

Brussels, 2 December 2010

Small Business Act: Ten business recommendations to make it work

In reference to the three priorities identified in the Council's 2 December 2008 Action Plan for "A Small Business Act for Europe", BUSINESSEUROPE, EUROCHAMBRES and UEAPME and make the following recommendations to policy makers at EU and national level.

IMPROVING ACCESS TO FINANCE

1. **Reform of financial markets** – a balanced approach should be taken to the definition of the new EU regulatory provisions for banks (e.g. on capital requirements), keeping in mind that disproportionate measures would negatively impact on the cost and availability of capital for SMEs and the potentially significant cumulative effect of the many measures currently on the table.
2. **Availability of credit** – credit guarantee instruments, both public and private, should be further developed, resulting in an efficient and widely available guarantee system.
3. **Develop alternative sources of SME finance** – As the lending capacity of banks will remain impaired in the medium term, initiatives must be taken to increase the access of SMEs to capital markets and to devise better tax incentives for investors.
4. **Public schemes** – Public SME finance schemes should be boosted at both national and European level in order to address identified market failures and streamlined to improve accessibility. Particular attention should be paid to supporting the wide-spread problem of financing the first expansion of innovative companies.

A REGULATORY ENVIRONMENT SUPPORTIVE OF SMEs' NEEDS

5. **Improve impact assessments in policymaking** - Systematic and independent assessment of the impact (cost-benefit) of all policy proposals on SMEs must be ensured, taking into account different sub-categories within this definition. Consultation of SME representatives on the first draft of the impact assessment will contribute to this process.
6. **Systematic introduction and application of the "only once" principle** - Public authorities have to ensure that enterprises are not be obliged to provide again information that the authorities have already received by another route, and this at all levels (European, national, regional, local).
7. **Keeping SMEs in mind during policy making** - The "think small first" principle means that the starting point for all legislation should be the smallest enterprises, instead of making exemptions for them or excluding them. It should be applied more consistently throughout the regulatory and implementation process at all levels: European, national, regional and local.

ENHANCE MARKET ACCESS FOR SMEs

8. **Electronic interoperability** – The Commission and member states must together strive to enhance electronic interoperability in the internal market, in particular delivering on the Single Market Act proposal for a decision by 2012 to ensure mutual recognition of e-identification and e-authentication across the EU and the revision in 2011 of the Directive on electronic signatures.
9. **European Private Company Statute** – The Council, with renewed political support from the European Commission, must intensify its efforts to resolve the impasse on the European Private Company Statute (SPE), the only legislative proposal contained in the SBA not to have been agreed. The adoption of the EU patent must also be a priority: it is crucial for the competitiveness of European companies.
10. **Internationalisation of SMEs** – The European Commission is strongly encouraged to adopt a more coherent strategy towards the internationalisation of SMEs, based on the principles of complementarity, sustainability and public private partnership.

BUSINESSEUROPE represents more than 20 million small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE Members are 40 central industrial and employers' federations from 34 countries, working together to achieve growth and competitiveness in Europe. BUSINESSEUROPE is a European Social Partner.

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EUROCHAMBRES – The Association of European Chambers of Commerce and Industry represents over 20 million enterprises in Europe – 93% of which are SMEs – through members in 45 countries and a European network of 2000 regional and local Chambers.

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UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 85 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner.

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