

KEEP CALM, DON'T PANIC, SAYS COMMISSIONER JOUROVÁ



Every entrepreneur should consider whether there is a risk of data leakage in his or her business. Companies that largely trade and sell data and collect them systematically about specific people need to take appropriate measures under the GDPR regulation and ask for the consent of their clients. The regulation does not apply to specific sectors. What matters is the systematic collection of personal data. GDPR is not a revolution but an evolution of the rules that already exist based on the EU directive, respectively on national laws regarding personal data protection. The revision of existing rules has been motivated by the digital transformation. According to Jana Břeska from the Czech professional association for Internet development there are new measures which will mainly concern the online world characterized by small start-ups of only one or two employees. The regulation newly concerns IP addresses and online identifiers. GDPR will be a challenge for small companies as there are practically no exemptions for SMEs unless they do not process large amounts of data. The only exemption for SMEs who do not systematically process the (risk) data concerns the obligation regarding the record

of processing activities. Tereza Šamanová from the Confederation of Industry Czech Republic says, that it will be applied in only a few cases. Appointment of a data protection officer within a company will be another challenge, she says, especially for small companies who can have a limited capacity to judge the quality of external service providers in this regard. She also stresses that there is no legal EU or national certification of data protection officers. Still, the Czech legislation is coming. Till today, only a few Member States provided necessary national legislative changes regarding the regulation. The regulation is directly applicable but national rules can be helpful for better interpretation and legal certainty for its users. Věra Jourová, the EU Commissioner responsible for GDPR, promises to be tough on state authorities and call on governments to quickly adopt the necessary legislative changes. The regulation is to be generally applied but Jourová says there is still room for flexibility. The Member States can introduce special exemptions for state authorities. Regarding the indicated fines in the regulation, Jourová explains that they should be applied in a reasonable manner.

EU INSTITUTIONS CORNER



"The philosophy of GDPR is to tidy up and put a double safety lock on data"

Věra Jourová,
EU Commissioner for Justice,
Consumers and Gender Equality.
photo: EC archives

EU BUSINESSES WANT TO AVOID TRADE WARS

EU and Czech businesses were pleased that after a great effort by EU officials, the US announced that the EU will be exempted from the restrictive measures regarding additional duties on imports of steel and aluminium to the US until 1st May 2018. Nonetheless, as this solution is only temporary, businesses urge EU representatives to do the utmost to turn this provisional exemption into a permanent one. To put the EU on the list of countries affected by the tariffs after expiration of the exemption could further jeopardise mutual relationships.

Although businesses acknowledge that if the EU stays on the list of countries affected by the tariffs after 1st May, the EU needs to react adequately, but without starting any gunfight of retaliation measures that would only harm businesses on both sides of the Atlantic. Czech businesses hope that the situation will be mitigated, rather than escalated as the US is an important market for Czech products with high added-value.

News FLASH

>CZECH ECONOMY IS OVERHEATING

The Czech economy is growing so strongly that it is currently exceeding its potential, in other words it is overheating to some extent according to the Czech National Bank. As a result, there is an imbalance in some markets, especially in the labour market.

>TAXI DRIVERS ARE ASKING TO STOP UBER AND TAXIFY BEFORE THEY HAVE LICENSES

The Association of Czech Taxi drivers demands that alternative carriers Uber and Taxify interrupt operations in the Czech Republic unless their drivers meet the legal requirements. Drivers of the alternative online platforms do not comply with the law because they do not have a taximeter or a labelled vehicle. PM Babiš promised to request that they apply for a trade and taxi licence as traditional taxi drivers do.

>EC GIVES THUMBS UP TO THE CZECH REPUBLIC

In the last country report, the Commission took a positive view of the macroeconomic situation in the Czech Republic, namely strong economic growth, stable investment and gradual wage growth. The Commission welcomes the fulfillment of the objectives of the Europe 2020 Strategy.

BUSINESSES ARE KEY TO FUTURE PROSPERITY OF THE EU

At the beginning of March, BusinessEurope, the umbrella organization of confederations of industries from the whole of the EU, celebrated its 60th anniversary. At this celebratory occasion, BusinessEurope adopted its statement of values, summarizing the core principles of entrepreneurs in the EU. The statement recognizes the crucial role of businesses for a thriving economy and society, as they create new jobs, economic growth and investment. Furthermore, businesses focus on creating new skills and help to adapt workers and students to modern challenges in a timely manner, helping to keep the European social market economy alive even through difficult economic periods. The aim of European businesses is to offer customers fine goods and services, invest in innovation and create new technologies and thus constantly increase the competitiveness of the EU,

provide quality jobs and develop new talents, and also limit the environmental footprint of companies. However, to turn these values into reality, businesses also need a stable and predictable legal framework in the EU. Therefore, European and Czech businesses call on all stakeholders to create and implement a sound industrial policy that would encourage implementation of these values. The industrial policy needs to be long-term focused and has to set clearly defined goals and indicators that would help to monitor their implementation. The share of industry on the European GDP has been in decline in recent years and such a strategy would help to invert this negative trend. The competitiveness of European businesses these days depends greatly on their ability to innovate and come up with new solutions and technologies. Therefore, European and Czech businesses

support the idea of increasing the budget for research and innovation in the next Multiannual Financial Framework post 2020. Industrial and key enabling technology-focused projects have the highest potential to add to the creation of new products and services with high added-value and thus strengthen the position of the EU as the top place in the world to do business.



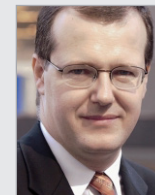
EESC CORNER: PERSPECTIVES OF THE FUTURE EMU DEVELOPMENT



One has to admit that the euro-zone of March 2018 is something quite different in qualitative terms than the euro-zone of 2008. At that time, it faced huge pressure during the economic crisis and its impact was threatening its very existence. But, the large number of lessons learned have made it substantially stronger, not only regarding its economic performance and stability, but also through its strengthened instrumentarium. When talking about new construction elements of the euro-zone, we have in mind not only the steps which make the euro-zone more functional and stable, but also those that through a strengthened economic governance have resulted in 8 years of benchmark discipline, responsibility and performance of the individual members and as such of the whole EU economy. In December 2017, the European Commission announced a set of documents summarised as a package of next steps, essentially a road map for the foreseeable future of EMU. It represents more than a parametric change, rather a systemic one. It contains a set of five mutually interconnected measures following the previous activities to improve the EMU framework. It works with the creation of the European

Monetary Fund as a follower of the European Stability Mechanism, including a back-stop for the Banking Union and its Single Resolution Mechanism. It also includes the Fiscal Compact into the EU legislative framework, including the principle of appropriate flexibility allowing to adjust the criteria of fiscal discipline to the concrete conditions and needs of particular Member States. The third part of the package is represented by an innovative proposal to introduce new budgetary instruments for a stable euro-zone within the EU. This proposal is the result of finding a compromise within the effort to create an autonomous euro-zone budget. The proposal says that a stronger euro-zone line is to be incorporated explicitly within the existing EU Budget (and not to create a special budget for the euro-zone now). The euro-zone stability is to be focused on areas like investment activity, employment, and a creation of a fund for less positive periods. A part of this stability function relates also to an instrument to assist countries entering the euro-zone in terms of technical and financial support. The fourth part is addressing some support of structural reforms in Member States and creates a space

for such structural reforms that are provided on a cross-border platform in the whole euro-zone/EU area (reflecting the concept of EVA – the European value added). And finally, point number five means an institutional adjustment to cover all of these proposed changes, the creation of a new position to oversee all of these changes, the European economic and financial minister. It will probably be the most attractive issue from the media point of view. It is possible to say that most of the measures contribute to the integrity of economic and fiscal governance in the EU as well



as to the effective functioning of the Single Market, the biggest achievement of economic integration in Europe.

Petr Zahradník,
Group I – Employers

CEBRE CALENDAR:

- **15th May** – Debate on online platforms (European House, Prague)
- **25th May** – Debate on the next MFF (European House, Prague)
- **15th June** – CEBRE founders meet Czech MEPs (Prague)

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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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