The EPP Group SME Circle
in the European Parliament

Supporting Europe’s Small and Medium-sized Enterprises (SMEs)
Who we are

SMEs account for 99% of all European companies. The EPP Group in the European Parliament wants to give them a voice in the Parliament and across society as a whole.

Therefore, the SME Circle in the EPP Group systematically evaluates the impact of EU legislation on SMEs. We are a group of 61 EPP Group MEPs from 20 Member States with SME interests at heart. We want to put the Single Market and the Capital Markets Union into the service of SMEs. We name and fight against the disproportionate burdens and bureaucratic restrictions imposed by EU rules on smaller enterprises.

Small and medium-sized enterprises (SMEs) are the backbone of the European economy. SMEs produce 58% of European Union GDP and account for 67% of all jobs in the private sector. SMEs drive innovation, adapt easily to market forces, wield a powerful economic impact across business sectors, generate employment and provide a qualified young workforce. Direct responsibility for running these enterprises frequently lies with strong family-centred entrepreneurial figures, making them a mainstay of economic growth. With above-average equity capital and a wide spread of investment risks, small and medium-sized enterprises stand firm in the face of global financial crises.
“The SME Circle in the EPP Group actively encourages the EU Institutions and EU countries to systematically apply an SME Test in all stages of the policy-making process. An SME Test analyses the possible effects of legislative proposals on SMEs. By assessing the costs and benefits of policy options, it helps improve the business environment.”

Markus Pieper MEP (DE)
Chairman of the EPP Group SME Circle in the European Parliament
EPP Group Member of the Transport and Tourism (TRAN) Committee in the European Parliament

What we stand for

Improving market opportunities

We want to complete the Single Market and generate more free trade with major global trading partners. The Transatlantic Trade and Investment Partnership (TTIP) with the USA, the Comprehensive Economic and Trade Agreement (CETA) with Canada and the EU law proposal of ‘Single-Member Companies’ must be implemented quickly.

Providing secure access to funding

The Capital Markets Union must become effective as soon as possible. The EU must not impede traditional credit and bank funding. Startups and SMEs should have easier access to research funding.

Strengthening the Euro

A stable euro and closer economic and monetary cooperation allows the Internal Market to develop. This means greater security and more opportunities for SMEs to grow, bringing more jobs and greater prosperity for Europeans. Therefore, Eurozone countries must adhere to the Stability and Growth Pact and have to consistently implement the Fiscal Compact.
Making the EU more competitive

We oppose excessive environmental, climate and consumer protection requirements. EU policy must give equal weight to environmental, growth and employment targets.

Cutting red tape

The European Commission and European Parliament must test legislative proposals against SME requirements. We need an independent impact assessment of European legislative proposals. The so-called ‘Gold-plating’ by Member States - national obligations that go beyond EU requirements and interfere with intended policy goals - must be named and shamed.

Uphold the Subsidiarity rule

European legislation should define only basic requirements, leaving the specifics to be dealt with by national authorities or technical bodies. Social protection legislation for wage earners must be brought more closely into line with national practices.

“The end of roaming charges is a tangible example of how European SMEs and Start-ups will benefit from the creation of the Digital Single Market.”

Pilar del Castillo Vera MEP (ES)
EPP Group Member of the Industry, Research and Energy (ITRE) Committee in the European Parliament

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<th>Outlook for EU28 SMEs till 2016</th>
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<tr>
<td>Value added €</td>
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<tr>
<td>+7%</td>
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<tr>
<td>Number of entreprises</td>
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<tr>
<td>+1.2%</td>
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<td>Employment</td>
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<td>+1.7%</td>
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How we work

The SME Circle of the EPP Group meets monthly in Strasbourg. SME-related matters linked to the on-going plenary sessions are discussed in detail and voting recommendations for the SME Circle and EPP Group are issued. The persons in charge of the legislative text on behalf of the EPP Group regularly attend our meetings.

The SME Circle decides which matters it would like to see discussed in plenary and which fundamental issues are to be dealt with in its own position papers. A special early-warning system regarding EU legislation relating to SMEs to be tabled in the coming months serves as a basis for our work. We cooperate closely with the EPP Group leadership, the party organisation ‘SME Europe’, the European Parliament ‘SME Intergroup’, the European Commission and numerous national and scientific experts. In addition, a New Year reception attended by the Commissioner responsible for SMEs, Elżbieta Bieńkowska, takes place at the beginning of the year in Strasbourg. In 2017, Margrethe Vestager, European Commissioner for Competition, is scheduled to participate.

“Access to credit is the main obstacle to the growth of SMEs. To overcome this difficulty, instruments such as COSME and the funding opportunities of Horizon 2020 must be complemented. For this reason the EPP Group works to release unused capitals through alternative forms of financing, including venture capital.”
Our initiatives

In the current parliamentary term, plenary debates were held on a number of issues thanks to our efforts. These included topics concerning better regulation, health and environmental aspects - such as health claims made on food, the financing of SMEs, economic diplomacy and liberal professions.

The SME Circle prepares its own positions on relevant topics, including Data Protection, the economic importance of the car industry, and the new single-member private limited liability companies (SUPs) act. Moreover, the SME Circle supplied input for the EPP Group Position Paper on The Future of Europe. We also contributed, in a letter to the European Central Bank, to the debate on the bureaucratic burden of the AnaCredit database on small and medium-sized banks, and in a letter to the European Commissioner for the Internal Market, Elżbieta Bienkowska, to a discussion on the dual vocational education system.

We are involved intensively in legislative procedures via our own amendments and through the work of our Rapporteurs from the SME Circle. The issues include Better Regulation, the Regulatory Fitness and Performance (REFIT) programme, Funding Programmes such as the European Structural and Investment Funds (ESIF), a single market for electronic communication, the Banking Union, the Transatlantic Trade and Investment Partnership (TTIP) with the USA and the EU Emissions Trading System (EU ETS).

The SME Circle welcomed speakers from the European Commission, as well as national experts, focusing on topics such as structural funds, the European Fund for Strategic Investments (EFSI), TTIP, the European Small Claims Procedure and the EU ETS. We discuss parliamentary reports on topics such as maternity leave, labelling in the meat and energy sectors, tax evasion, family businesses and the Digital Single Market.

“The Digital Economy plays a leading role in the Fourth Industrial Revolution. Entrepreneurial spirit is crucial to enhance the benefits of this revolution. SMEs play a vital role in fostering revolutionary innovation across Europe.”

Michał Boni MEP (PL)
EPP Group Member of the Member of the Civil Liberties, Justice and Home Affairs (LIBE) Committee in the European Parliament
“SMEs and the self-employed bear a considerable regulatory burden in their daily business activities. Therefore, it is of utmost importance for the SME Circle to permanently review excessively complex legislation. We need easily applicable and transparent rules for our SMEs and self-employed with a focus in the implementation on incentives instead of sanctions.”

Paul Rübig MEP (AT)
EPP Group Member of the Committee on Budgets (BUDG) in the European Parliament
EPP Group Vice-Coordinator of the Industry, Research and Energy (ITRE) Committee in the European Parliament

Join the SME Circle

The EPP Group SME Circle is the only MEP Working Group in the European Parliament that approaches current legislative work from the specific standpoint of SMEs in a systematic and practical manner. Our monthly meeting takes place during Strasbourg sessions (Monday: 6-7 pm). You can help us support small businesses by joining our group of MEPs. SME Circle Members have access to the SME Circle brand: they can use our logo and our branding. New members are most welcome.

For further enquiries, please email epp-sme-circle@ep.europa.eu or contact Silke Dalton: silke.dalton@ep.europa.eu

“SMEs and entrepreneurs are important for the European economy. It is therefore necessary that European legislation is made with an end-user perspective in mind. This includes facilitating access to finance, new markets and reducing unnecessary bureaucracy for SMEs.”

Bendt Bendtsen MEP (DK)
EPP Group Member of the Industry, Research and Energy (ITRE) Committee in the European Parliament
Study

World gets hold of innovative Irish device for better hand hygiene in hospitals

An Irish SME has taken the business of hygienic hands international, boosted by EU support, with a unique device that has been enthusiastically received by hospitals worldwide.

A native Dubliner set up her own SME in 2011 to offer a unique product to the world - SureWash. This mobile video system for better hand hygiene in hospitals is used to train staff, patients and visitors in order to avoid unnecessary infections.

The SME has expanded into global markets, including the US and Middle East, and seen staff numbers jump from three to ten, with many more jobs created in manufacturing. The Enterprise Europe Network (EEN) was pivotal in this international success.

The EEN has 600 support organisations across 50 countries. Its more than 4,000 advisors in Europe alone provide mostly free services.

Source: European Commission