



## **“The voice of SMEs in Europe”**

### **Press Statement**

FOR IMMEDIATE ISSUE

## **Competitiveness Council sends strong message on simplification**

**Brussels, 26 November 2007.** UEAPME, the European craft and SME employers’ organisation, welcomed the conclusions adopted last Friday by the Competitiveness Council on a simplified business environment in the areas of company law, accounting and auditing. Ministers called on the European Commission to base its forthcoming proposals on the issue on a proper impact assessment, and backed the “once only principle” by which reporting requirements for businesses concerning the same type of information must not be duplicated. Both issues were repeatedly brought to the attention of EU policymakers by UEAPME in the last months.

*“The accent put by the Competitiveness Council on impact assessment is crucial to ensure that all actions taken in the field of simplification will bring about positive results. Thorough, scientific and neutral impact assessment studies must be a precondition to all legislative proposals”,* commented Enterprise Policy and External Relations Director **Luc Hendrickx**.

The Council conclusions are a strong warning to the European Commission, which has proposed a package of measures on simplification without a prior impact assessment, commented Mr Hendrickx. For instance, the Commission proposed to exempt micro-companies from the 4th Company Law Directive that serves as the harmonised basis for establishing and publishing business accounts, a measure that seems to be in line with the better regulation agenda at first, but might have in reality dangerous unpredicted consequences. *“Exempting smaller businesses would actually prevent them from providing information to purchasers, suppliers, clients, banks and tax authorities, thereby increasing red tape instead of reducing it – a conclusion that an impact assessment could have easily anticipated. The current Commission proposal should be put on hold until a serious analysis on its effects is carried out”,* commented Mr Hendrickx.

The Competitiveness Council also promoted an “open exchange amongst Member States” on how to streamline reporting requirements imposed on undertakings and concerning the same type of data. According to UEAPME, it is crucial to ensure that information already present in the authorities’ data banks is not requested again.

*“A widespread adoption of the ‘once only principle’ is the quickest way to reduce administrative burdens. Enterprises should not be obliged to provide all over again information that the authorities have already received by another route. We hope that promising best practices in the field in some Member States will quickly spread throughout the whole EU27”,* concluded Mr Hendrickx.

\*\*\*\*\* 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, Enterprise Policy and External Relations Director, 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/)