

Questionnaire « SME Test reporting » for the SME Envoys Meeting

In July 2011, the report "*Barriers and Best Practices in SME Test Implementation*" commissioned by the European Parliament (ITRE) was published. It is based on a survey of national administrations by the European Commission (DG Entreprise). It shows the status of implementation of the SME Test, the challenges and the obstacles encountered, highlights a certain number of good practices and finally makes recommendations.

For informational purposes, the aforementioned report and the responses of the MS to the Commission's questionnaire are annexed hereto.

The three years that have passed since the release of these documents have allowed to consolidate the implementation of the SME Test, validate or test certain options chosen and perhaps evaluate the work accomplished. The network of SME Envoys has decided to place the subject of the SME test on the agenda of the meeting of March 2015 and, as such, intends to gather information from its members.

This reporting does not aim at updating the survey conducted in 2011 in all its aspects. The main aim is to take stock of the state of development of an SME Test in the MS and to identify a certain number of good and/or bad practices at national and/or regional level.

- The questionnaire hereafter comprises 4 points:
 1. The state of implementation of an SME test in each MS.
 2. Practices adopted regarding specific aspects of an SME Test.
 3. Record of proven good/bad practices.
 4. Free commentaries.
- To complete these qualitative questions, an electronic questionnaire is attached; it has partially been borrowed from the survey of the Member States conducted in 2011. Its more directed questions will enable the Rapporteur to assess, on behalf of the *SME Envoys*, the state of progress of certain parameters since that date.

QUESTIONNAIRE

1. The state of implementation of an SME test in each MS

1.1 Which changes have been applied to the design or the implementation of the SME Test in your country since the 2011 survey?

maximum 4000 characters

In the context of outcome oriented impact assessment (OOIA) significant impact on SMEs now is asked for mandatory. The regulatory impact assessment has been developed into an outcome oriented impact assessment, which entered into force on 1 January 2013. All new laws, regulations and bigger projects (eg funding programmes) are discussed on basis of their desired outcomes and outputs and their success will be measurable by the use of indicators. In defined policy areas (impact dimensions) such as impacts on enterprises, especially SMEs, impacts on administrative costs for citizens and enterprises the substantial impacts are identified, as it is only those impacts that are subject to in-depth assessment. On the basis of precise questions, the most relevant impacts in these impact dimensions are examined. This allows for a 360 degree analysis of the expected impacts.

Generally, one has to keep in mind that Austria's economy is dominated by SMEs. About 99.6% of all businesses fall into that definition.

1.2 If no SME Test has been carried out in your country yet, which conceptual approach do you contemplate for the future?

maximum 4000 characters

2. Practices adopted regarding specific aspects of an SME Test

According to the state of progress and the implementation of an SME Test in your MS, please answer the following questions:

2.1 Stakeholders consultations:

- ❖ *If organizing stakeholder consultations, which of these consultation methods are used in your country? (Please highlight those that are relevant for your country):*

- a) *round table discussions with stakeholders*
- b) *test panels of entrepreneurs*
- c) *open public consultations*
- d) *direct bilateral contacts with individual SMEs*
- e) *other (please specify:)*

Ad a) eg ad hoc Working Groups at Statistics Austria

Ad c) Consultation on draft legislation (via Website of parliament)

Ad e) Consultation on draft legislation; it is up to the coordinating ministries to include stakeholders sufficiently. SMEs' interests are considered due to the fact that the Austrian Federal Economic

Chamber, as their representative, is always included.

f) not applicable (please specify reason:)

2.2 Types of impacts:

- ❖ Which types of impacts do you analyse in your SME test (positive or negative)? (Please highlight those that are relevant for your country):

- a) compliance costs and savings for SMEs (financial, substantive or administrative costs¹)
- b) impacts on competitiveness
- c) impacts on innovation and R&D
- d) impacts on access to markets
- e) impacts on access to finance
- f) impacts of a more social nature (working and health & safety conditions etc)
- g) environmental impacts
- h) other (if so, please specify:)

The regulatory impacts on enterprises, especially on SMEs are analysed from two separate dimensions. Firstly the dimension "Administrative costs for enterprises" and secondly the dimension "Enterprises". At the beginning we want to mention that these impact dimensions relate to enterprises as a whole, however, in Austria 99.6% are SMEs. If companies are concerned significantly, there has to be checked, how many of them are likely to be affected and to what extent. Based on these data, it is possible to identify specific costs and relief for Austrian SMEs.

Ad a) Since 2007 administrative costs for enterprises are assessed ex-ante with the Standard Cost Model (SCM). In 2013 the SCM was integrated with the new impact assessment system ("outcome oriented impact assessment"), being used as far as the impact dimension "Administrative costs for enterprises (and citizens)" is concerned. With regard to substantive compliance costs, it must be mentioned, that a method similar to SCM has not yet been implemented in Austria, though Austria has participated in an OECD working group on this issue.

As far as the impact dimension "Administrative costs for enterprises (and citizens)" is concerned there has to be checked if and to what extent the introduction of new measures with information obligations are going to increase or reduce administrative costs. The SCM is used as an instrument for measuring administrative costs for enterprises (and citizens) fulfilling reporting obligations.

Ad c)d)e) The impact dimension "Enterprises" focuses on the financial impact (costs like taxes, fees, access to finance or savings, but no administrative costs) of planned regulatory proposals on enterprises, especially SMEs, as well as on the different phases of the business cycle (start-ups; transfers), the internationalization and the ability to innovate. That way transparency can be ensured and the most important economic sectors of SMEs can be taken into account in legislation and other essential projects at an early stage.

- i) not applicable (please specify reason:)

¹ financial costs linked to fees or duties etc, substantive costs created by the obligation to adapt the nature of the product/service and/or production/service delivery process to meet economical, social or environmental standards (e.g. purchase of new equipment, training of staff etc) and administrative costs created by the obligation to provide information on the activities or products of the enterprise, including one-off and recurring administrative costs (e.g. resources to acquire or provide/prepare information)

2.3 Mitigating measures:

- ❖ *If mitigating measures are proposed as a result of the SME-test, which measures are used in your country? (Please highlight those that are relevant for your country and then rank them according to frequency.)*

- a) complete or partial size-related exemptions for SMEs
- b) temporary exemptions
- c) tax reductions or direct financial aid
- d) reduced fees for SMEs
- e) simplified reporting obligations for SMEs
- f) specific information campaigns or user guides, training and dedicated help desks etc.
- g) other (please specify:)

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- h) not applicable (please specify reason:)

3. Record of proven good/bad practices

3.1 Please outline proven good/bad practices in one or more of the following areas:

- ❖ the stakeholder consultation procedure;
- ❖ the support structure and accompanying materials for the test;
- ❖ alternative measures proposed;
- ❖ the evaluation of the test and changes made;
- ❖ the methodology chosen to measure the analysed impacts in the context of your SME Test;
- ❖ others

maximum 4000 characters per good practice

1. Good practice in Austria is the social partnership: This means, that any official draft is being consulted with affected stakeholders (= the social partners, that means the Austrian Federal Economic Chamber, the Federal Chamber of Labour, the Austrian Trade Union Federation and the Austrian Chamber of Agriculture). The common goal of consensus is helping to create stable economic conditions and confidence in Austria as a business location. As the voice of enterprises, especially of SMEs, the Austrian Federal Economic Chamber is committed to bringing in their interests.
2. Another good practice is the IT tool for outcome oriented impact assessment. It is used to

calculate the involvement as far as the impact dimensions "Administrative costs for enterprises" and "Enterprises" are concerned: This IT tool supports the process of outcome oriented impact assessment in all steps, starting with the problem analysis to the examination and assessment of impacts. In addition this tool contains assistance, calculators and a guided process and automatically produces a document (as result of this process) that has to be enclosed to draft laws in e-law. Furthermore, a comprehensive manual for the outcome oriented impact assessments is available. If necessary also training courses are offered.

3.2 Which are the main difficulties encountered by you since the SME Test has been put in use (e.g. low availability of data, low inter-service cooperation, consultation of stakeholders, etc.) ?

maximum 4000 characters

1. Data availability: Concerning administrative burden a database established in the course of the baseline measurements offers a starting point for data research. Depending on the regulation at stake, data availability can be very difficult. In the tax administration internal data is available and mainly used. Mostly, stakeholders can help gathering data, it is essential to have them on board and to build up data continuously. General statistical data on enterprise populations has been collected and made available at a single point for users (<http://www.wfa.gv.at/Deutsch/WfaDaten/start.htm>).
2. Occasionally there also exists a lack of in-depth expert know how from authorities to identify all areas of impact → At this point the set-up of necessary knowledge capacities should be supported!
3. It would be helpful, to upgrade the existing IT tool to a central database solution to guarantee a transparent access to the already existing examinations of the impact dimensions.
4. Roundtable discussions with SME stakeholders on substantial proposed legislation or administrative initiatives could help to evaluate the outcomes of performed SME tests.

4. Open questions

4.1 How to guarantee the efficiency of the SME Test?

maximum 4000 characters

Austria has opted for a two-step impact assessment system: For all new laws and regulations an impact assessment is mandatory. However, only impacts above a certain threshold have to be assessed in further detail. Thresholds vary depending on the impact dimension, eg for administrative burden it is 100.000 €/year. Approximately 7% of new legislative proposals (ordinances, laws etc.) are above this threshold. Other relevant (sub-)dimensions include impacts on the business cycle (threshold 500 enterprises) and financial impacts like impacts on access to finance (threshold 2,5 million € or 10.000 enterprises). All these assumptions and assessments are made transparent in a standardised reporting scheme so that stakeholders can follow the actual calculations.

The experiences of the SCM and the first years of impact assessment in Austria show, that key elements for an efficient and good application are the methodological and procedural support by "help desks" (responsible persons at the ministry in charge of the particular impact dimension) so

that users are supported and can actually conduct the assessments.

4.2 What are your specific remarks regarding the implementation of the SME Test?

maximum 4000 characters

It is important to have a threshold or a similar instrument to guarantee a proportional use of resources. Otherwise the public administrations had to check all the involvements of enterprises, even the insignificant ones, costs would be enormous and the test could not be performed effectively.

Please carry on with the questionnaire hereafter and use the drop-down menus provided to give your answers.

1. Has an SME test (or similar) already been put in place in your country ? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	Yes	Yes
Belgium	No	Select an item
Bulgaria	Yes	Select an item
Cyprus	No	Select an item
République tchèque	No	Select an item
Denmark	Yes	Select an item
Estonia	No	Select an item
Finland	Yes	Select an item
France	Yes	Select an item
Germany	Yes	Select an item
Greece	No	Select an item
Hungary	Yes	Select an item
Ireland	Yes	Select an item
Italy	Yes	Select an item
Latvia	Yes	Select an item
Lithuania	Yes	Select an item
Luxembourg	Yes	Select an item
Malta	Yes	Select an item
Netherlands	Yes	Select an item
Poland	Yes	Select an item
Portugal	No	Select an item
Romania	Yes	Select an item
Slovakia	Yes	Select an item
Slovenia	Yes	Select an item
Spain	Yes	Select an item

Sweden	Yes	Select an item
United Kingdom	Yes	Select an item

2. How often is a specific assessment of impacts on SMEs ("**SME-test**") carried out whenever proposed legislation or administrative initiatives are likely to affect businesses in your country? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	on ad hoc basis	Always
Belgium	x	Select an item
Bulgaria	Often	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Often	Select an item
Estonia	x	Select an item
Finland	Often	Select an item
France	Always	Select an item
Germany	Always	Select an item
Greece	x	Select an item
Hungary	on ad hoc basis	Select an item
Ireland	Always	Select an item
Italy	Never	Select an item
Latvia	Always	Select an item
Lithuania	Always	Select an item
Luxembourg	Always	Select an item
Malta	Always	Select an item
Netherlands	Often	Select an item
Poland	on ad hoc basis	Select an item
Portugal	x	Select an item
Romania	Often	Select an item
Slovakia	on ad hoc basis	Select an item
Slovenia	on ad hoc basis	Select an item

Spain	Always	Select an item
Sweden	Always	Select an item
United Kingdom	Always	Select an item

Comment to "always": In this context, it is important to point out once more that the outcome oriented impact assessment is a step by step process, also as far as the impact dimensions "Administrative costs for enterprises" and "Enterprises" are concerned. First of all, in defined policy areas (impact dimensions) the substantial impacts are identified, as it is only those impacts that are subject to in-depth assessment. On the basis of precise questions, the most relevant impacts in these impact dimensions are examined.

3. How many SME tests were carried out by you national administration in 2010 and 2013 respectively ? Please, select an appropriate answer from the drop-down menu.

Country	2010	2013
Austria	1-5	20 or more
Belgium	x	Select an item
Bulgaria	1-5	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	20 or more	Select an item
Estonia	x	Select an item
Finland	20 or more	Select an item
France	20 or more	Select an item
Germany	20 or more	Select an item
Greece	x	Select an item
Hungary	1-5	Select an item
Ireland	0	Select an item
Italy	0	Select an item
Latvia	20 or more	Select an item
Lithuania	20 or more	Select an item
Luxembourg	20 or more	Select an item
Malta	0	Select an item
Netherlands	6-10	Select an item
Poland	0	Select an item
Portugal	x	Select an item
Romania	1-5	Select an item
Slovakia	20 or more	Select an item
Slovenia	1-5	Select an item
Spain	20 or more	Select an item
Sweden	20 or more	Select an item

United Kingdom	20 or more	Select an item
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Note: According to the records of the Austrian Federal Chancellery there were identified significant impacts in the impact dimension "Enterprises" with 13 outcome oriented impact assessments and in the impact dimension "Administrative costs for enterprises" with 17 outcome oriented impact assessments in 2013. A total number to specify the ratio is currently not available. But we are working on a technical solution to get an overview of all outcome oriented impact assessments.

4. To which degree is the **SME-test standardised across services** in your country ? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	Each service is responsible for designing the SME test	Fully standardized and look the same across all services
Belgium	x	Select an item
Bulgaria	Each service is responsible for designing the SME test	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Fully standardized and look the same across all services	Select an item
Estonia	x	Select an item
Finland	Template and guidelines, but not mandatory to follow	Select an item
France	Template and guidelines, but not mandatory to follow	Select an item
Germany	Other/not applicable	Select an item
Greece	x	Select an item
Hungary	Each service is responsible for designing the SME test	Select an item
Ireland	Template and guidelines, but not mandatory to follow	Select an item
Italy	Other/not applicable	Select an item
Latvia	Fully standardized and look the same across all services	Select an item
Lithuania	Other/not applicable	Select an item
Luxembourg	Fully standardized and look the same across all services	Select an item
Malta	Template and guidelines, but not mandatory to follow	Select an item
Netherlands	Template and guidelines, but not mandatory to follow	Select an item
Poland	Other/not applicable	Select an item
Portugal	x	Select an item
Romania	Template and guidelines, but not	Select an item

	mandatory to follow	
Slovakia	Template and guidelines, but not mandatory to follow	Select an item
Slovenia	Template and guidelines, but not mandatory to follow	Select an item
Spain	Template and guidelines, but not mandatory to follow	Select an item
Sweden	Template and guidelines, but not mandatory to follow	Select an item
United Kingdom	Fully standardized and look the same across all services	Select an item

5. In your **national administration**, how is the SME-test carried out? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	Each service is fully responsible	Each service responsible but a collective SME test help desk exists
Belgium	x	Select an item
Bulgaria	Each service is fully responsible	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Each service responsible but a collective SME test help desk exists	Select an item
Estonia	x	Select an item
Finland	Each service responsible but a collective SME test help desk exists	Select an item
France	Other/not applicable	Select an item
Germany	Each service is fully responsible	Select an item
Greece	x	Select an item
Hungary	Each service is fully responsible	Select an item
Ireland	Each service is fully responsible	Select an item
Italy	Other/not applicable	Select an item
Latvia	Each service is fully responsible	Select an item
Lithuania	Other/not applicable	Select an item
Luxembourg	Each service responsible but a collective SME test help desk exists	Select an item
Malta	Each service responsible but a collective SME test help desk exists	Select an item
Netherlands	Other/not applicable	Select an item
Poland	Other/not applicable	Select an item
Portugal	x	Select an item

Romania	Centralised SME test function	Select an item
Slovakia	Other/not applicable	Select an item
Slovenia	Each service is fully responsible	Select an item
Spain	Each service is fully responsible	Select an item
Sweden	Each service is fully responsible	Select an item
United Kingdom	Each service responsible but a collective SME test help desk exists	Select an item

6. When the SME-test is carried out, does it include **consultations with SME representatives/stakeholders**? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	Always	Always
Belgium	x	Select an item
Bulgaria	Always	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Always	Select an item
Estonia	x	Select an item
Finland	Majority of cases	Select an item
France	Always	Select an item
Germany	Always	Select an item
Greece	x	Select an item
Hungary	Majority of cases	Select an item
Ireland	Always	Select an item
Italy	Not applicable	Select an item
Latvia	Always	Select an item
Lithuania	Majority of cases	Select an item
Luxembourg	Never	Select an item
Malta	Always	Select an item
Netherlands	Majority of cases	Select an item
Poland	Ad-hoc basis	Select an item
Portugal	x	Select an item
Romania	Majority of cases	Select an item
Slovakia	Majority of cases	Select an item
Slovenia	Ad-hoc basis	Select an item
Spain	Majority of cases	Select an item
Sweden	Always	Select an item
United Kingdom	Always	Select an item

7. When assessing the **costs and benefits** of legislative proposals, which methods are being used in your country? Quantification; Monetisation; Soft; Qualitative; Other; No assessment of costs and benefits

Country	2011	2014
Austria	Quantification – Monetisation - Soft	Quantification – Monetisation - Qualitative
Belgium	x	
Bulgaria	Quantification- Monetisation – Soft - Qualitative	
Cyprus	x	
Czech Republic	x	
Denmark	Monetisation – Soft - Qualitative	
Estonia	x	
Finland	Quantification - Soft	
France	Quantification - Qualitative	
Germany	x	
Greece	x	
Hungary	Quantification – Monetisation – Qualitative - Other	
Ireland	Quantification - Soft	
Italy	x	
Latvia	Quantification – Monetisation – Soft - Qualitative	
Lithuania	Other	
Luxembourg	Soft	
Malta	Quantification – Monetisation - Other	
Netherlands	Quantification – Monetisation – Soft - Qualitative	
Poland	Quantification – Monetisation- Soft - Qualitative	
Portugal	x	
Romania	x	
Slovakia	Monetisation - Qualitative	
Slovenia	Quantification - Monetisation	
Spain	x	
Sweden	Quantification – Monetisation – Soft – Qualitative - Other	
United Kingdom	Quantification – Monetisation – Soft - Qualitative	

8. Is there a **quality control** foreseen for checking the quality of the SME tests and/or if they are carried out in line with the existing guidelines? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	No quality control	Checked by responsible service
Belgium	x	Select an item
Bulgaria	No quality control	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Checked by responsible service	Select an item
Estonia	x	Select an item
Finland	Checked by responsible service	Select an item
France	Checked by independent body	Select an item
Germany	Checked by independent body	Select an item
Greece	x	Select an item
Hungary	No quality control	Select an item
Ireland	Checked by independent body	Select an item
Italy	Not applicable	Select an item
Latvia	x	Select an item
Lithuania	No quality control	Select an item
Luxembourg	Checked by independent body	Select an item
Malta	No quality control	Select an item
Netherlands	Checked by responsible service	Select an item
Poland	Not applicable	Select an item
Portugal	x	Select an item
Romania	Checked by independent body	Select an item
Slovakia	Checked by responsible service	Select an item
Slovenia	No quality control	Select an item
Spain	Checked by responsible service	Select an item
Sweden	Checked by independent body	Select an item
United Kingdom	Checked by independent body	Select an item

Note: The impact assessment gives information for laws, ordinances, other legal frameworks and projects. It is part of the legal material from its draft to the final decision-making in parliament. The quality assurance by the Federal Performance Management Office at the Federal Chancellery ensures a uniform, high quality of the impact assessments. If the impact of the dimension "Enterprises" has not been considered, although it should have been taken into account, the contact person at the responsible Ministry of Science, Research and Economy has to be involved.

9. If **mitigating measures** are proposed as a result of the SME-test, which measures are used in your country? **Specific info campaigns**; **simplified reporting obligation**; **tax reduction or direct financial aid**; **Complete or partial exemption**; **Temporary reduction**; **Reduced fees**; **Other**

Country	2011	2014
Austria	Specific info campaigns simplified reporting obligation Complete or partial exemption Temporary reduction Reduced fees	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid Complete or partial exemption Temporary reduction Reduced fees
Belgium	x	
Bulgaria	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid Complete or partial exemption Reduced fees	
Cyprus	x	
Czech Republic	x	
Denmark	Specific info campaigns simplified reporting obligation Complete or partial exemption Temporary reduction Other	
Estonia	x	
Finland	Specific info campaigns simplified reporting obligation	
France	x	
Germany	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid Complete or partial exemption Temporary reduction Reduced fees	
Greece	x	
Hungary	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid Reduced fees	
Ireland	Specific info campaigns tax reduction or direct financial aid	
Italy	x	
Latvia	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid Complete or partial exemption Temporary reduction	
Lithuania	Specific info campaigns tax reduction or direct financial aid	
Luxembourg	x	
Malta	Specific info campaigns simplified reporting obligation tax reduction or direct financial aid	

	Complete or partial exemption
	Temporary reduction
	Reduced fees
Netherlands	simplified reporting obligation
	tax reduction or direct financial aid
Poland	Specific info campaigns
	simplified reporting obligation
	tax reduction or direct financial aid
	Complete or partial exemption
	Temporary reduction
	Reduced fees
Portugal	x
Romania	Specific info campaigns
	simplified reporting obligation
	tax reduction or direct financial aid
	Temporary reduction
	Reduced fees
Slovakia	tax reduction or direct financial aid
Slovenia	x
Spain	x
Sweden	Specific info campaigns
	simplified reporting obligation
	tax reduction or direct financial aid
	Complete or partial exemption
	Temporary reduction
	Reduced fees
United Kingdom	Specific info campaigns
	simplified reporting obligation
	Complete or partial exemption
	Temporary reduction
	Reduced fees

10. In your view, does the SME-test have a **policy impact** and a real value added for SMEs in your country? Please, select an appropriate answer from the drop-down menu.

Country	2011	2014
Austria	Yes, definitely	Yes, definitely
Belgium	x	Select an item
Bulgaria	Yes, definitely	Select an item
Cyprus	x	Select an item
Czech Republic	x	Select an item
Denmark	Don't know	Select an item
Estonia	x	Select an item
Finland	Yes, definitely	Select an item
France	Don't know	Select an item
Germany	Don't know	Select an item
Greece	x	Select an item
Hungary	Yes, definitely	Select an item
Ireland	x	Select an item
Italy	x	Select an item
Latvia	Yes, definitely	Select an item
Lithuania	Don't know	Select an item
Luxembourg	Yes, definitely	Select an item
Malta	Yes, definitely	Select an item
Netherlands	Yes, definitely	Select an item
Poland	x	Select an item
Portugal	x	Select an item
Romania	Yes, definitely	Select an item
Slovakia	Don't know	Select an item
Slovenia	probably not	Select an item
Spain	Yes, definitely	Select an item
Sweden	Yes, definitely	Select an item
United Kingdom	Yes, definitely	Select an item