The European Union acts as a privileged actionable framework in the face of the common challenges for the European crafts sector, in particular with regards to the twin-peak transition (digitalization and sustainability), the shortage of gualified labour, the complexity of legal and regulatory restraints, as well as limited resources alongside the continued disruption of supply chains.

In the wake of the 2024 European elections, the Luxembourg Chamber of Skilled Trades and Crafts wishes to provide future European elected representatives with a catalogue of priorities to cater for an EU policy in favour of an attractive craft sector, thereby supporting a competitive, open, ecological. and united Europe.

The crafts sector continues to promote sustainable growth while maintaining employment in family businesses which, as local and regional players, are an essential pillar in the competitive recovery of the European economy. The crafts sector acts thereby as a triple-sided actor and partner:

- In favour of a more resilient European competitiveness
- In favour of a more stable economic transition
- In favour of a more sustainable ecological transition

In view of this, the Luxembourg Chamber of Skilled Trades and Crafts has identified a set of 7 priority areas to tackle the challenges of the sector, reinforce the competitiveness of crafts businesses, and improve the daily life of European craftsmen and citizens in general. The 7 concrete priority areas are directly aimed at Luxembourg candidates for the European elections to ensure the standing of the crafts sector at the heart of European economic relations and to address the European challenges.

Fundamental principles for any future European political initiative

- Strengthen the principles of subsidiarity, proportionality and State-of-Law
- Focus and target the specific use of delegated and implementing acts
- Maintain the principle of unanimity in specific sensitive areas

ABOUT US

The Chamber of Skilled Trades and Crafts (Chambre des Métiers) is a professional chamber representing and defending the interests of the Luxembourg skilled trades and crafts sector.

As an elective institution with compulsory membership, the Chamber of Skilled Trades and Crafts acts as institutional and official spokesperson for the 8.900 craft businesses employing more than 107.000 persons.

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THE EUROPE WE WANT!

EUROPEAN ELECTIONS 2024

> The priorities of the Luxembourg **Crafts and SME** sector



PRIORITY **AREAS:**

A EUROPE THAT CHAMPIONS THE ENTREPRENEURIAL SPIRIT WITH RULES ADAPTED AND ADAPTABLE TO THE **REALITIES OF CRAFTS SMES**

- Prioritise the transposition of numerous requirements for the digital and ecological transition put in place during the 2019-2024 European legislature, taking into account the interests of SMEs that need to adapt their procedures and business models
- "Think Small First", by primarily taking into account the impact of legislative measure on SMEs, to create a more adapted and adaptable legislation fostering SME buy-in and compliance
- Ensure systematically that European legislative requirements are "useful and needed" leading to readily transposable and practicable legislation
- Reduce reporting obligations and administrative requirements for SMEs by enforcing methodically the "Once Only" principle
- Require consistently proportional reporting, audit and liability requirements for all actors in European value chains

2. A EUROPE THAT IS COMPETITIVE FOR CRAFTS SMES

- Build the competitive EU framework together with crafts SMEs by building on their representative organisations at European and national level
- Maintain the European definition of SME based on the "number of staff" criteria. while including the inflationary effect in the financial criteria ("annual turnover" and "total annual balance sheet")
- Exempting small-scale state subsidies from undue formalism
- Ensure an effective protection of SME intellectual property in the EU by simplifying procedures and considering the impact of innovation regarding the role of artificial intelligence in the competitive level-playing field of European SMEs
- Promote an efficient and adapted standardisation which benefits crafts SMEs

- Use the high European production and quality standards in the crafts sector as an entry-level standard to fight against cheap third-country low guality competition
- Make public procurement contracts more attractive for crafts SMEs by including systematically smaller and medium sized lots
- Ensure technology-neutral legislation for goods and services within the Single Market
- Follow a steadfast enlargement strategy to eliminate existing restrictions, particularly regarding the Western Balkans, by further developing the Schengen area alongside the Single Market

3. A EUROPE THAT CONTINUES TO BE ATTRACTIVE TO A **QUALIFIED LABOUR FORCE**

- Promote and strengthen initial vocational training (including higher education) as well as lifelong learning as main path to socio-professional integration
- Ensure cross-border mobility of apprentices
- Strengthen targeted attraction efforts for qualified labour force in third-countries
- Simplify, digitalise and accelerate immigration procedures for third-country citizens
- Adapt the EU Blue Card to include mid-level gualifications for specific roles in crafts SMEs

4. A EUROPE THAT GUARANTEES ACCESS TO FINANCING FOR AN INNOVATING CRAFTS SECTOR

- Ensure an equitable access to financing for crafts SMEs
- Promote credit-financing as main source of financing for crafts SMEs while preserving bank diversity within the EU
- Adapt financial reporting requirements to the realities of crafts SMEs
- Promote Pillar III pension investments, i.e. personal investments in capital markets
- Encourage strengthening own funds by putting equity and debt on an equal footing and further promoting venture and risk capital financing

5. A EUROPE THAT IS ECONOMICALLY AND POLITICALLY **RESILIENT AND STABLE**

- Take advantage of the potential of sustainable development within the crafts sector. particularly in the context of resilience and stability of crafts SMEs
- Check the coherence of European legislation in terms of the economic and political foundations of a thoroughly modern EU
- Identify inefficiencies, redundancies and duplication in European legislation

• Ensure basic service for energy and infrastructure supply

 Strengthen the resilience of European supply chains by diversifying and securing critical raw material (and intermediary products) and promoting sustainable partnerships with specific third countries in target sectors

 Strengthen the European State-of-Law, including its regional and transnational aspects (e.g. cross-border posting of workers)

Introduce an ex-ante "SME Single Market" assessment for each new legislative measure to ensure that legislation is furthering the Single Market for SMEs in terms of obligations and requirements

6. A EUROPE THAT IS ECOLOGICALLY FORWARD-LOOKING AND PROTECTIVE

Incentivise more significantly the transition towards a greater energy efficiency

 Promote climate neutrality at global level by defining measures in favour of sustainable economic development (e.g. introduce a global uniform CO2 price with a gradual threshold for SMEs)

Assist crafts SMEs in their transition towards a low carbon impact economy (decarbonisation) while respecting the circularity principle

7. A EUROPE THAT IS TRULY OPEN AND DIGITAL WITHOUT BUREAUCRACY

 Ensure an equitable access to the Single Market while guaranteeing free movement of goods/products, data, capital, persons, and services (even in time of crisis)

Eliminate the obstacles and reduce the administrative burden through transnational cooperation and consistent digitalisation

Prioritise the posting of workers as main "Single Market" topic in the context of achieving the potential of the Single Market by taking into account the existing interregional realities

• Apply the "One-In One-Out" principle by which the European legislator may only introduce new administrative or regulatory obligations insofar as existing obligations are reduced at equal measure

• Conduct comprehensible "impact assessments" based on verified and verifiable data, alongside the control of legislative competitiveness in favour of SMEs

 Promote a more efficient use of public EU funds by reducing the financing of administrative bureaucracy and increasing the investment in a genuine digitalisation process of EU administrations