

CZECH BUSINESS COMMUNITY CALLS FOR TRANSPARENCY AND RATIONALITY IN PUBLIC PROCUREMENT



Adoption of modernized public procurement directives is expected by early 2014. This step is considered to be a milestone in public procurement legislation as it would significantly simplify public procurement in the EU. In the Czech Republic, public procurement is governed by the Public Procurement Act, which has been recently amended. The amendment, however, has brought some challenges which, in some cases, make the procurement process rather more complicated. In order to "correct" its problematic provisions, the technical amendment to the Act on Public Procurement has been proposed by the Czech government this year. Now, the question is what impact the revised directives will have on Czech public tendering? These and other issues related to the amendment of the Czech and European legislation on public procurement were the subject to the debate organized by CEBRE on 12 November, 2013 in Prague. According to Jaroslav Kračún of DG MARKT, the selection of public contracts should

be governed by the principle of transparency and equal treatment. Among the main benefits of the revised directives, Kračún named simplification of the procurement process and reduction of administrative burdens, especially thanks to the introduction of the "European Single Procurement Document". Member States will also have a new duty: to monitor, whether public contracts are being carried out without any unfair practises. Vlastmíl Fidler of the Czech Ministry for Regional Development thinks that the new set of procurement selection criteria could increase savings in public funds as the final price will include costs for purchase, use and maintenance of supplied service. "Implementation of the provisions guaranteeing legal and other advice in public tendering and other simplifying measures will probably bring acceleration and simplification of all relevant processes," Samuel Král, lawyer of the Czech Chamber of Commerce, summed up the impact of the Directive on the current Czech legislation on public procurement.

FAST TRACK TO INNOVATION – NEW H2020 TOOL TO FOSTER INNOVATIONS IN EU

During the negotiations on Horizon 2020 programme, the European Parliament ensured that a novel instrument called "Fast Track to Innovation" (FTI) will be introduced. This pilot scheme will involve open calls with a bottom-up driven approach: participants from any sector will be able to submit an R&I project at any time. The procedure should also shorten the time to grant EU money, allow smaller consortia to speed up time from transforming an idea into a market solution and to increase participation of first-time applicants. The aim of FTI is to stimulate private sector investment, promote research and innovation with a focus on value creation and accelerate the development of technologies into innovative products, processes and services. Now it is up to the Commission to transcribe the idea into the legislation. CEBRE with cooperation of CZELO and Czech Permanent Representation to the EU held an event dedicated to this topic on 12 November, 2013 in Brussels. Šárka Brábníková from the Czech Permanent

Representation to the EU informed that FTI was a new scheme to be introduced on a pilot basis in 2015-2016 and evaluated within the scope of the mid-term review of H2020 in 2017. "For the sake of a fast procedure, 6 months' time-to-grant from cut-off date is key, participation of companies in consortia must be ensured and the evaluation must be one-stage", stressed Christian Ehler, member of ITRE Committee. He also pointed out that there was a need for a flexible instrument that was close to market and technology driven. The FTI will be open to any legal entity - consortia of no more than 5 participants. Muriel Attané of EARTO recommended that the FTI should not be a fast track to grant but a fast track to impact instrument. "H2020 can be a strong engine for growth in Europe if we allow European businesses to increase their participation in the Framework Programme", said Bettine Gola of EUROCHAMBRES and called upon the Commission to support exclusively close-to-market projects using the project impact as a primary evaluation criterion.

CEBRE was founded in 2002 by the three most important Czech business organizations - Czech Chamber of Commerce, Confederation of Industry of the Czech Republic, Confederation of Employers' and Entrepreneurs' Associations of the Czech Republic with kind support of the Ministry of Industry and Trade via its Trade promotion agency CzechTrade.



www.komora.cz



www.spcr.cz



www.kzps.cz



www.czechtrade.cz

News FLASH

>THE NUMBER OF INFRINGEMENTS HAS DECLINED

With regards to the 30th Annual Report on monitoring of EU law application, the Czech Republic, with 36 open procedures, belongs to the countries with the lowest number of infringements cases in 2012. Compared to 2011, the number of infringement procedures opened against the Czech Republic declined by 5.

>THE CZECH GOVERNMENT HAS ADOPTED ITS PRIORITIES FOR SINGLE MARKET

The Czech Government's Committee for EU affairs adopted Czech priorities in the Single Market agenda for 2013-2014. The new text identifies the key aspects of the Single Market from the perspective of the Czech Republic, including in particular the development of the service and energy sector, establishment of a digital SM and strengthening of European industry competitiveness.

>THE SINGLE EUROPEAN SKY 2+ PACKAGE PASSED BY A VOTE IN THE SENATE

The Czech Senate has adopted a proposal for a Regulation of the European Parliament and of the Council on the implementation of the Single European Sky 2+. The proposal has been recommended for vote in Government.

BILATERAL TRADE IN WATER MANAGEMENT SECTOR AS AN ENGINE FOR COOPERATION ON THIRD MARKETS



Traditional sector networking seminar, this time dealing with the topic of Water Supply and Wastewater Treatment in EU External Aid Programmes, took place on 21 November in Brussels. External aid programmes in the water sector offer many opportunities for European companies to implement projects in third countries and thus this seminar was a great chance for them to establish new contacts with potential partners. Sector seminars have been organized by Permanent Representations of the Member States in the EU on different topics (water, energy, agriculture, etc.) changing every six months since the nineties. This year the organizers were the Czech and the UK Representations to the EU, CEBRE - Czech Business Representation to the EU and the Czech Ministry of Trade and Industry Representation office in Brussels. The seminar was divided into two parts: the morning session was

devoted to presentations of the representatives of the European Commission, European Investment Bank and the European Bank for Reconstruction and Development in order to inform about new opportunities of EU external assistance in the water sector in the period 2014-2020 and the afternoon part of the programme was dedicated to matchmaking workshops, so the companies, whether in a role of consultants, suppliers or contractors, had the opportunity to establish new contacts within the B2B meetings. Companies particularly focused on establishing contacts in order to set up consortia and start cooperation in EU external aid programmes. The seminar was attended by 125 companies from the whole EU, nine of them being from the Czech Republic. The evening before the seminar had been dedicated to networking between Czech and Belgian companies active in the water sector.

DEEPER COOPERATION CONFIRMED AT EU-KOREA SUMMIT



At the beginning of November, Brussels hosted the seventh EU-Korea summit which marked 50 years of mutual relations. As mentioned by both President of the European Commission José Manuel Barroso, President of the European Council Herman Van Rompuy on the EU side and by President of the Republic of Korea Park Geun-hye, the relationship has rather transformed into a strategic partnership over the years. Recently, the importance has further strengthened by the EU-Korea Free Trade

Agreement (FTA) coming into force in 2011, the first EU FTA with an Asian partner. The FTA was one of the topics dealt with during the summit as well. As the EU welcomed its 28th member earlier in July, both partners decided to include Croatia in the FTA. According to expectations, the new member should increase Korean exports to the EU by approximately 7 million EUR and imports by 1.5 million EUR over the next 5 years. Furthermore, leaders of both parties committed themselves to find solutions to the issues identified during the two years of FTA in place, especially in the field of automotive and financial services. To further foster mutual cooperation, both sides agreed to establish a bilateral high-level dialogue on industrial policy next year, which would be held on a regular basis. In addition, EU and Korea agreed to cooperate more closely in the field of innovation and research, especially in the areas as nanotechnology, ICT, communication network or cloud computing. The cooperation should be facilitated through the

OPENING UP EDUCATION SUPPORTED BY EMPLOYERS

Open sources of education should facilitate and complement face-to-face learning and practical experiences

The employers represented in the European economic and social committee (EESC) are now deeply involved in preparation of a new opinion on the Commission proposal 'Opening up Education: Innovative teaching and learning for all through new Technologies and Open Educational Resources'. It follows the previous Union initiatives including the communication on Rethinking education and Entrepreneurship 2020 Action plan. Enhancing creativity and innovation, including entrepreneurship, at all levels of education and training is also a long-term objective for 'Education and Training 2020', the strategic framework for European cooperation. This new Commission' initiative is primary focused on teachers; how to be prepared for new technologies and how to use them for better quality of learning process and learning outcomes. Nevertheless the on-line learning cannot replace face-to-face learning and practical experiences at the work place. The employers see focus on open sources of education as a complementary part of the learning process which should facilitate transition of young people from the education into labour market increasing their employability. The quality of teachers, mentors and tutors is extremely important. They have to be encouraged to use new technologies and new ways of teaching.



*Vladimíra Drbalová
The EESC Member
Employers' group*

Korea Research and Innovation Centre – Europe, which has been recently opened and also thanks to signing of the agreement that should facilitate hosting of Korean researchers in Europe. In addition, cultural cooperation and exchange of students will be fostered through EU-Korea Committee on Cultural Cooperation and Korea-EU Joint Declaration on Higher Education Cooperation. As for the relations with the North Korea, European leaders expressed their support behind their partner in the matter of denuclearisation.

CEBRE CALENDAR:

- Debate on "Market flexibility"
– 17th December, 2013 (Prague)

**AVAILABLE
IN BRUSSELS!**



CEBRE – Czech Business Representation, protects the interests of the Czech business community in relation to EU institutions, informs Czech businesses about EU legislation affecting them, trains Czech entrepreneurs in Brussels and represents Czech business associations at European business federations. Contact: Czech House, 60 Rue du Trône, 1050 Brussels, Tel: +32 2 502 0766/+32 2 502 8091, e-mail: brussels@cebre.cz, www.cebre.cz