

# BTO —Meeting Carl Buhr, CAB Gabriel, with the German SME association (BVMW) - 4 September 2018

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## Participants:

Mario Ohoven (MO), the President of the German SMEs association BVMW and a delegation of member associations of the BVMW

EC: [Carl BUHR](#) (CAB Gabriel) and [REDACTED] (CNECT A4 [REDACTED]), note taker)

## Background:

The BVMW is an umbrella organisation comprising 34 SME associations from various sectors. It represents the socio-economic interests of about 600.000 SME members in Germany. The delegation has also visited Comm. Oettinger on this day. About four weeks ago a similar BVMW delegation has met VP Ansip. In this meeting the delegation raised questions regarding digital transformation and related EC legislation. CB pointed out the respective EC positions and explained the context.

## Following topics were discussed

- **GDPR:** Since the regulation has become effective the association performed numerous information events with SMEs. The feedback of the members often pointed to new bureaucratic obstacles which actually hinder the digital activities of the SMEs and make digital business more difficult.
- **Taxation of the digital economy:** Concerns were raised that the planned taxation which is discussed in the good intention to provide a more level playing field vis a vis the GAFA companies may unproportionally affect the business of smaller European SMEs running online platforms for example.
- **Transparent and predictable working conditions:** In this planned regulation the notion of employed versus self-employed worker is likely to be defined at European level which has not been done so far. There is concern that in this definition many self-employed workers would count as employed workers with significant disadvantages regarding taxation and social contributions for many SMEs.
- **SME instrument - successor in Horizon Europe:** Delegates claimed that the existing scheme has been successful and should not be changed by widening access to other organisation types such as RTOs and mid cap enterprises as planned for the European Innovation Council (EIC). This would dilute the focus on the beneficiaries most in need of the support.
- **E-privacy regulation:** According to the delegates the risk of sanctions and legal dispute may increase for SMEs dealing with digital communications. Questions were raised on the chance that the revision of the cookie issue will not be implemented and the probability that the regulation will go to trilogue before the EP elections.
- **Online platforms:** In this context responsibility for social security benefits is an important issue. The bureaucratic effort of compliance with the GDPR was reiterated for online platforms run by SMEs, e.g. taxi services.
- **DIH:** the delegation showed strong interest in the CONNECT plans regarding Digital Innovation Hubs. The BVMW has set up a digital competence centre with the support of the German ministry for economy in the region of Berlin-Brandenburg which reaches out to 30.000 SMEs. The association is willing to share best-practise on this experience.

**Follow up:**

- Delegates may submit statements on planned regulation in writing to CAB Gabriel which would deal with it or forward to the services in charge.
- CNECT A will inform the delegates interested in the Digital Innovation Hub activities about the EC conference on DIH taking place in Warsaw on 27-28 November 2018.

Of interest to [REDACTED] [Lucilla SIOLI](#); [REDACTED]  
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