

PRESS RELEASE

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To deal with the crisis, Czech Presidency should combine efforts on Internal as well as Global Market

Czech Presidency promotes “Europe without barriers” and plans to focus on persisting barriers to the internal market. Employers and entrepreneurs always welcome such priorities. But to what extent are barriers on the internal market still the most burning issue for businesses now, in the time of economic down-turn? Participants of debate on CZ PRES priorities and Internal Market agreed well functioning market, commitment of all partners involved, simulation of supply and streamlining of better regulation through internal and external dimension of the internal market are great contribution to crisis solution.



Business representatives, Members of the European Parliament, Economic and Social Committee and Presidency officials gathered in the Czech Centre - Czech House on the 28th January 2009 to share their view about the role Czech Presidency can play in the future economic development of the EU. Well functioning Internal Market is very high in the agenda of Czech Presidency as maximum implementation of its principles is one of the crisis solution. There are number of measures that can be taken on European level including legislative measures (currently e.g. Third Energy Liberalisation Package, Telecommunications Package, European Private Company Statute, Consumer Rights Directive), non-legislative measures (currently e.g. Competitiveness Council Key Messages Paper) and informal debates and meetings (e.g. Conference on Future of Services). “Czech Presidency wants to make sure the Commission performs its best when proposing a piece of legislation regarding the impact assessment on SMEs and functioning of Internal Market,” said **Jaroslav ZAJÍČEK**, Head of Internal Market Section at Czech Permanent Representation. Yet more critical question was raised by **Joost van IERSEL**, reporter of EESC opinion on impact of legislative barriers in the Member States on the competitiveness of the EU: “The Internal Market is a fiction, it does not exist! Dutch employers are very right in the title of their 2008 brochure titled “When will 1993 really be?” (This refers to the creation of Internal Market in 1993.).

Business side was represented by **Eoin O'MALLEY** from BUSINESSEUROPE, who stressed the solution of current economic down-turn lies in: “... great stress on open market economy, fight against protectionism through multi- and bilateral instruments and better regulation.” **Ben BUTTERS** from EUROCHAMBRES recalled their survey done in 2004 where 60% of entrepreneurs from EU+10 had high expectations from enlargement and draw attention to the 2008 survey being conducted lately to be released in February. “Businesses have positive expectations from the Services Directive to be implemented by December 2009. Now it is up to the Member States to ensure these expectations will be fulfilled,” BUTTERS added. Regardless the development of the Internal Market legislation, there are several non legislative threads to free movement. **Luc HENDRICKX** from UEAPME addressed a very concrete example: “If cross border provision of certain services is conditioned by a mandatory insurance, insurance companies gain the power to control free movement of services through insuring a company or not.” He further stressed SME organizations are often against positive discrimination of SME (e.g. through exemption from the scope of 4th Directive on accounting) as such exemptions can cause more risk and danger to the business community.

The debate was organized by CEBRE in cooperation with Czech Permanent Representation to the EU on 28th January 2009 in the Czech Centre of the Czech House.

For further information contact Michal Kadera, Director of CEBRE

Phone: +32.2.2139.450, Fax: +32.2.2139.451, E-mail: cebre.europe@mail.be, URL: <http://www.cebre.cz>