



EUROPEAN COMMISSION

PRESS RELEASE

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Commission wants to simplify life for SMEs by easing the top 10 most burdensome EU laws

The 20.8 million European small and medium sized enterprises (SMEs) create 85% of all new jobs in Europe, they employ 2/3 of the workforce in the EU and they contribute significantly to innovation and growth. Following the principle "think small first", and in line with the Small Business Act of 2008, the Commission has put SMEs at the heart of its smart regulation agenda to help growth and job creation in Europe. In a broad consultation initiated by the Commission, around 1000 SMEs and business organisations have now identified the top 10 most burdensome EU laws. The purpose of this broad consultation was to check where EU regulation might be impeding jobs and growth and to identify areas or issues which would require further examination and action where necessary. The result published today indicates that SMEs see the biggest difficulties and costs as a consequence of the rules regarding the REACH chemical legislation, value added tax, product safety, recognition of professional qualifications, data protection, waste legislation, labour market related legislation, recording equipment for road transport, public procurement and the modernised customs code.

The Commission, while recognising the overall necessity of having European-wide rules in these areas, will now thoroughly address these concerns via the new Regulatory Fitness and Performance Programme (REFIT¹) launched in December 2012 ([IP/12/1349](#)). Through this programme, the EU's regulatory acquis is being screened for burdens, gaps and inefficiencies in order to evaluate and if appropriate revise those laws where the assessment points to a need for action. The Commission will announce follow up actions by June 2013, also taking into account the outcome of the ongoing legislative processes.

European Commission President José Manuel Barroso said: "The Commission is making sure that EU legislation is fit for purpose and helps European businesses to grow and to create jobs. This is why we have put smart regulation at the heart of our policy-making. And this is why we want to ease the lives of our small and medium sized enterprises, which are most important engines for Europe's economy. I want to thank all those who contributed to identifying the most burdensome pieces of legislation. We will work hard not to disappoint your expectations."

European Commission Vice-President Antonio Tajani, responsible for Industry and Entrepreneurship, added: "SMEs which are creating the lion's share of all new jobs in Europe are the key to get out of this crisis. Our legislation needs to be designed with SMEs (and especially new entrepreneurs) in mind: it must be smart, it must be simple and it must be stable. The better we listen to SMEs concerns, the better they can help us to return to growth. "

¹ [COM\(2012\)746 final](#)

The following EU laws have been identified by SMEs as the TOP 10 most burdensome EU laws:

- REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)
- VAT - Value added tax legislation
- General Product Safety and market surveillance package
- Recognition of professional qualifications
- Shipments of waste - Waste framework legislation - List of waste and hazardous waste
- Labour market-related legislation
- Data protection
- Working time
- Recording equipment in road transport (for driving and rest periods)
- Procedures for the award of public contracts (public works, supply and service contracts)
- Modernised customs code

In many of these areas (e.g. professional qualifications, data protection, procurement, etc.) the Commission has already taken action to further improve and simplify EU legislation (see [MEMO/12/974](#)).

The consultation also reveals that small businesses appreciate reduced payment deadlines under the Late Payments Directive entering into force on 16 March 2013 ([IP/12/1071](#)) as one of the most successful legal improvements, together with allowing more SMEs to benefit from simplified accounting/auditing regimes.

Background:

The results of the Top 10 exercise are published as part of the Commission's input to the Spring European Council: The Communication "Smart regulation – responding to the needs of SMEs" and the accompanying staff working document also provide **examples of exemptions and lighter regimes for SMEs** proposed by the Commission and adopted by the EU legislator. A **new annual scoreboard** is presented, too, which tracks progress on SME-relevant legislation and which shows how proposals by the Commission to simplify or reduce burden are followed up by the other institutions and by Member States. The scoreboard identifies how different approaches to implementation affect the overall result for SMEs given that more than a third of administrative burden to SMEs is added at the stage of implementation by Member States. The [network of SME Envoys](#) will actively follow-up the TOP 10 results and make administrative burden reduction a priority in Member States.

Cost of legislation to SMEs is systematically assessed before legislative proposals are adopted by the Commission. Wherever possible, micro enterprises are exempted from regulation and lighter regimes for SMEs are introduced.

Generally, the Commission consults and keeps an open dialogue with stakeholders such as business, social partners, civil society organisations and other interested parties to ensure its proposals respond to the reality on the ground. The dialogue with interested parties can take many forms, and methods for consultation and timing depend on the different contexts.

Further information:

[MEMO/13/168](#): "Top 10 most burdensome EU laws for small and medium-sized enterprises: How the Commission is helping SMEs"

The results of the public consultation are published on:

http://ec.europa.eu/enterprise/policies/sme/public-consultation-new/index_en.htm

[COM\(2013\)122](#): Communication "Smart Regulation – Responding to the needs of small and medium-sized enterprises"

[SWD\(2013\)60](#): Staff working document "Monitoring and Consultation on Smart Regulation for SMEs"

The Communication and the Staff working document can also be found on:

http://ec.europa.eu/governance/better_regulation/key_docs_en.htm

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