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NEW SINGLE MARKET STRATEGY: THE SUCCESS DEPENDS ON SPECIFIC PROPOSALS AND IMPLEMENTATION



Thorough implementation of legislative acts is crucial for effective functioning of the internal market. Incomplete application of the Services Directive and of the principle of mutual recognition together with complex administrative procedures still prevent entrepreneurs from cross-border business in the EU. With the aim to overcome these remaining barriers on the internal market, the European Commission presented on 25th October a new Single Market Strategy for Goods and Services. The impact of the strategy and its specific measures were discussed by representatives of the European Commission, Czech public administration and Czech businesses at the European House in Prague. *"The Commission proposed a series of ambitious and pragmatic initiatives that focus on three areas: creating additional opportunities for*

consumers, business and free profession; supporting modernization and innovation and providing practical benefits to citizens in their daily lives" informed Eike Klapper of DG GROW. According to Vladimíra Drbalová of Confederation of Industry of the Czech Republic, the new strategy can be successful, because it reflects the globalization and digitalization of economic processes and is linked to other EU strategies. Jan Havlík of the Ministry of Trade and Industry of the Czech Republic also confirmed that the new strategy is ambitious and follow-up legislative proposals will be decisive. All speakers agreed that the main potential of this strategy is in its emphasis on better enforcement of current legislation and that thorough implementation of the legislative acts is crucial for effective functioning of the internal market.

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.



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News FLASH

>TIMMERMANS VISITED PRAGUE EUROPEAN SUMMIT

First Vice-President of the European Commission Frans Timmermans attended the "Prague European Summit" Conference to deliver the keynote speech on refugee crisis, which is one of the key challenges that Europe is facing today.

>GDP IN THE THIRD QUARTER GREW BY 0.5%

According to Czech Statistical Office, gross domestic product of the Czech Republic grew in the third quarter of 2015 by 0.5%, compared with the previous quarter. Annual comparison shows 4.3% growth, placing Czech economy among top economies within the EU.

>DOING BUSINESS IS A BIT HARDER

Czech Republic dropped from 33rd to 36th place in Doing Business ranking. The scoreboard is annually published by The World Bank and provides comparison of 189 economies in the world.

>EXPORTS COULD GROW BY 6% THIS YEAR

According to the Czech Association of Exporters, exports of goods from the Czech Republic could rise by 6% this year and reach the amount 3.8 billion CZK. That would set a new record in export of goods from the Czech Republic. Largest export destination remains Germany and Slovakia, a significant drop is expected in Russia.

MEPs CORNER



I welcome the new Commission's Single Market strategy as it seeks to reflect key challenges of today. It takes to heart the need to reduce barriers for SMEs and to create most favourable conditions for European start-ups. Also, it encompasses the digital agenda which is a primary driver for future development. The strategy is a very good first step; however we would need to see it delivers concrete results for EU businesses and consumers. It will be successful only if it promotes real new opportunities and further enhances cross-border activities.

Dita Charanzová,

Committee on the Internal Market and Consumer Protection of the European Parliament

ONLINE PLATFORMS DISCUSSED AT V4 DIGITAL DAY

At the beginning of November, Permanent Representation of the Czech Republic to the EU hosted V4 Digital Day, an event that brought together representatives of companies, business and diplomatic representation, EU institutions representatives and many more to discuss current technological development of Visegrád Group countries, i.e. Czech Republic, Slovakia, Hungary and Poland. Apart from presenting successful technological companies from the region, the debate focused also on policy issues related to the digital single market. One of the main topics of the discussion was the public consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy. The main aims of the

public consultation were presented by DG Connect representative, who said that platforms are currently a very hot topic and the Commission therefore wants to collect relevant data that would help them assess the environment of platforms and decide, whether there is a need for regulation or not. Representatives of technological companies agreed that the need of EU regulation focused on platforms should be very well assessed. The possible future legislation should not deal with issues that should be rather dealt with antitrust policy and should not regulate only couple of big players on the market. Furthermore, companies believe that EU should not prevent American platforms active on EU market from further growth and should treat all platforms equally.

CZECH BUSINESSES WELCOME EU'S COMPLEX FOCUS ON TRADE AND INVESTMENT POLICY



In the middle of October, the European Commission presented its new trade and investment strategy called Trade for All: Towards a more responsible trade and investment policy. The strategy is a response of Trade Commissioner Cecilia Malmström to several questionable issues that came across especially in relation to the Transatlantic Trade and Invest Partnership (TTIP) negotiations with the US. Trade for All is based on three main principles, which are

effectiveness, transparency and values. Effectiveness principle of the strategy focuses on taking advantage of new trade possibilities that would deliver a major economical impact on EU economy. The transparency principle reflects concerns of EU citizens that were and are presented during the TTIP negotiations, as they demanded access to negotiated documents. Finally, the values principle makes sure that new free trade agreements (FTAs) will contain measures that

will promote European social and regulatory model abroad while safeguarding it in the EU. Czech business organizations welcome the intention of the Commission to have a complex strategy for trade and investment policy at EU level. In particular, Czech businesses appreciate that trade policy is positively presented as a source of growth and one of the factors that adds to creation of jobs. Furthermore, focus on small and medium-sized companies is seen as a step in the right direction. In addition, the Commission expresses its willingness to finalize important ongoing FTA negotiations, especially with Japan and the US. The strategy also indicates that the new Investment Court System introduced recently by the Commission will be included in every ongoing and future FTA. However, the system, originally intended only to replace the Investor-State Dispute Settlement (ISDS) in TTIP negotiations, contains certain aspects that could limit the scope of investor's protection abroad. Therefore, business community hopes that the Commission will create proper assessment of possible impacts of the new investment protection proposal.

EESC CORNER: VLADIMÍR NOVOTNÝ JOINS GROUP I OF THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

The European Council approved the new membership of EESC for the mandate 2015 – 2020 in October 2015, and I have been honoured, after preliminary nomination by the Czech government, to be appointed the member of the Committee. As a representative of the Czech Confederation of Industry and Transport, I have joined the Committee's Employers Group, and the specialized Sections NAT and TEN. It reflects the profile of my interests – environment, climate change, energy, industry and transport. I recognise EESC as one of the oldest EU institutions, significantly contributing for more than fifty years as a consultative body to the process of EU and their institution building. I appreciate, in particular, its role to make use of the EESC members' experience in the EU policies facilitating broad dialogue of different groups of interest. The Union lives through difficult period of time – financial crisis followed by economic crisis, permanent crisis in the Middle East and crisis in Ukraine recently, the gradual loss of the citizens' confidence in the EU institutions and the immense wave of immigration in the EU are the most oppressive issues nowadays among many others. In my view, the EU industry, as a backbone of the EU economy, and its contemporary problems require well organised improvements in the business environment. Resource dependency, immense burden of regulatory obligations, often inconsistent European policies, all these factors

contribute to loss of competitiveness, resulting in deindustrialization of Europe. I would like to focus my personal contribution to the EESC activities towards improvement of European industry competitiveness, towards the process of the EU re-industrialization, and above all, enhancing the role of innovation in industrial processes, where environmental protection plays a key role. I want to base my personal contribution on my lifelong experience in chemical and energy sectors and on my professional expertise in the field of environmental protection and climate change policy. I started my professional career after graduation from the Prague Institute of Chemical Technology as a chemical engineer in the energy sector. After postgraduate studies in the field of material science, investment management, atmospheric science I continued the WHO studies of environmental aspects of urban planning and research in the field of atmospheric science. I took part in building of a new governmental institution – Ministry of Environment after 1990. As a representative of the Czech Government, I took part in activities of UN EEC, executive body of UNEP, as a delegate of UN Commission for Sustainable Development, head of national delegation in COP 1 and COP 2 UN Convention of Climate Change, OECD Environmental Committee, and last but not the least, the President of International Commission for the River Elbe Protection. I was engaged in the field of environmental protection in chemical

and oil processing industry in the recent 18 years, and I closely cooperated with the Czech Association of Chemical Industry and CEFIC as a chair of the national panel of the Responsible Care programme. As a representative of the Czech Confederation of Industry and Transport, I took part in BIAC – OECD Environmental Committee, Council of Sustainable Development of the Czech Government, and Council of Waste Management. Recently, I was appointed a member of the National Convent for European Policy. I believe that a broad spectrum of experience would help me efficiently to contribute in my work within the specialized



Sections NAT and TEN on issues of energy and industrial policy as well as in other relevant EESC activities.

Vladimír Novotný

CEBRE CALENDAR:

- 8th December – CEBRE debate on New Trade and Investment Strategy in the European House (Prague)

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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: Avenue des Arts 19 AD, 1 000 Brussels, Tel: +32 2 502 0766/+32 2 502 8091, e-mail: brussels@cebre.cz, www.cebre.cz