

Annex IV: Reactions of the national Chambers of Commerce - summary

Below is a summary of the comments made by the national associations of Chambers of Commerce and Industry (CCIs) regarding the implementation of the SME-test in their country. They also reacted to the responses provided by their member state to the 2014 survey on the SME-test.

16 contributions were received. Malta considered itself to be too early in the SME-test process to respond to the questionnaire. This leads us to total of 15 usable responses.

General remark: the Austrian Federal Economic Chamber gives high scores to the SME test. Lithuania is also very satisfied overall.

Evaluation of the SME-test in the country

1. Implementation of the SME-test (or similar) in your country

The majority of the CCIs are moderately satisfied with the implementation of the SME test in their country and one third is not at all satisfied.

Luxembourg and Belgium also say that the SME test could be carried out more thoroughly in their country. Ireland (see section 4) and Estonia also share this view. Luxembourg would rather see a quality SME test performed on critical legal texts.

Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Completely satisfied
Cyprus	Luxembourg	Belgium	Lithuania	Austria
Czech Republic		Estonia		
Ireland		France		
Slovenia		Germany		
Croatia		Hungary		
		Latvia		
		Spain		
5	1	7	1	1

Not at all satisfied:

Cyprus, the Czech Republic and Slovenia are not satisfied given that the SME test does not yet exist in their country.

Croatia complains that little progress have been made as regards the implementation of the SME test, which is still in its infancy. Furthermore, they criticize the lack of coordination between the various Ministries, when it comes to formulating laws that have an impact on SMEs.

Ireland: RIAs are, in principle, recognized by Government as to be carried out for all legislative changes/new regulations at an early stage before a decision to regulate has been taken. This principle is, however, not adhered to. SME-specific assessments are also not undertaken.

Slightly satisfied:

Luxembourg: The Chamber of Commerce has regretted for a long time that the impact assessment sheet is not used effectively. It rather seems to be a "tick box" exercise, with no deep consideration of the true impact a draft text may have on SMEs. The forms are completed at the last minute because this is an obligation.

The Chamber of Commerce would rather like to see a quality SME test performed on critical legal texts for SMEs (under a risk-based approach e.g.) than a systematic exercise that carries little value on improving legal texts for SMEs.

Moderately satisfied

Belgium: Good progress since 2011, but the regulation impact analysis (RIA-AIR), of which the SME test is an element, is still too often considered as a necessary evil and done insufficiently. It is written in such a way to justify the intended regulation.

France: Only 4 tests have been implemented so far, involving 69 companies over 7 regions. This basis is insufficient to form an opinion.

2. Conditions for carrying out the SME-test ¹

Different countries (Ireland, Latvia and Slovenia (see section 6)) are also demanding a body that checks the quality of the SME test. Making the SME test compulsory is also welcomed by EUROCHAMBRES.

Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Completely satisfied
Ireland	Estonia	France	Lithuania	Austria
Croatia	Latvia	Germany		Belgium
		Hungary		Spain
		Luxembourg		
2	2	4	1	3

Not at all satisfied:

Ireland: The lack of an external independent oversight body to review RIAs constitutes a major issue in relation to the quality of RIAs carried out.

Slightly satisfied:

Latvia Suggestion: to establish effective control mechanism over IA process.

Moderately satisfied:

France: Each Ministry appreciates the need for a test which leads to France being only moderately satisfied. According to France the number of SME tests should be increased.

Germany: The SME-test is part of the general impact assessment, but not always is there an explicit focus on SMEs

Completely satisfied:

Belgium: Given the fact that it is compulsory for all legislation, Belgium is completely satisfied.

¹ 3 countries (Cyprus, the Czech Republic, Slovenia) have responded that this question was not applicable to them.

3. Consultation with SME representatives

Almost all national member associations of EUROCHAMBRES responded that they are slightly, moderately or very satisfied about the consultation with SME representatives on new legislation.

The fact that consultations take place at an early stage of the SME test and are compulsory leads to increased satisfaction of EUROCHAMBRES.

France pleads for a greater involvement of CCI.

Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Completely satisfied
	Lithuania	Belgium	Cyprus	Austria
	Slovenia	Czech Republic	Estonia	
	Spain	France	Germany	
	Croatia	Hungary	Ireland	
		Luxembourg	Latvia	
0	4	5	5	1

Slightly satisfied:

Lithuania: Consultations and tests should be carried out with advanced schedule for the stakeholders

Croatia: It is necessary to improve cooperation between the SME Envoy and SME representatives

Moderately satisfied:

Belgium: Belgium only gives the score “moderately satisfied” due to the fact that consultation of stakeholders/representative organisations is not compulsory.

France: CCIs could be more involved at this operational stage, especially in bringing additional expertise to the State services and in contributing to the setting up of the panels

Very satisfied:

Ireland: The establishment of the Advisory Group on Small Business and the High Level Group for Business Regulation is a welcome development, which has improved targeted consultation with SME representatives

4. Measurement of the impact on SMEs²

Only two CCIs are very satisfied with the measurement of the impact on SMEs

Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Completely satisfied
Ireland	Estonia	Belgium	Austria	
Luxembourg	Latvia	Hungary	Lithuania	
Slovenia		Spain		
Croatia				
4	2	3	2	0

Not at all satisfied:

Ireland: RIAs in their current format are largely tick box exercises rather than in-depth impact analyses. SME-specific assessments are not mandatory to RIAs, and many RIAs do not include cost/benefit analyses which should be a key consideration in order for decision makers to make balanced decisions.

Luxembourg: The quantitative aspects of impact assessments have been disregarded to date in Luxembourg

Slightly satisfied:

Latvia: Measurement of the impact on SMEs is performed rarely

Moderately satisfied:

Belgium: Often good quantitative data on SMEs is missing

Spain: The SME test should analyse also the impacts on innovation and R&D, on access to markets, and on access to finance

² 4 countries (Cyprus, the Czech Republic, France and Germany) have responded that this question was not applicable to them.

5. Use of mitigating measures³

Most CCIs are moderately or very satisfied about the use of mitigating measures.

Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Completely satisfied
Croatia	Estonia	Czech Republic	Austria	Spain
Ireland		Germany	Latvia	
		Hungary	Lithuania	
		Luxembourg		
2	1	4	3	1

Moderately satisfied:

Germany: Mitigating measures such as exemptions and simplified reporting obligations are used. They could be used more often and systematically.

6. Quality of the SME tests carried out so far⁴

Most of the Chambers of Commerce and Industry rated the quality of the SME tests carried out so far as poor or fair.

Very poor	Poor	Fair	Good	Excellent
	Ireland	Belgium	Austria	
	Slovenia	Germany	Lithuania	
	Croatia	Hungary		
	Luxembourg	Latvia		
0	4	4	2	0

Poor:

Ireland: Many RIAs appear to be a discussion or explanation of a decision already taken rather than a real analysis of the proposal in question.

Slovenia: There is no quality control, and in pilot cases there is not enough emphasis on the impact assessment. There should be more emphasis on financial aspects.

³ 4 countries (Belgium, Cyprus, France and Slovenia) have responded that this question was not applicable to them.

⁴ 5 countries (Cyprus, the Czech Republic, Estonia, France, and Spain) have responded that this question was not applicable to them.

Fair:

Latvia: Even though Cabinet of Ministers' instruction No.19 of December 15, 2009, "the Initial Impact Assessment Procedure for Legislative proposal" provides fully standardized form for the IA, the application differs across sectors. Moreover, the IA form applies only to the legislative documents drafted by the ministries and is not applicable to the proposals at the parliamentary level.

The German government is working on a procedure (guideline) in order to improve the qualitative assessment

7. Impact of conducted SME tests on proposed legislation or administrative initiatives ⁵

Chambers of Commerce and Industry rated the impact of the conducted SME-tests as poor, fair or good.

Very poor	Poor	Fair	Good	Excellent
	Ireland	Belgium	Austria	
	Latvia	Hungary	Germany	
	Croatia	France	Lithuania	
	Luxembourg			
0	4	3	3	0

Poor:

Ireland: Most RIAs appear to be prepared after the decision on Heads of Bill (ie roadmap is taken or published alongside the bill (if not later)).

Latvia: The practice shows that even conducted SME tests showing negative impact on SMEs and argued by the business organizations do not prevent the Cabinet of Ministers and/or Parliament from adopting legal enactments.

⁵ 5 countries (Cyprus, the Czech Republic, Estonia, Slovenia and Spain) have responded that this question was not applicable to them.

Some recommendations related to the SME-test

To reinforce and extend the SME test, a good practice could be to give additional, stronger, political support to the system, according to CCI France,

Methodology for the SME test:

The Czech Chamber of Commerce says that the methodology should be unified within the EU – methodology prepared by the Commission together with SMEs/their representatives.

The Estonian Chamber of Commerce and Industry states the following: The use of the SME test should be more widespread and encompass not only the consultation part of the SME-test but more attention should be aimed at the cost/benefit analysis of the imposed legislative measures. **Although the consultation part is very significant when adopting new legislation some bills and their impact for SMEs need to be analysed taking into account the economic indicators.** The gathering of data regarding the costs and benefits of new laws for SMEs is not an easy task but, considering the impact of the new proposed legislation on SMEs should be done more comprehensively. Also Chambers Ireland would recommend that cost/benefit analyses are included as a mandatory part of all RIAs.

CCI France and the Chamber of Commerce of the Grand-Duchy of Luxembourg are in favour of the application of the SME test to critical texts for SMEs. Chambers Ireland also calls for better targeted SME assessments.

According to the Croatian Chamber of Economy, the SME test should become a standard, which will be implemented by all bodies, which make laws and regulations that have an impact on SMEs. The SME envoy's should be more visible in these processes and have an impact on all decision-makers that have an impact on SMEs.

Chambers Ireland asks for a commitment to carry out impact assessments at any early stage before a decision to regulate has been taken or heads of bills (i.e. roadmaps) have been agreed.

Consultation:

According to the Federation of Belgian Chambers of Commerce, representative organizations could help to supply the legislator with sufficient and correct data on SMEs.

In Spain, France and Slovenia, CCIs recommend their a strong participation of the Chambers of Commerce and Industry in the implementation of the SME-test is implemented.

LIST OF CHAMBERS OF COMMERCE AND INDUSTRY HAVING PROVIDED INPUT TO THE SURVEY

AUSTRIA	Austrian Federal Economic Chamber
BELGIUM	Federation of Belgian Chambers of Commerce
CROATIA	Croatian Chamber of Economy
CYPRUS	Cyprus Chamber of Commerce and Industry
CZECH REPUBLIC	Czech Chamber of Commerce
ESTONIA	Estonian Chamber of Commerce and Industry
FRANCE	CCI France
GERMANY	Association of German Chambers of Industry and Commerce
HUNGARY	Hungarian Chamber of Commerce and Industry
IRELAND	Chambers Ireland
LATVIA	Latvian Chamber of Commerce and Industry
LITHUANIA	Kaunas Chamber of Commerce, Industry and Crafts
LUXEMBOURG	Chamber of Commerce of the Grand Duchy of Luxembourg
MALTA	Malta Chamber of Commerce, Enterprise and Industry
SLOVENIA	Chamber of Commerce and Industry of Slovenia
SPAIN	Chamber of Commerce of Spain
