

The Single Market Act has to deliver tangible results by 2012!

The Commission's public consultation on the 50 policy proposals to boost the Single Market was closed at the end of February after having received more than 850 responses. Based on the evaluation of these responses, the view of the European Parliament and European Economic and Social Committee plus prioritisation of the Competitiveness Council, the Commission shall propose in mid-April a second Communication outlining the priority legislative actions to be adopted till 2012. On 16th March, representatives of Czech and EU institutions, the business sector and NGOs discussed what priorities



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should remain in (or to be added to) the second SMA proposal. Participants together with speakers agreed that the proposal had to have a balanced approach, clear prioritisation and strong support of European institutions, Member States and stakeholders in order to deliver tangible outcomes to businesses, consumers and citizens. The debate took place on the "Single Market day" - right after the adoption of the European Economic and Social Committee's opinion and prior to the vote in the European Parliament's IMCO Committee.

(see more on page 2)



Consumer rights: second reading ahead?

FROM A BUSINESS POINT OF VIEW, THE EUROPEAN COMMISSION'S 2008 PROPOSAL FOR A NEW DIRECTIVE ON CONSUMER RIGHTS WAS VERY MUCH APPRECIATED.

Its aim was to end the fragmentation of consumer acquis and level the internal market playground for both, businesses and consumers. Nonetheless the European Parliament IMCO's and JURI's reports are not that favourable any more. The original full-harmonisation approach was mixed with minimum harmonisation provisions. Furthermore the European Parliament reached a position very far from the view of the Member States which was agreed in December 2010. This endangers the swift adoption of the directive. The upcoming plenary vote still opens the door for a possible mutual improvement of the conditions for both consumers and businesses. In order to do so, European business associations BUSINESSEUROPE, UEAPME, EUROCHAMBRES and EUROCOMMERCE addressed the MEPs with a joint position and three main points:

- Focus shall be kept on the full harmonisation approach through adopting any minimum harmonisation provisions.
- The original scope of the directive shall be maintained – even if this means that provisions on other consumer rights specific to sales contracts (chapter IV) contract terms (chapter V) shall be left out.
- Extra information requirements for on-premises contracts are not justified.



>CZECH MARITIME POLICY WITHOUT THE SEA

On 2nd March, the Czech government amended its law on maritime navigation. The Czech Republic was obliged to do so under the threats of sanctions applied by the European Commission. However, the major part of the maritime legislation is irrelevant for the Czech Republic being without the sea as well as a naval fleet.

>CZECHS JOINED THE CHARTER OF INTERNATIONAL ENERGY FORUM

The Czech Republic signed the Charter of the International Energy Forum on 22nd February in Riyadh. The Forum is a platform for the world's largest producers and consumers of oil and gas products (from OPEC and OECD countries) being established in 1991. The Czech Republic joined the forum in 2002.

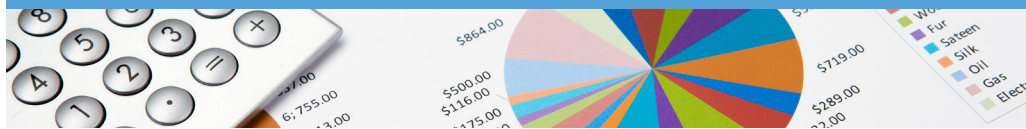
>FOUR CZECH MEAT PRODUCTS GOT THE EU LABEL

Špekáček, Lovecký salám, Spišské párky a Liptovský salám are the four Czech meat products that were registered as "traditional specialities guaranteed" (TGC). The registration is the result of intensive cooperation in the agriculture sector between the Czech Republic and Slovakia who jointly applied for the registration.

>CUTTING RED-TAPE IN AGRICULTURE

Ministry of Agriculture established its Anti-bureaucratic commission in 2008 to eliminate bureaucracy in the Agriculture sector. In 2010, the Commission received 65 communications from Czech farmers, out of them 30 were either successfully solved or are nearly to be solved. The farmers communicate with the Ministry via an online questionnaire that was launched on Ministry's website in November last year.

SINGLE MARKET ACT



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Main aim of the Single Market shall be economic growth and job creation. Top priorities of the Czech Republic regarding the Single Market Act are: a friendly business environment including smart regulation, implementation of SME test, access to finance or public procurements, to further digital market and services sector, and a number of others. However the success of the whole process depends on the ownership and support by all parties involved, including European institutions, Member States, businesses, consumers and citizens. On 6th April the Parliament adopted three non-legislative resolutions on SMA. According to the MEPs the Single Market needs stronger leadership, project bonds to fund innovative undertakings in energy, transport and telecommunications, as well as a European Skills Passport to ease cross-border mobility of workers and professionals. The European Economic and Social Committee outlined in its opinion that the main aim of the Single Market is to enable all participants to make full use of its benefits. The EESC agreed priorities include, among others, a Charter of Fundamental Rights, services, retail financial services, SGI, sustainable development, SME, public procurements, social economy, energy efficiency, competitiveness

and external growth. European chambers network's top priorities include the Services Directive, e-commerce, SME access to finance, national transposition of EU rules, recognition of qualifications and inter-connection of business registers. According to European Association of SMEs and crafts UEAPME the SMA does not defend the SME interest enough. The Commission should seek for tools that will increase competitiveness of SMEs, take into account the diversity of SMEs, apply the "think small first" principle and look for better governance. BUSINESSEUROPE and its members promote agreement on the EU patent, enhanced work on standardisation, better governance, more effective implementation of European legislation on national level and share a slightly hesitant view towards the revision of the legal framework of public procurement.



Ivan Voleš, EESC, Věra Knoblochová of Czech Permanent Representation to the EU, Henning Ehrenstein of European Commission, Ben Butters of EUROCHAMBRES, Luc Hendrickx of UEAPME

Czechs want to be competitive on global markets!



Experts of the Czech National Economic Government Council (NERV) together with experts and representatives of public sector have prepared a report on the competitiveness of the Czech Republic. The NERV report focuses on weaknesses and strengths of the Czech economy and brings proposals that might improve the position of the Czech economy in global competition. Step by step within 6 weeks, NERV is presenting to the public the individual chapters of its more than 300-page report. The chapters are dealing with institutions, education, marketing of goods, services and labour, financial markets, technological preparedness, business and innovations. According to the sixteen NERV members, the most important barriers of the Czech competitiveness are its public institutions, educational system, infrastructure and ineffective labour market. In the field of institutions, NERV is proposing a central portal for purchase and sale of public properties, common back-office for the public services, setting up of National Budget Council that would be a guarantee against an excessive and burdensome regulation; e-registers and better regulatory impact assessments on businesses. The Czech Republic must deal with time consuming law enforcement and corruption. One of the solutions is to accelerate judgments and juridical procedures, prevent juridical disputes via arbitrations and improve qualifications of judges and clerks. Regarding the Czech banking sector, there is a problem with limited access to financial services and insufficient financial literacy. Therefore, NERV recommends the introduction of an obligatory school subject focusing on financial literacy, more intensive mathematics schooling and an obligatory State leaving exam in mathematics. One of its radical recommendations for school education is also at least one foreign language – English and more

ICT and reading at schools. NERV is also calling for the abolition of dividends tax and privatization of minority shares of public firms via the stock-exchange. In the field of the labour market, NERV calls for the reduction of high adjoining labour expenses or unification of VAT (so call flat rate). On 10th March, Czech coalition agreed on a 20% VAT and 14% reduced VAT from 1st January 2012 and on unique 17.5% VAT without exceptions since 1st January 2013. This additional VAT revenue should be used to cover the expenses of Czech pension reform.



EESC corner

New Skills for New Jobs



The opinion of the European Economic and Social Committee welcomes the New Skills for New Jobs Agenda as the Commission's contribution to the need to increase employment, improve the functioning of labour markets and to encourage national governments to use the social and civil dialogue effectively to find appropriate solutions and measures to improve labour markets. However, the Committee regrets that the proposed initiative lacks the urgency of creating new jobs and does not push the Member States to set ambitious national targets supported by structural reforms, leading to growth and new jobs. The Committee appreciates that the Agenda is built on the concept of flexicurity and stresses the need to find the right balance between internal and external flexicurity. Furthermore, the Committee welcomes the approach of linking education with employment in one strategic document. However, the link between increasing and updating skills and productivity improvement is lacking. The Committee recognises the Commission's efforts to offer new tools and initiatives; however, it also expresses the concern over the coherence and synergy with the existing tools.

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Member of EESC
and rapporteur of this opinion

CEBRE CALENDAR:

- CEBRE debate on Single Market Act, 8th April, 2011 (Prague)
- CEBRE debate on Consumer rights, 26th April, 2011 (Prague)
- CEBRE debate on White book on Transport, 3rd May, 2011 (Brussels)

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