European Family Businesses
Defending your Business, Securing Continuity
In 1997 EFB was established to represent European Family-owned Companies before the UE.

EFB Members are National Family Business Associations.

Currently EFB has 15 members.

EFB Members Represent
- Over 10,000 companies
- 1 trillion euros in aggregated turnover
- 9% of the EU’s GDP
- Our member’s average weighting in their respective GDP is 10%

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Mission

EFB’s mission is:
To promote the growth and continuity of Family businesses in Europe, through a European project based on freedom, shared values, the rule of law, prosperity and social justice.

Vision

EFB’s vision is:
The European Union, as a global vehicle that promotes the sustainable social market economic model, actively supports the role of family businesses as the cornerstone of responsible ownership and long-term entrepreneurship.
Strategic Goals

1. Promoting a level playing field for family businesses in EU policies and legislation when it comes to continuity and growth.
   - **1.1** EFB is (and remains) the natural point of reference when the EU prepares new laws and policies with effects on family businesses.
   - **1.2** EFB is recognised and supported by the EU family business community as their go-to body on EU affairs.
   - **1.3** EFB is the most active and competent organization in monitoring EU initiatives and processes that could affect family businesses.

2. Fostering family business ownership, governance and values that generate welfare and sustainability for all stakeholders.
   - **2.1** EFB is engaged and connected with its family business base (the family companies themselves).
   - **2.2** EFB promotes “ownership values” beyond its advocacy work.
   - **2.3** EFB co-operates with other like-minded business organisations.

3. The public as well as political decision-makers are well informed of the added value of the family business sector to Europe.
   - **3.1** Member States gather yearly official data on FBs and mid-sized companies.
   - **3.2** EFB generates content that is of interest to the decision makers and the general public.
   - **3.3** EFB has a clear and accessible platform to deliver its content.
   - **3.4** EFB has media visibility.
   - **3.5** EFB has social media presence.
   - **3.6** Impact of media and communication activities.

4. EFB is an independent and sustainable organization, as well as being deeply rooted in the Member States of the EU.
   - **4.1** EFB has sufficient financial resources for all necessary activities.
   - **4.2** EFB is the legitimate voice of family businesses across Europe.
   - **4.3** EFB has sufficient personnel resources.
1 EFB Lobbying Goals
EFB Lobbying Goals

1. Facilitate the Transfer of Business
2. Strengthen Equity
3. Recognize Family Business as a Different Category
4. Compile Official Statistics on Family Business across the EU
5. Promote Family Business Specific Education
6. Governance: Balance Family Ownership and Business Aspects
7. Create a Mid-size Business Category in Europe
EFB’s efforts resulted in the EU’s approval of a set of recommendations to foster tax exemptions in inheritance and gift taxes for family-owned companies in Europe.

1994
Recommendation on Business Transfers

1998
Communication on the transfer of small and medium sized enterprises

2006
Communication Transfer of Businesses Continuity through a “new beginning”

2012
Entrepreneurship 2020 includes mention of the Transfer of Business
Situation in EU Member States:
either they do not have Inheritance & Gifts Tax or there are exemptions.

1994: EU Recommendations
1996: Spain introduces relief
2003: France introduces relief
2004: Slovakia abolishes IHT
2005: Sweden abolishes IHT
2007: Italy introduces relief
2007: The Netherlands introduces relief
2013: Austria abolishes IHT

100 BILLION EUROS IN TAX EXEMPTIONS ACROSS THE EU

This is under threat:
- Germany
- The Netherlands
- Sweden
- UK
This figure shows:

1. An overview of tax levied across the 65 countries, surveyed on a family business transfer through inheritance of EUR10 million, excluding any available exemptions and reliefs (2018).

2. An overview of the final tax result on the same transfer after available exemptions and reliefs are applied (2018).

There is no inheritance tax in the following countries: Croatia, Czech, Hungary, Italy, Luxembourg, Poland, Romania, Slovakia and Sweden.
1.2 Family business transfer through inheritance

This figure shows:

1. An overview of tax levied across the 65 countries, surveyed on a family business transfer through inheritance of EUR10 million, excluding any available exemptions and reliefs (2018).

2. An overview of the final tax result on the same transfer after available exemptions and reliefs are applied (2018).
EFB's input was crucial for the EU to start discussions on the debt bias in Europe. As a result, the EU issued a set of documents to promote a healthier equity base for companies.

The debt bias is now part of the analysis of a Member State in the European Semester. Italy, Belgium, and Portugal have implemented reforms.
Thanks to EFB, the European Commission, the EU Parliament and the EESC granted recognition to Family Owned Businesses as a separate Category.
EFB convinced the EU Commission to finance the first pilot project on FB statistics in seven countries in Europe.

2016

European Commission Statistical Project on Family Business

Countries:
- Bulgaria
- The Netherlands
- Italy
- Denmark
- Malta
- Poland
- Finland
4.2 Family Business Across Europe
Percentage of total companies*

* Data taken from Overview of Family Business Relevant Issues' Kmu Forschung Austria Report (January 2009), Statistical Pilot Project on Family Businesses from the EC (2016) and individual statistical offices from different Member States.
EFB has been tirelessly pressing for the promotion of family business education as a necessary tool to assist family businesses in their development. The EU has now developed dedicated financing tools to help with its promotion.

“Training and Consultancy Programme with the aim of helping family businesses in tackling the succession and business growth planning and implementation stage more successfully”
EFB’s essential lobbying actions have ensured that private family-owned companies are able to organize their businesses in the way that best suits their particular family and ownership structures.

2007
Commissioner McCreevy tried to introduce the “one share, one vote” concept.
EFB managed to block the initiative.

2012
Commissioner Barnier tried to introduce mandatory corporate governance rules for non-listed companies.
EFB managed to block the initiative.
“Support the creation of a mid-cap definition that acts as a transitional tool that facilitates the growth of SMEs during their scaling-up phase”
EFB and KPMG undertook the ambitious task of comparing the fiscal regimes of the EU’s Member States for intergenerational family business transfer. The results of the Tax Monitor showed that in many European countries, governments still impose a tax on family business transfers. Many European countries apply reliefs; however, if one is not prepared, the tax obligations can be severe.
Launched in 2013, with the support of KPMG, the EFB Barometer is slowly gathering momentum amongst the membership. Into its fourth edition, it is a crucial tool for communication with political stakeholders and the wider public.
European Family Business Annual Summit
European Family Business

Annual Summit

Main speaker: Chancellor Angela Merkel

Paris, 16-17 November 2015
Main speaker: President François Hollande
Cancelled due to Terrorist Attack
Lisbon, 17-18 November 2016

Main speaker: President Marcelo Rebelo de Sousa

Amsterdam, 29-30 May, 2017

Main speaker: Jyrki Katainen, Vice-President of the European Commission
Main speaker: Günther Oettinger, EU Budget Commissioner

Brussels, 5-6 November 2018

Save the date: Madrid, 19-20 November 2019
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