



## ***“The voice of SMEs in Europe”***

### **Press Release**

FOR IMMEDIATE ISSUE:

#### **Commission has grasped the nettle of complicated laws**

- **Simplification strategy must deliver on reducing the excessive burden for SMEs**

**Brussels, 25 October 2005** A new Commission strategy for simplifying the EU regulatory environment should make a valuable contribution to tackling the crippling effects of red tape on small firms in Europe, according to UEAPME, the European small and medium business organisation, following the publication of the simplification strategy today (Tuesday).

“The Commission has grasped the nettle of complicated laws but it needs the support of Member States and the European Parliament if this initiative is to succeed. Complying with burdensome red tape costs small firms up to 30 times more than large businesses, so it is welcome that the Commission has acknowledged the disproportionate damage of complicated legislation on SMEs. While the proof will be in the tasting with the actual simplification of laws, the approach the Commission has outlined, notably to address the specific needs of SMEs, is to be applauded,” said **Hans-Werner Müller**, UEAPME Secretary General.

UEAPME supports the Commission proposal for greater use of regulations (instead of directives) to combat the tendency of national regulators to add extra administrative burdens when transposing EU laws. “Gold-plating of EU laws by national regulators is the source of a sizeable amount of the bureaucratic burden emanating from legislation in Europe. Any efforts to stem this bad habit are positive but it will ultimately require a coordinated approach with the Member States, which are responsible for adding these burdens,” added Mr Müller.

There is a vast body of European legislation in force and many of these acts must be made less complicated and more coherent. The ‘rolling programme’ and sectoral approach to simplification, outlined by the Commission, is the logical approach to reviewing the entire legal beast. The Commission must keep to the timetable it has set for itself, however, so that a fresh round of simplification, focusing on new sectors, can follow on as soon as possible.

There are a sizeable amount of legislative texts to be reviewed and UEAPME welcomes the comprehensive and ambitious agenda. The inclusion of many of the crucial and burdensome texts on waste and other areas of environmental policy, health and safety, consumer policy and foodstuffs is a positive omen for consumers and businesses alike.

“Critics have a tendency to automatically dismiss better regulation as an agenda for undermining social and environmental standards. This approach is divorced from reality. The Commission has re-iterated the fact that better regulation does not mean deregulation. The existence of a clear and coherent regulatory environment is vital for small businesses in Europe,” concluded Mr Müller.

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**EDITORS’ NOTE:** UEAPME is the employer’s organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 78 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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