



## **“The voice of SMEs in Europe”**

### **Press Release**

FOR IMMEDIATE ISSUE

## **“Internal Market review” does not meet all SMEs’ expectations**

- **UEAPME shares Commission’s views on SGIs, backs choice against new horizontal framework**
- **“Single Market review”: Commission’s analysis not accompanied by strong policy proposals yet**

**Brussels, 20 November 2007.** UEAPME, the European craft and SME employers’ organisation, was left with mixed feelings by the “Single Market for 21<sup>st</sup> Century Europe” package presented by the European Commission today (Tuesday). UEAPME welcomed the European Commission’s stance on Services of General Interest (SGI), which puts an end to a sterile ideological battle by rejecting calls for a new horizontal legislative framework and rightly insisting instead on the need to increase awareness on the existing legal instruments and develop sector-specific initiatives if essential. The “Internal Market Review”, however, failed to meet UEAPME’s expectations by concentrating on analytical work and on existing initiatives rather than providing concrete policy answers.

UEAPME Secretary General **Hans-Werner Müller** elaborated on some of the key components of the EC package. As far as Services of General Interest are concerned, today’s communications will go a long way towards clarifying the EU’s role in the field and the concept of SGI itself, he commented. The inclusion in the future EU Treaty of a detailed protocol on the issue, the ECJ case law, the so-called “Altmark” package and the existing law on state aid and public procurement are sufficient to rule out a new horizontal framework.

*“The ‘acquis communautaire’ provides already a strong framework on public services and on the rules applicable to their provision. Moreover, today’s communication further clarifies the difference in nature between services of general interest and services of general economic interest, to which Community legislation applies. It is clear, however, that the European Commission should step up its efforts to inform service providers and all involved stakeholders on the existing legislation, and give assistance on how to practically deal with it”,* said Mr Müller, who supported sector-specific regulations at EU level, for instance on health services, only when a strong case can be made in favour of such a move.

Concerning the “Single Market Review”, UEAPME appreciated the Commission’s analysis of the challenges ahead, especially when it stressed the need to move towards an “impact-driven” approach and pay more attention to implementation and enforcement. It also rightly points out the difficulties smaller businesses have in making the most out of the internal market. However, the document does not contain new instruments and stops short of delivering completely satisfactory answers on the challenges it rightly identifies, stated Mr Müller.

For instance, the EC paper fails to elaborate on recently discussed initiatives such as taxation policy and the fight against counterfeiting, which are just referred to “en passant”, and on how to concretely foster the right conditions for SMEs. Moreover, it makes no mention of other essential instruments such as the creation of a competitive internal market in the insurance sector, which hinders cross-border activities for small businesses. Finally, UEAPME urged once again the EC to properly consult representative business organisations.

*“The ‘Internal Market Review’ lacks concrete proposals capable of shifting the debate from vision to action, and remains essentially an over-cautious collection of existing initiatives. We trust that the European Commission will fill this gap in the coming months”,* concluded Mr Müller.

\*\*\*\*\* END \*\*\*\*\*

**EDITORS’ NOTES:** UEAPME is the employers’ organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 84 member organisations, which represent crafts and SMEs across Europe, covering over 12 million enterprises with 50 million employees. UEAPME is a European Social Partner.

Further information: Luc Hendrickx (Internal Market Review) or Gerhard Huemer (SGI), Tel. +32 2 230 7599

Francesco Longu, Press and Communications Officer

Email: [pressoffice@ueapme.com](mailto:pressoffice@ueapme.com) - Web: [www.ueapme.com/pressroom/](http://www.ueapme.com/pressroom/)