12 month reference period for the calculation of the average working time.

2012 also saw the end of a joint project by the European employers’ organisations (UEAPME, BUSINESSEUROPE and CEEP) on “Age management policies in enterprises in Europe”, which was run with the support of the European Commission. In **December**, on the occasion of the closing conference for the European Year for Active Ageing and Solidarity between Generations in Nicosia, the three unveiled a report compiling the initiatives on active ageing taken by private and public service enterprises of all sizes and sectors in the EU.

➤ **The PEGASE project: supporting SMEs’ participation in the European Social Dialogue**

Besides the joint work with the European Social Partners and with the other employers’ organisations, UEAPME also ran a one-year project on its own in 2012. With the cooperation of Academy Avignon, we launched in **January** a project to strengthen the capacity of members in 7 Member States and 2 candidate countries by supporting their active participation in the European Social Dialogue. The project, named “PEGASE” (www.ueapme.com/pegase), was co-funded by the European Commission under the social dialogue budget line. Its aims were a clearer understanding of the role and impact of the European Social Dialogue on national organisations, the provision of tailor made information for small and micro enterprises and an increased capacity to formulate their interests in the European Social Dialogue agenda. UEAPME and Academy Avignon set up a network of experts in the project countries, supported by communication tools including a newsletter and a dedicated website.

The first working session of the network of PEGASE social dialogue experts took place in **February**. The session started with an overview of the European Social Dialogue, its main outcomes and the role of UEAPME and its members in the process. It then focused on two concrete cases and their implementation at national level: the autonomous framework agreement on work-related stress and the framework of action for the life-long development of competencies and qualifications. Both were discussed with national senior experts from UEAPME member organisations, giving a country perspective from Luxembourg and Austria.

At the second session in **June**, participants actively discussed the results of a study on the preconditions for strong and influential SMEs associations in Europe and their status regarding the social dialogue, completed under the coordination of UEAPME and Academy Avignon. The session also featured two concrete cases presented by senior experts from UEAPME member organisations: the first dealt with the successful use of the European Social Fund for capacity building in Poland, while the second focused on the role of sister organisations, with the experience in Belgium to support the development of SME associations in “new” member states and candidate countries. The third and last working session took place in **October**. Members focused on health and safety, with the launch at UEAPME as an official member of the new campaign of the European Agency for Health and Safety at Work on “Working together for risk prevention”, followed by a presentation by CNA on Italy’s case. The closing session

tackled the achieved results, assessed very positively by the network, notably in terms of strengthening their insight into the EU social dialogue and as peer learning exercise.



The participants to the third PEGASE working session, Brussels, October 2012

➤ **Education and training: focus on VET, “learning mobility in VET” and “Erasmus for all”**

The “Erasmus for all” programme for 2014-2020 was one of the key issues on which UEAPME was very active in this policy area in 2012. In **February**, we published a position paper agreeing with the programme’s aims and praising the simplified structure and streamlined architecture of the proposal. However, we pointed out a number of key shortcomings, notably the absence of a fixed minimum budget earmarked for vocational education and training (VET) and mobility for VET youngsters, as well as the lack of identification of apprentices as a separate target group in VET. UEAPME requested more recognition for the specific role of social partners at a political and operational level, as well as the role of SMEs and crafts in the learning mobility of apprentices, including for the sending and hosting mobility. The role of networks and partnerships of intermediary bodies for quality learning mobility of apprentices sent and hosted by smaller businesses must also be acknowledged and supported, wrote UEAPME.

In **July**, UEAPME replied to a public consultation by the European Commission on a proposal for a “European Quality framework for traineeships”. This public consultation was transformed into a formal consultation of European Social Partners with deadline in **October**. While recognising the role of traineeships to facilitate access to the labour market for young people, UEAPME stressed that they must be clearly distinguished from apprenticeships, which are of a different nature, and that they should not be promoted to the detriment of apprenticeships. A broad framework could be useful but remuneration, social security and status of trainees should remain national competence, we wrote.

In **September**, UEAPME organised with the support of ECVET Team a seminar on the recommendation for a “European Credit Transfer for Vocational Education and Training” for our education and training

experts. The aim was to increase their understanding and knowledge of ECVET tools, foster their capacity to use it as intermediary organisations for small and micro-companies and enable them to participate in further ECVET activities.

In **October**, UEAPME spoke at a workshop organised by the European centre for the development of vocational training (CEDEFOP) on how to make vocational education and training more attractive. We recalled the engagement and investments of crafts and SMEs in VET, particularly via apprenticeships. For SMEs, VET is crucial to meet skills needs and overcome mismatches on the labour market. For individuals, initial VET improves employability and facilitates transitions from education and training into work, promoting youth employment. The focus should be on further improving the quality of VET content, flexible and permeable pathways within and from VET to higher education, adapting curricula to labour market needs in cooperation with social partners and companies and fostering apprentices' learning mobility in quality and quantity, we stressed.

In **November**, UEAPME spoke at a lunch with Education Ministers marking the 10th anniversary of the Copenhagen process on enhanced cooperation on VET. The issue of transparency, quality, attractiveness and relevance of VET is accepted as a key priority at EU and national level, we said. Due to the crisis and soaring youth unemployment, there is political momentum for VET, notably work-based learning and apprenticeships. VET is the best tool to enhance youth employability, tackle skills mismatches and strengthen our economy, we stressed.

Throughout the year, UEAPME also kept working on the continuation and last stage of "Euroapprenticeship" (www.euroapprenticeship.eu), a project launched in 2010 and led by our French member APCMA, under the political coordination of the Training Committee and with the participation of UEAPME members and regional authorities. "Euroapprenticeship" aims at creating a "network of mobility networks", notably through the development of a web-based platform, to make placement abroad a realistic and feasible option for apprentices and other young persons in alternate VET in all EU Member States.

Sustainable development: e-waste, energy efficiency and new Environmental Action Programme on the agenda

➤ *E-waste: a less than ideal exemption for small retailers*

In 2012, the legislative process on the revision of the *Waste Electric and Electronic Equipment (WEEE) directive* came to a close. In **February**, the European Parliament's plenary approved a compromise with the Council, under which retailers will be obliged to collect small WEEE from consumers at no cost and without any requirement on the latter to buy a new product of the same kind. However, this will only apply to retailers with more than 400 square meters of sales area, for small WEEE items and unless an assessment shows that existing alternative collection schemes are likely to be at least as effective. UEAPME approved of this exclusion, which would reduce costs for retailers with a limited shopping area, although it stressed that slightly larger SME retailers would be clearly affected by the new collection obligation. The "one-to-one" system that ties the collection of e-waste with the purchase of a similar product should have been kept in place, stressed UEAPME.

➤ *Energy efficiency: a mixed picture for SMEs*

The Energy Efficiency Directive (EED) was also rubber stamped by the EU institutions in the first half of the year. In **March**, the European Parliament's Industry, Research and Energy Committee adopted a report by Claude Turmes MEP on the EED. UEAPME largely welcomed the text, which introduced amendments aiming at reducing the information and technical barriers for SMEs willing to lower their energy footprint, as well as at creating incentives for energy efficiency investments and supporting the micro-generation and micro-cogeneration of energy. MEPs also gave Member States the option to exempt small energy retailers and distributors from applying the "energy savings obligations" for end users foreseen by the directive. The "trialogue" meetings between Parliament, Commission and Council on the EED started in **April** and ended successfully in **June**.

The final deal brought some positive news for SMEs, such as assistance measures to cover the costs of an energy audit and of the implementation of the arising recommendations and plans to promote access for small and medium-sized providers to the energy services market. However, UEAPME deplored the little support left for energy cogeneration, and the possibility for Member States to decide which energy distributors or retailers would be obliged to save 1.5% of their annual energy sales among their end users, while small companies in this field were actually exempted under the original text.

➤ *Preparing the next Environmental Action Programme*

The European Commission started to lay the foundations of the upcoming 7th *EU Environment Action Programme (EAP)* in 2012. In **June**, UEAPME replied to a consultation launched by the EC. SMEs have a great potential to significantly contribute to Europe's ambitious environmental goals, we wrote.

Therefore, the next EAP must help creating a favourable framework for SMEs to improve their environmental impact, we wrote.

In **September**, a delegation of UEAPME staff led by Secretary General Andrea Benassi met Karl Falkenberg, Director General of the European Commission's DG Environment, to put forward our requests on the 7th EAP, namely awareness-raising campaigns addressed to small companies, technical assistance schemes offered for free or at a reduced price at local level and financial support, especially for the R&D phase and market deployment of "green" products.

The Commission published its proposal for the 7th EAP at the end of **November**. At a conference in the presence of Commissioner Potočník some days later in **December**, UEAPME welcomed the publication of the plan but regretted the lack of focus on SMEs in the text. The EAP should start from the assumption that SMEs are key actors in the transition to a low-carbon and resource-efficient economy, we stressed, and set up a favourable framework to enable SMEs to lead the move towards the green economy.

➤ High level meeting on SMEs and green opportunities

In **June**, UEAPME was one of the very few business organisations to be invited to the second High Level Meeting on SMEs and Green Opportunities, chaired by Mr Calleja Crespo, Director General of the European Commission's DG Enterprise, and Mr Allan Seatter, Deputy Director General of DG Environment. The meeting aimed to concretely discuss what measures SMEs needed in order to smoothly adapt to the challenges and opportunities of our "greening society". As a result of the meeting, the Commission committed itself to present a specific initiative in this field in 2013.

➤ Sustainable Entrepreneurship Awards: honouring the most forward-thinking entrepreneurs

Last but not least, the winners of the first edition of the "Sustainable Entrepreneurship Award", the first international prize to honour companies working on sustainable entrepreneurial activities, were announced in **April**. UEAPME was part of the SEA Awards jury, which was led by former Agriculture Commissioner Franz Fischler. The "best project" category was won by "BeeZee Designs & BeeZee EcoKid", a company that sells organic clothing for adults and children, toys, jewellery and home décor items. The "best idea" category award went to routeRANK, a travel search engine which addresses the entire route by integrating rail, road and air connections, allowing to consider the environmental footprint of the trip and to offset the CO₂ emissions generated.

Other topics covered in this policy area included the "green transformation" of small businesses, on which UEAPME provided feedback to the OECD in **June**, the revision of the *Environmental Compliance and Assistance Programme* (ECAP), resource efficiency, "green public procurement" and the upcoming initiatives to measure the environmental footprint of products and organisations in the EU.

More highlights: regional policy and sectorial policies

➤ Regional Policy

The new cohesion policy for 2014-2020 took centre stage in our **regional policy** activities in 2012. In a position paper published in **March**, UEAPME provided specific, article by article comments on all the various cohesion funds as well as a set of overarching priorities for SMEs. It also highlighted the key role played by intermediary organisations, calling for specific guidance and support measures for SMEs. Moreover, it stressed the need for a real “multilevel governance” of cohesion policy. In **June**, President Gunilla Almgren was a keynote speaker at the “7th Territorial Dialogue” organised by the Committee of the Regions. She stressed the important role that SMEs in the regions can play to achieve the goals of the EU 2020 strategy, insisting on the need for collaboration between local authorities and intermediary business organisations. In **September**, the European Parliament organised a public hearing on the support of the EU cohesion policy to SMEs. We stressed that the most successful regions in terms of SME support are those that have fully involved SME organisations to define priority areas in partnership, highlighting the need to simplify the administrative and financial procedures that often hold back SMEs. In **October**, UEAPME spoke at the 2012 Open Days - European Week of Regions and Cities in a workshop on e-government solutions for cohesion policy. “E-cohesion” tools can be very useful to simplify the administrative procedures linked to the submission and audit phases of projects financed by structural funds, we stressed, calling on public authorities to follow up. In **November**, UEAPME and the European Commission organised a seminar on SMEs and “smart specialisation”, the targeted support to research and innovation in the framework of the EU cohesion policy.

UEAPME’s participation in the “European Entrepreneurial Region awards” project continued in 2012. This project, set up by the Committee of the Regions and the European Commission, aims to reward the EU regions with the most outstanding and forward-thinking vision in implementing the *Small Business Act* in their territory. A new call for applications was launched in 2012, and its deadline was subsequently extended to 2013 to provide even more regions with a chance to take part.

➤ Sector Policy

Our **sector policy** activities also continued relentlessly in 2012. Our **Construction Forum** chaired by our member EBC, the European Builders’ Confederation, met twice in the year, in **April** and in **October**. On the agenda were issues such as the competitiveness of the construction sector, the energy efficiency of buildings, health and safety, public procurement, energy policy, “smart cities” and standardisation.

Our **Food Forum** met three times in 2012, in **March**, **June** and **December**. Among the many issues discussed were the implementation of the health claims regulation, the sectorial social dialogue in the food sector, food labelling, food-related standards, food waste, national inspection fees, nutrient profiles, “fat taxes”, country of origin food labelling and food-related technical standards. Our experts also followed the work of the EU High Level Forum on the food supply chain.

Our **Transport Forum** met in **June** and in **December**. Our experts dealt with a sleeve of policy files including the revision of the legislation on tachographs, the review of the EU road haulage market, urban freight transport, safe parking areas, the transport of live animals, posting of workers, sanctions in commercial road transport and the correct settlement of claims related to traffic accidents.



President Almgren and President of the Committee of the Regions Mercedes Bresso at the "7th Territorial Dialogue" Brussels, June 2012



Last but not least: communications and media

Besides horizontal and sectorial policy activities, UEAPME was also busy with communications and media-related activities in 2012. Throughout the year, a number of **videos** were produced in house, including introductory videos for our Study Unit and for our Communications and Media Unit, as well as highlights from several seminars and events and the video for our second European SME Convention.

The **weekly newflash** increased significantly its audience and reconfirmed its importance as a key tool for UEAPME to report on the Secretariat's activities, focusing on conferences, press activities and UEAPME internal meetings and linking to our website or external sources for more information. 39 issues of the newflash were published throughout the year, bringing the total beyond the milestone of 250 editions.

Our **website** also continued to grow in 2012. Visits and page views increased constantly throughout the year, also thanks to the traffic brought in by our newflash, by EU news websites and last but not least by our Twitter account. In fact, our presence on Twitter substantially increased both in terms of followers (now more than 550) and of interactions.

Our presence in Brussels-based **media** was constant in 2012. Coverage remained steady in EU affairs websites such as Euractiv.com and theParliament.com as well as in daily bulletins such as Agence Europe and Europolitics, where UEAPME confirmed itself as the voice of European SMEs. Regular presence in the media helped in ensuring that UEAPME's position on a number of key policy issues was brought to the attention of the EU policymakers. Our reach was also expanded in national publications, including prestigious newspapers such as The Financial Times and Il Sole 24 Ore, which completed a successful year for the press office.

Annex: Ueapme Committees' Working Programme 2013

UEAPME ECOFIS Committee

➤ Meetings ECOFIS Committee / Study Group meetings in 2013:

Tuesday, 14 May 2013

Wednesday, 16 October 2013

➤ Work Program

I) Economic Policy

1. Reform of economic governance in the EU and the Euro zone, European Monetary Union 2.0
2. Macro Economic Dialogue - rebalancing asymmetries within the Euro Zone
3. Modernisation of the EU public procurement legislative framework - final negotiations

II) SME finance

1. SEPA migration / SEPA Council / SEPA Governance / new forms of payments
2. Next generation of SME finance instruments (COSME, Horizon 2020, Structural Funds)
3. Co-operation with co-operative banks, saving banks and promotional banks

III) State aid modernisation

1. De-minimis Regulation
2. General Block Exemption Regulation
3. Risk capital guidelines
4. Regional aid guidelines
5. R&D and Innovation Framework

IV) R&D and Innovation

1. Horizon 2020 - final negotiation and start of implementation
2. Review of the Innovation Union Communication
3. SME Innovation at regional level - Smart Specialisation Strategy (co-operation with WG Regional Policy)

V) Taxation

1. EU VAT Forum
2. Consultation on reduced VAT rates
3. Standard VAT declaration - legislative proposal
4. Follow-up on pending dossiers: CCCTB, Energy Taxation, Financial Transaction Tax

VI) Study Group

1. UEAPME SME Business Climate Index
2. EU Craft and SME Barometer
3. Think Small First Test
4. SBA Implementation Scoreboard
5. Co-operation with DG ENTER and OECD

UEAPME Social Affairs Committee

➤ Meetings in 2013:

Tuesday, 12 February 2013

Wednesday, 26 June 2013

Tuesday, 22 October 2013

➤ Work Program

I) EU Social Dialogue: Work Programme 2012-2014

1. In depth employment analysis
2. Youth employment: On-going Negotiations of a Framework of action
3. Gender Equality: Follow-up of the four priorities identified in the framework of actions in 2005 with a particular focus on gender pay gap
4. Education and lifelong learning with focus on skills needs in greening economies and update and upgrade of skills of older workers for longer working lives
5. Economic and social governance : ongoing joint reflection about the role of EUSP in the macro-economic governance at EU and national level and proposal for adapting existing structures
6. Better implementation and impact of social dialogue instruments
7. UEAPME Sectoral social dialogue activities for SMEs: Further support to ongoing and new initiatives of UEAPME sectoral members to be better acquainted with EU social dialogue topics

II) Employment issues

1. Implementation of the Employment Package including macro-economic and social governance
2. EC report on the evaluation of part time and fixed-term contracts directives
3. 1st consultation of EU Social Partners on restructuring and economic adjustment
4. Posting of workers
5. Directive on Third country nationals "seasonal workers"
6. Directive on Third country nationals "intra-corporate transfer"
7. Modernisation of Public Employment Services (Reform of EURES and European Employment Guarantee)
8. European Platform to fight undeclared work

III) Social protection and pensions

1. Review of directive concerning Institutions for Occupational Retirement Provisions (IORP)
2. Reactivation of directive on Supplementary pensions schemes
3. Social Investment for Growth and Cohesion (Social Investment Package)

IV) Gender equality and non discrimination

1. Directive on Improving the gender balance in the boards of companies listed on stock exchange
2. Equal pay

V) Health and Safety at work

1. Evaluation of the EU Health and Safety Strategy (2007-2013) in view of preparing the new Strategy on Health and Safety at Work (2014-2020)
2. Directive on electromagnetic fields (EMF)
3. New directive against environmental tobacco smoke risks
4. New directive against carcinogens and mutagens risks (review of directive 2004/37)
5. Musculoskeletal disorders (MSD)

VI) Other issues or files currently blocked at the Council

1. Revision of the maternity leave directive
2. Non-discrimination directive on access to goods and services

Enterprise Policy Committee

➤ **Meetings in 2013:**

Mid February 2013

Mid October 2013

➤ **Work Program**

I) Enterprise Policy

1. COSME (adoption and implementation)
2. Reform of EEN and preparation of call
3. Follow up implementation Single Market Act I and II
4. Cloud computing (general, legal aspect : LEX)
5. Follow up consultation on disclosure on non-financial information
6. CSR (general) and the Multistakeholder Forum
7. Better regulation /Impact Assessments- Follow up "10 most burdensome legislations"
8. Follow up of the Communication on "Consultation"
9. Implementation of the SBA (European/national/regional)
10. Reforming the Internal market for industrial products
11. Fighting money laundering

12. Review of the Standardisation Acquis
13. Co operation OECD - Entrepreneurship

II) External - Trade:

1. Implementation of the Internationalisation of SMEs Communication (mapping, portal)
2. Participation in MAAC (Market Access Advisory Committee meetings)
3. Mission for growth Peru/ Chile 23.01. - 26.01.2013, to India e.g. February 2013 and to China in June or fall 2013)
4. (Eastern Partnership (project) (if won))

III) Retail:

1. Follow-up Retail Monitoring Report

IV) Tourism

Follow-up COSME implementation and European Tourism Conference

UEAPME Regional Policy

➤ Meetings in 2013:

February 4th: seminar EESC-UEAPME for SME experts on preparation of Notional partnership contracts

October: Open Days meeting

➤ Work Program

- 1-Country specific negotiation mandates for the Common strategic Framework Funds for the period 2014-2020
- 2-Final negotiations of Structural Funds programs and Rural Development Fund in CAP pillar II.
- 3-Position paper on Common Strategic Framework(technical aspects and practical actions)
- 4-New Financial engineering and financial initiatives in regional Policy
- 5- Participation to EU Committees on Rural policy and Cohesion policy
- 6-European Entrepreneurial Region price.
- 7- CSIL study on SME participation in Structural Funds and ESPON studies on the future of Regional Policy.

UEAPME Legal Affairs Committee

➤ Meetings in 2013:

April 2013

November 2013

➤ **Work Program**

1. Better regulation and simplification: follow up of the 10 most burdensome legislations initiative
2. Follow-up proposal for a Regulation on Common European Sales Law (before European Contract Law) (carry-over 2012) in addition a monitoring the developments on a common European contract law instrument for insurance services
3. A new comprehensive legal framework for the protection of personal data in the EU (carried over from 2012)
4. Misleading Directory Companies : follow-up Communication
5. Communication on misleading and comparative advertising Directive (Carry-over 2012)
6. Review of Directive 2001/95/EC on general product safety (GPSD) (Carry-over 2012)
7. ADR in B2B disputes Fighting misappropriation of trade secrets
8. Revision of the Community Trade Mark Regulation and Directive approximation national trade mark laws

Sustainable Development Committee

➤ **Meetings in 2013:**

Tuesday, 16 April 2013

Fall 2013 (date to be confirmed)

➤ **Work Program**

I) Environment

1. Future of the Environmental Compliance Assistance Programme (ECAP)
2. 7th Environmental Action Plan
3. Revision of the REACH Regulation
4. Review of the Waste Policy and legislation
5. Revision of the Sustainable Consumption and Production Action Plan -Communication Single Market for Green Products
6. Communication on Green SMEs

II) Energy

1. Implementation of the Energy Efficiency Plan
2. Directive on Energy Efficiency

III) Environment/Energy

1. Implementation of the Roadmap to a Resource Efficient Europe
2. Eco-design Directive: monitoring the implementation measures on "energy-related products"

IV) Climate

1. Implementation of the Effort Sharing Decision and monitoring the Proposal to set aside EU carbon allowances in the Emissions Trading Scheme (ETS)
2. Impact of Climate Change on Employment
3. Strategy on the Adaptation to Climate Change
4. New Climate and Energy framework until 2030
5. Proposal for a Regulation on fluorinated greenhouse gases

Training Committee

➤ Meetings in 2013:

Tuesday, 5th February 2013

➤ Work program:

I) **UEAPME multiannual political training priorities**

1. promotion and development of lifelong learning training
2. development of entrepreneurship
3. orientation and guidance
4. development of training to serve the needs of craft enterprises and SMEs

II) **Follow up of the Copenhagen process and the short term deliverables of the Bruges communiqué (2012-2014)**

1. Follow-up of the implementation of EQF (evaluation report)
2. ECVET
3. EQAVET

III) **Mobility of apprentices and the European Institute for Trades**

1. Learning mobility of apprentices in Europe: consolidation and further development of the Euroapprenticeship platform www.euroapprenticeship.eu
2. Ongoing discussions on the European Institute for Trades

IV) **EC initiatives**

1. EUSP 2nd stage consultation on a Quality Framework for Traineeships
2. Revision of the directive on regulated professions
3. Follow-up of the adoption of the new Education Programme 2014-2020 "Erasmus for all"
4. Follow-up to the Communication "Rethinking Education" in the context of the Europe 2020 strategy