

### Services need to circulate across the EU!

Services represent 75% of EU GDP and 70% of EU jobs. Nine out of ten new jobs are created in the services sector. Yet, services account for only a fifth of all intra-community transactions. On 31<sup>st</sup> January, the European Association of Chambers of Commerce and Industry EUROCHAMBRES together with the European Employers' Federation, BUSINESSEUROPE organized a conference devoted to the Services Directive. The aim of the conference was to evaluate the implementation of the Services Directive one year after it came into force. The role of the Services Directive adopted in December 2006 is to remove barriers to the services circulation, thus facilitate their movement across the EU. The implementation of the Directive consists in the adaptation of the national legislation to the European one and in the establishment of so-called Points of Single Contact (PSCs). While providing important information to businesses regarding the conditions of services provision in the given country, the PSCs allow submission of necessary documents. However, conference participants pointed out that the PSCs do not allow the online form completion (10 PSCs) as well as the use of digital signatures very often, that they communicate only in a limited number of languages (in the national language and English) and are run by unqualified staff in some cases. Nevertheless, electronic tools and numerous

language versions are the key to allowing the PSCs to exchange the information across the EU. Participants also recommended covering more procedures and service sectors by PSCs, providing additional services (e.g. consulting services in areas such as VAT) by PSCs and focusing on business awareness. Five EU member states have not yet set up fully functional PSCs. Improvement of the PSCs and inclusion of some services excluded from the scope of the directive (such as health or transport services) in forthcoming work on the Single Market Act was required by the MEPs during their Plenary on 15<sup>th</sup> February. The Member States' cooperation as well as feedback from users play an important role in the PSCs' efficiency. Besides the technical aspects of the PSCs, other barriers still persist such as the lack of recognition of professional qualifications, diversity of legal rules for crafts across the EU and different rules for holding equity in private companies. In the Czech Republic, 15 PSCs operate on regional level via trade offices. PSCs are physically decentralized, accessible through a single Web [www.businessinfo.cz](http://www.businessinfo.cz). As the first one in the EU, the Czech Republic managed to unite public counselling services for businesses (PSCs), assistance for placing new products on the market (ProCop) and help regarding the Internal Market (SOLVIT).

### Single Market Act from business perspective

#### SINGLE MARKET IS THE BIGGEST MARKET IN THE WORLD REPRESENTING 25 % OF WORLD GDP.

Single market is the biggest market in the world representing 25 % of world GDP. The Czech Republic belongs to those member states who consider the Single Market to be the main jewel of the European integration. SM brought tangible results to everybody – free movement without borders, larger choice of goods and services, increased opportunities for employment, studying abroad and personal contacts. However, SM remains fragmented in many fields (energy, post, financial and other services), barriers to national rules remain in place and some issues raise controversial positions among member states and also among stakeholders (tax harmonization, social security systems, public services of general interest). Creating a competitive, connected and open economy should be the fundamental priority. The EU needs growth. This can only be achieved by creating a business-friendly environment especially for the small and medium sized enterprises as the Europe's main source of growth and jobs. Czech business community welcomed the decision of the Commission to restart the SM and participated in its consultation. For us, the most urgent priorities of 50 proposals presented by the Commission are those that would bring up quick results such as the European patent, IPR, copyrights, European funds of venture capital, e-commerce. Some of the proposals have already been tabled and should be implemented with priority such as peer-to-peer review of the services directive or revision of the SBA.



(see more on page 2)

### News FLASH

#### >INTEGRATED BUSINESS SUPPORT

The Czech Republic as the first country among the EU Member States is about to set up a single contact point for businesses by fusing Points of Single Contact for the Services Directive, ProCoP (information system on products) and Solvit (cross-border problems caused by incorrect application of EU law).

#### >CZECH MINISTER OF INDUSTRY AND TRADE IN US

Czech Minister of Trade and Industry Kocourek met his US counterparts to kick-off a platform for the Czech-US economic and trade dialogue and to sign a declaration facilitating closer cooperation in the nuclear energy sector. Both tools should help to remove administrative barriers, increase investments and enhance cooperation between chambers and business associations.

#### >FRENCH FOUND CZECH ALLIES

The Czech Republic and France stressed the importance of the ambitious Energy Strategy of the EU during the GAC meeting held on 31<sup>st</sup> January. Both countries highlighted their support to the low-carbon energy and pointed out that nuclear energy represents an economic and rational energy resource. They called for safer and global energy policy.

#### >CZECH COMPANIES INTERESTED IN IRAQ

Trade and economic cooperation between Czechs and Iraqis has a long tradition. Czech businesses are mainly interested in sectors such as Chemicals, Petrochemicals, Ecology, Energy or Water supply. Czech Ministry of Industry and Trade launched a package of measure for facilitating the entry on Iraq market in the framework initiative "Task Force Iraq".

## Access to secondary raw materials for the EU industry



The EESC prepared its opinion on the access to secondary raw materials since the Raw material strategy obtains ever-growing attention and raises a high concern, mainly in the sectors with a high rate of recycling. The analyses explain the current situation and future scenarios that could lead to serious supply and demand imbalances on the secondary raw materials market. Large volumes of collected secondary raw materials are currently being exported although they are badly needed in the European basic and process industries. This trend seriously jeopardises employment in all the process industries. The pressure of excess volumes of collected waste from the existing dedicated collecting systems is often relieved by simply selling off those collected categories of waste indiscriminately, without any additional processing and without securing final utilisation within the EU. It is obvious that numerous specific regulations governing recycling have not been framed coherently. They tend to focus on individual, isolated aspects of collection and recycling and do not take account of the market forces at work in the systems and processes. The REACH Regulation is also causing problems in some recycling industries because there is no clear

distinction between the end-of-life goods (waste) and second-hand goods. The conflict between the market forces and the existing regulatory framework should be analysed in detail. One possible suggestion could be to apply export duties to protect against the risk of losing valuable materials. Such measures would obviously have to comply with the WTO rules. The EU should possibly negotiate emergency terms with the WTO, setting clear and transparent conditions for export restrictions/duties on wastes of strategic importance. An option would be to agree on flexible recycling targets depending on actual market developments. Recycling should be supported by improving collecting infrastructure, creating legal certainty and an equal level playing field and by removing unnecessary administrative burdens. All the individual elements of the EU Climate Change Policy should take into account the environmental benefits of secondary raw materials, any inconsistencies should be avoided: for example, the EU-ETS does not reflect energy and carbon savings resulting from the use of recoverable raw materials in other industrial and construction sectors and unnecessarily burdens these sectors with additional costs. More info [here](#).

Josef Zbořil,

Rapporteur for the opinion on the raw materials of the EESC and Member of the Board of the Confederation of Industry CR

## Single Market Act

(continued from page 1)

Even small steps can restart the SM, such as the interconnection of business registers, e-certification. At the same time, there are proposals that may have an opposite effect and hinder the growth and free competition. Therefore we call for a very cautious approach to proposals related to the posting of workers directive revision, increase in non-financial reporting of companies, Ecological Footprint in products and services and consumer collective redress. Each proposal of the SMA should be viewed through the prism whether it will strengthen or weaken the position of the European business vis-à-vis its global competitors. The EU should be more demanding in setting up the international rules of the global trade to involve the respect for social rights, the IPR protection, respect to the environmental requirements and reciprocal access when opening up markets, beyond the preferences granted justifiably to the developing countries. The good governance of the SM is also of a paramount importance and should involve the smart regulation and SME Test, thorough implementation, peer-to-peer reviews, impact assessments including social aspects, control and



follow-up and enforcement of the obligations including naming and shaming plus sanctions. To restore the confidence in the Single Market the proposals should bring tangible results to all its actors. It is not an easy task to find the right balance and the restart of the SM must become the ownership of all – the EU institutions, member states and civil society.

Ivan Voleš,

Chief Advisor of the Czech Chamber of Commerce and Rapporteur for the Opinion on the SMA of the EESC

## Volunteering and businesses

ON 15 FEBRUARY 2011, MORE THAN 40 REPRESENTATIVES OF PUBLIC ADMINISTRATION, NON-PROFIT AND NON-GOVERNMENTAL ORGANISATIONS, ACADEMIA AND BUSINESSES GATHERED IN THE EUROPEAN HOUSE IN PRAGUE TO DISCUSS THE AIMS OF THE EUROPEAN YEAR OF VOLUNTEERING 2011.



Speakers representing the EYV2011 coordination team and civil society confirmed the added social and economical value of volunteering. They pointed out that the biggest problems ahead are the general conditions and the social recognition of volunteering. The motivation to undergo a voluntary activity is usually based on moral values and need for pursuing something meaningful. The economic downturn has reshaped the perception of volunteering in the Czech Republic. Facing employment difficulties, many people started to consider volunteer engagement as an option. NGOs long call for some forms of recognition of skills and competencies acquired in volunteering. Business representatives pointed out that a certificate or stamp acknowledging some competencies is not the question for many companies' HR departments, what counts is the applicants' ability to "sell" themselves. At the same time, companies shall pay attention to volunteering when designing their CSR strategies – "company volunteering day" as a concept confirmed long time ago by the strategic CSR.

## CEBRE CALENDAR:

- Debate "Future of Energy Policy",  
1st March 2011 (Prague)
- Business Breakfast on Single Market Act, 16th March 2011 (Brussels)
- Debate on Single Market Act, 22nd March 2011 (Prague)

AVAILABLE  
IN BRUSSELS!

