

25th May 2015

Mr. Sean O' Ciárdha
Company Law,
Department of Jobs, Enterprise & Innovation,
Earlsfort Centre,
Lower Hatch Street,
Dublin 2.

Ref: 15142div

Dear Sean,

**Re: Consultation Paper by the Department of Jobs, Enterprise & Innovation
On transposition of EU Directive 2014/95/EU as regards disclosure of non-
financial and diversity information by certain large undertakings and groups**

ISME, the Irish Small & Medium Enterprises Association representing over 9,500 small and medium enterprises in Ireland, is opposed to any measures which would increase the administrative burden on SMEs.

Provision 1

The Association has reviewed the provisions of Directive 2014/95/EU whose objectives are to increase the transparency of large companies on environmental and social matters and to promote diversity in corporate boards. The Association agrees that it is fair that large companies be transparent in environmental and social matters. Large businesses often have a huge impact on the environment and they must be open and honest about their environmental footprint. The Association is pleased to see that that provision does not apply to SMEs as they would not be able to meet the administrative reporting requirements of such a measure.

Provision 2

In relation to provision two, the promotion of diversity in corporate boards, the Association notes that this is unlikely to affect any Irish SMEs at present. However, we would caution against any trickle-down of such measures into rules governing SMEs. A requirement to introduce diversity policies into small businesses would be inappropriate given their size and it would be an extra unnecessary layer of red tape. The Association understands that that is not what is currently being suggested but asks the Department to guard against any potential wider application of this Directive in the future.

Yours Faithfully,


Mark Fielding,
ISME CEO