

DATA PROTECTION: THE EUROPEAN DATA PROTECTION SUPERVISOR RELEASES HIS OWN DRAFT AND MOBILE APP COMPARISON IN VIEW OF THE TRIALOGUE DISCUSSIONS

The European data protection supervisor, Giovanni Buttarelli, has taken the unprecedented step of publishing his own draft of the European Union's new general data protection regulation.

The rules will be negotiated in the coming months behind closed doors by the European Parliament, European Commission and the Council of the EU. If finalized by year-end, the regulation could come into force in 2018.

Buttarelli only has an advisory role in this process, however, he released a [fourth text](#) on Monday that synthesizes the other three, picking and choosing his favourite proposals. The watchdog has also released a mobile app, available for [Android](#) and [iOS](#) devices, that makes it easier to compare the four texts clause-by-clause.

EP RESOLUTION SAYS CAPITAL MARKETS UNION SHOULD EASE CROSS-BORDER INVESTMENT AND FINANCE FOR SMES

The EU Capital Markets Union (CMU) should provide a new, more efficient way to channel savings into small business ventures and protect cross-border investors in the EU, says a non-binding resolution voted on July 9th 2015. MEPs want CMU building blocks, such as a wider range of investment choices, risk mitigation tools and clear information on investment opportunities across the EU to be in place by 2018, so as to complement bank financing. The CMU project was launched earlier this year.

Contents

Data protection: The European Data Protection Supervisor releases his own draft and mobile app comparison in view of the trialogue discussions	1
EP Resolution says Capital Markets Union should ease cross-border investment and finance for SMEs.....	1
Febis regulatory sub-committee works on Data Protection and on a survey on SME access to credit.....	2
France: adoption of THE Macron law (loi macron) and impact on access to annual accounts	3
DG FISMA Consultation on long term finance	3
Capital Markets union: Results of the consultation.....	3
DG GROW Conclusion report on the conference on learning from failure: giving a second chance to honest bankrupt entrepreneurs.....	4
European Fund for Strategic Investments ready for take-off in autumn	4

Reliable non-bank sources of business finance should be further developed alongside well-established bank financing, says the [text](#). EU firms will be less vulnerable to tight bank lending terms if market players are able to raise debt, equity and venture capital directly from the market, it adds.

MEPs stress that for the CMU to function smoothly, cross-border insolvency rules must be made to work. They also call for a recovery and resolution framework to be set up for non-banks, in particular central counterparties, i.e. intermediaries between buyers and sellers who manage the risk arising when an investment party defaults on a deal.

High-quality, easily comparable financial information on firms seeking crowd funding or peer-to-peer loans should be available across borders, say MEPs. They underline that small and medium-sized enterprises (SMEs) and retail investors need financial education to help them to avoid risky investments and better inform them of the range of products on the market, such as equity or corporate bonds.

To help SMEs to raise money on financial markets, regulatory requirements need to be SME-friendly, procedures simple and the administrative burden proportionate. For example, EU member states should review equity financing rules that are too burdensome for private companies, says the text.

Possible changes or additions to existing financial rules should aim to remove entry barriers for SMEs, improve access to finance for innovative companies and ensure that prudential standards are proportionate to the risks that such companies may cause. MEPs believe that simple transparent and standardised securitisation (i.e. pooling together various types of debt to create new high-quality financial instruments) may be useful for some SMEs. They also note that as a highly diverse group, SMEs should have access to various instruments to improve financing. Finally, MEPs stress that to ensure that capital flows efficiently across the EU the CMU legislation needs to be brought into force in all member states, and accompanied by a certain degree of standardization in the financial markets.

To access the whole text of the EP resolution click [here](#)

FEBIS REGULATORY SUB-COMMITTEE WORKS ON DATA PROTECTION AND ON A SURVEY ON SME ACCESS TO CREDIT

Further to several coordinated action and after the first trilogue meeting on Data Protection took place at the end of June, the FEBIS regulatory sub-committee has decided to redraft a position paper on data protection specially targeted to the key remaining issues in the trilogue negotiations. The sub-committee is currently discussing the draft and it will soon be submitted to FEBIS board for approval.

As the latest EU workshops have shown that EU institutionals are lacking information on the sector, FEBIS Regulatory sub)committee also decided to work on a monkey survey to get a clearer picture of the issue on SMEs and their access to credit in the various EU countries. The survey is being finalised and all FEBIS members will be asked to contribute by mid-September to enable first benchmark results to be presented at the FEBIS Vilamoura general assembly in September.

FRANCE: ADOPTION OF THE MACRON LAW (LOI MACRON) AND IMPACT ON ACCESS TO ANNUAL ACCOUNTS

After a fierce debate and months of negotiation between the government and the French Parliament, the French Assemblée Nationale finally adopted the Macron law (named after the French Economy Minister Emmanuel Macron), which inter alia contains some provisions on reducing red tape for SMEs. Among these provisions are contained some articles which would further transpose the 2013/34/EC Accounting Directive into French national law and which open the possibility for small companies to request confidentiality of their P&L when they are filing their annual accounts. The confidentiality is strictly open to the small companies meeting 2 criteria at least:

- total of liabilities < 4 M€
- Turnover net < 8 M€
- Employees < 50.

Though credit scoring providers will continue to have access to annual balance sheets and P&L, this would mean that reuse, communication and publication possibilities of the actual P&L figures could be set confidential if the SME so wishes and that this could therefore have an impact of the information one can get on its business counterparts.

FEBIS is constantly reminding EU institutions that access to basic financial information is a key prerequisite for scoring and credit information, and that reducing SME red tape shall not mean no access possible. FEBIS would therefore like to assess the current transposition trends of the 2013/34/EC Accounting directive in the various EU countries and will send its members a short questionnaire on this issue.

DG FISMA CONSULTATION ON LONG TERM FINANCE

DG FISMA launched on July 15th a consultation paper on the possible impact of the CRR and CRD IV on bank financing of the economy. Though the consultation is more directed to banks, it could be worth getting the voice of credit and business information providers in the loop so FEBIS will assess if it can provide a contribution to this consultation, which is open until 07.10.2015. You can access the consultation page, including the consultation paper, [here](#) on DG FISMA web site.

CAPITAL MARKETS UNION: RESULTS OF THE CONSULTATION

DG FISMA also unveiled the contributions they have received to the public consultation on the Capital Markets Union which was closed. You can browse [here](#) all the contributions that were authorised to be made public. DG FISMA promised to come with a summary of the responses and an Action Plan on the Capital Markets Union issue in September.

DG GROW CONCLUSION REPORT ON THE CONFERENCE ON LEARNING FROM FAILURE: GIVING A SECOND CHANCE TO HONEST BANKRUPT ENTREPRENEURS

DG Grow of the European Commission finally released at the end of July its report on the conference on learning from failure and giving a second chance to honest bankrupt entrepreneurs that took place in June 2015 in Brussels and to which several members of the FEBIS Regulatory committee participated.

The major conclusion that DG Grow is drawing from this conference are the urgent need to shift the current risk-averse mentality in Europe to a more business friendly approach that allows failure and give honest bankrupt entrepreneurs a real second chance. Progress should be made in insolvency laws to give a greater place to company restructuration in case of bankruptcy rather than liquidation and the Commission would also like to encourage advance warning systems be put in place to enable company managers and entrepreneurs to get warned before it is actually too late. FEBIS members business could really be a great help in this, with relevant advance warning systems included in scores which could be communicated to the companies/sole entrepreneurs. The representatives of FEBIS who took part in the meeting all stressed the importance of trade credit as a powerful financing but also decision-making means for entrepreneurs and companies and the prerequisite need of getting access to basic financial data from entrepreneurs before begin able to issues accurate credit reports.

If you would like to get a copy of the DG Grow report, please email Stephanie Verilhac at stephanie@svmconsult.com

EUROPEAN FUND FOR STRATEGIC INVESTMENTS READY FOR TAKE-OFF IN AUTUMN

The European Commission put the final building blocks in place to kick-start investment in the real economy by agreeing on 22nd July 2015 on a package of measures that will ensure that the European Fund for Strategic Investments (EFSI) is up and running by early autumn 2015, keeping the ambitious timetable set by President Jean-Claude **Juncker** to implement the Investment Plan for Europe.

The Commission has just published a [Communication on the role of National Promotional Banks \(NPBs\)](#) in supporting the Investment Plan for Europe. The Communication explains the important role that NPBs can play in getting Europe investing again by participating in EFSI investments. It provides clarity and practical guidance on how to set up a new NPB, the statistical treatment of NPB co-investments as regards government deficit and debt under the Stability and Growth Pact, the EU state aid treatment of national project co-financing and how NPBs from different Member States can join forces and work with the European Investment Bank (EIB) to set up investment platforms. This crucial guidance will help companies across Europe gain access to financing through EFSI, the cornerstone of the €315 billion Investment Plan.

Further decisions taken by the College of Commissioners today include inter alia:

- Final arrangements to launch the [European Investment Advisory Hub \(EIAH\)](#). The EIAH will support the development and financing of investment projects in the EU by offering a single point of contact for guidance and advice, providing a platform to exchange know-how, and coordinating existing technical assistance.
- Decision on the management and main elements of the [European Investment Project Portal \(EIPP\)](#). The EIPP will be a publicly available, secure web portal where EU based project promoters seeking external financing are given the opportunity to promote their projects to potential investors.
- The delegated act for a [Scoreboard](#) of indicators which the independent Investment Committee will use when deciding whether a project proposal fits the criteria to receive backing of the EU guarantee (EFSI).

More information about the Investment Plan for Europe:

[Q&A on the Investment Plan](#)

[Investment Plan for Europe website](#)

[Regulation on the European Fund for Strategic Investments \(EFSI\)](#)

FEBIS– Federation of Business Information Services

Benefiting from the opening of markets within Europe and overseas, world-wide business has experienced substantial growth. As business grows so does the demand for business information, in particular, intelligence for cross-border business activities.

In 1973, leading European credit information agencies joined forces to form the Federation of Business Information Services FEBIS (initially known as FECRO), with its registered office in Frankfurt. Today, FEBIS has developed into a sizable organization comprising more than 60 full Members from all over the world involved in providing Business Information and Debt Collection services of National and International importance.

Supported by a combined workforce of more than 20,000 staff, FEBIS Members generate over 180 million Business Information and Consumer reports annually for over 500,000 organizations, providing these clients with invaluable business support. Aggregate sales turnover of FEBIS Members is in excess of €2.5 Billion.

As the industry association, FEBIS strives to look after common interests of its members. While monitoring new legislation like data protection laws and insolvency laws, FEBIS also oversees and the application of public sources and information.