

## BUSINESSES WORRIED ABOUT COPYRIGHT REFORM OUTCOME



To create a true Digital Single Market is one of the main aims of Juncker's Commission. There have been proposals that clearly improved conditions for users in the EU, like banning roaming charges or enabling access to online content services while travelling within the EU. But there were also controversial proposals too, like the infamous General Data Protection Regulation. The reform of copyright which is currently being discussed in the European Parliament definitely belongs to the second group. The proposal is viewed negatively by the business community, especially articles 3, 11 and 13. Czech businesses are convinced that the proposal will have a negative impact on both consumers and companies by creating legal uncertainty. As for consumers, it

would make access to online services more difficult and it wouldn't allow companies to use the potential of the modern technologies boom to the maximum. The proposal would restrict sharing of online content and force website operators to filter that content. Furthermore, it is not clear which companies and organizations would fall under the scope of the proposal. Apart from that, the proposal would seriously endanger the existence of small publishers. Czech businesses support modernisation of current copyright rules, but it must work properly while not jeopardising the development of new technologies. Therefore, they call on MEPs to take into consideration these points during the upcoming plenary session vote which is scheduled on 12<sup>th</sup> September.

### MEPs Corner



*"The fundamental battle will be fought about Articles 11 and 13. The amendments now submitted show that there's been no significant change as far as the number of potential supporters of the initial text is concerned so it is again hard to be sure about the result. Every single Member could make a difference. I hope, however, that the ultimate goal of the reform, that is to update copyright for the 21<sup>st</sup> century and to achieve a fair balance between the interests of authors and consumers without unnecessarily restricting the use of the Internet, can still be achieved. Regarding Article 11 and the rights of publishers, the so-called presumptions of the authors' representation is acceptable for me. I am afraid that the introduction of Article 11 in the current wording could worsen the position of small publishers who are in particular in need of a support of a competition law against the abuse of an almost monopoly position on the part of Google. It is precisely the presumption of authors' representation that would enable publishers to simplify licensing or copyright enforcement."*

Pavel Svoboda (KDU-ČSL/EPP),  
Chair of the JURI Committee of the European Parliament

## CEBRE FOUNDERS MET CZECH MEPs TO DISCUSS PLASTICS, MOBILITY AND CONSUMER ISSUES

The mandate of the current EU institutions is slowly, but steadily coming to an end. However, several important legislative proposals with a significant impact on businesses are still on the table. Specifically, the Single Use Plastics Directive, the Mobility Package and several legislative proposals in the area of consumer issues. The impacts of these proposals were discussed by CEBRE founders together with Czech MEPs on 15<sup>th</sup> June in the premises of the Czech Chamber of Commerce in Prague. According to Czech businesses, the Single Use Plastics Directive should exclude the

regulation of plastic beverage bottles requiring their recycling to 90%. Such a wide application of these rules would have serious impacts and, therefore, it is not suitable. The Posting of Workers Directive is another proposal where such a wide application of rules is problematic, because the Directive doesn't take into account the high mobility of workers in the transport sector, especially in road transport. CEBRE founders point out that the high mobility of workers in the road transport sector clearly shows that drivers cannot be considered as posted and urge the legislators to

take it into account when setting up rules for this sector. As for the consumer issues, the discussion focused on the New Deal for Consumers proposal, especially on the proposal for setting up a system of collective redress in the EU. CEBRE founders deem that consumer protection in the EU is at the highest level in the world and it would not be appropriate to duplicate the US system in which a collective action can be brought without the consent of the consumer.

## News FLASH

### >CZECH ECONOMY IN GOOD SHAPE

The growth of Czech GDP is expected to reach 2.4% in the second quarter of 2018 compared to the same period in 2017. In quarter-to-quarter comparison, the Czech economy grew by 0.7% compared to the first quarter of 2018. However, 30% of the Czech companies see limited access to the adequately skilled workforce as a big risk for their further growth and competitiveness.

### >PRIORITIES OF CZECH GOVERNMENT

The recently established Czech government presented its key priorities at the end of June. The main ones are pension reform, digitalization and support of investment and security. Apart from that, the government wants to become an important player at the EU level.

### >BUSINESSES WORRIED ABOUT BREXIT OUTCOME

According to several current analyses, the Czech Republic would be the 5<sup>th</sup> most negatively impacted country in the EU by a "hard" Brexit. Therefore, Czech businesses call for constructive negotiations with the aim of avoiding the cliff-edge scenario.

## EU-JAPAN FTA GOES AGAINST PROTECTIONIST TENDENCIES

The 17<sup>th</sup> of July marks the signature of the biggest Free Trade Agreement negotiated by the EU – with Japan. The negotiations which started in 2013 were long and complex, but the outcome is important not only for the two partners. In the light of the recent developments in the United States and global protectionist tendencies, it is also a strong signal that free global trade is the way forward. The Economic Partnership Agreement (EPA) covers over 600 million consumers and should remove approximately 1 billion EUR worth of duties paid annually. Czech businesses followed the negotiations closely and focused mainly on fulfilling the promise of Japanese government regarding the elimination of non-tariff barriers and the area of standards. The positive outcome of the negotiations is that Japan agreed to take over international standards for motor vehicles, medical devices and textiles. New opportunities for Czech producers should open in the area of agricultural

products, a sector that was traditionally very carefully protected by the Japanese. Japan belongs to the TOP 10 of Czech trading partners outside the EU with Czech exports to Japan reaching approximately 0.7 billion EUR last year. Engineering products and vehicles are the main exporting articles, but Czech businesses believe that the EPA will open possibilities for an even larger variety of products. Apart from that, the EU and Japan concluded their talks on reciprocal adequacy at the same day, meaning that the partners will recognise each other's data protection systems as equal, creating a safe area for free data flow. For Czech businesses, this is also a strong signal of support for global free trade, as a free flow of data is equally important as the free flow of goods and services. Hopefully, the creation of the world's largest area of safe data transfer will inspire others to drop protectionist tendencies related to data flow, which are unfortunately on the rise.



## EESC CORNER: EESC NEW CONTRIBUTION TO THE EU INFORMATION SOCIETY



The EESC has recently adopted two opinions related to The Proposal for the Council Regulation on establishing the High-Performance Computing Undertaking and the Proposal for Regulation of the EP and Council on the implementation and functioning of the .eu Top Level Domain name respectively, prepared by the specialized Section for Transport, Energy, Infrastructure and Information Society.

**High-Performance Computing:** High-performance computing (HPC) has been used in most other scientific fields, from biology, life sciences and health, high-fidelity combustion simulations, and material's sciences to social sciences and humanities. In industry, HPC has been widely used in oil and gas exploration, aeronautics, the automotive sector and finance, and is becoming crucial for ensuring personalized medicine, developing nanotechnologies and enabling the deployment of renewable energies.

The EESC endorses the EC initiative for a Euro HPC Joint Undertaking as a concrete step in line with the European cloud strategy as well as part of a wider EU strategy aimed at recovering

Europe's digital sovereignty and independence. This initiative brings clear EU added value with a key technology which will help to tackle the most challenging issues of our modern society and will ultimately be beneficial for our well-being, competitiveness and jobs. The EESC recommends strengthening as much as possible the social dimension to the digitalization process as a fundamental part of the European Social Pillar. The implementation and use of high-level machines must have an evident and measurable positive impact on all citizens' daily lives. Modernization of the regulations establishing .eu top-level domain name (TEN/663): .eu top-level domain (TLD) is the domain name of the European Union and its citizens. It is assigned to the EU and is managed by the European Commission. .eu TLD was established with the aim of boosting the Internet identity of the European Union and its citizens, promoting the EU's image on the global information networks and raising the profile of the EU's internal market on the virtual marketplace of the Internet. The EESC wishes to underline the fact that due to

the importance of an Internet identifier for EU citizens, companies and organisations, the .eu domain name has to be considered as a Service of General Interest (SGI). All the registry selection criteria should be clearly defined well in advance, in particular if the registry could or could not be a commercial company. In any event, it requests that the entire process is made wholly transparent. The EESC supports the creation of a Multistakeholder Council. These are among the main messages of the EESC opinion on the "Modernisation of the regulations establishing an .eu top-level domain name", adopted at the EESC Plenary session on 11 July 2018.



Vladimír Novotný  
EESC Member, Group I –  
Employers

## CEBRE CALENDAR:

- **2<sup>nd</sup> October** – Seminar on Credit Support for Entrepreneurs from EU Budget (Brno)
- **5<sup>th</sup> October** – Debate on Taxation of Digital Companies (Prague)
- **9<sup>th</sup>-10<sup>th</sup> October** – Czech Business Delegation on Artificial Intelligence to Belgium (Brussels)

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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.