

Czech Business Today



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NEW LEADERSHIP TAKES THE HELM: MEET THE DYNAMIC DUO LEADING THE CONFEDERATION OF INDUSTRY OF THE CZECH REPUBLIC AND CZECH CHAMBER OF COMMERCE INTO A PROMISING FUTURE

The Czech business landscape is undergoing a transformative phase as two dynamic leaders take the helm of prominent organisations. The Czech Chamber of Commerce and the Confederation of Industry of the Czech Republic have recently elected visionary presidents, bringing fresh perspectives and renewed vigour to these influential bodies. Let's explore the profiles of these remarkable individuals and their visions for driving economic growth and innovation.

Confederation of Industry of the Czech Republic

The largest employers' organisation in the Czech Republic, the Confederation of Industry of the Czech Republic, will now be headed by Jan Rafaj. Jaroslav Hanák, the long-standing president of the Confederation of Industry, is leaving the post. Jan Rafaj has been Vice President of the Confederation of Industry and Chairman of the Board of Directors of the Ostrava-based company Heimstaden Czech. He also has a long experience in industry and managerial positions. "During my presidential term, I want to focus on the five priorities I have already expressed during the pre-election period. These are the final Czech product, the Green Deal, digitalisation, the labour market and infrastructure.

I will do everything to ensure that Czech industry does not lose its competitiveness and maintains its good name worldwide," says Jan Rafaj, President of the Confederation of Industry of the Czech Republic.



Jan Rafaj, President of Confederation of Industry of the Czech Republic

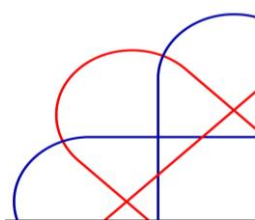
Czech Chamber of Commerce

Succeeding Vladimír Dlouhý, Zdeněk Zajíček will become president of the Czech Chamber of Commerce for the next three-year term. Zdeněk Zajíček is the head of the ICT Union, a pioneer of Czech e-government and one of the key characters

of digitalization in the Czech Republic. In the past, he worked as a deputy in the ministries of finance, justice and interior. "It is a great honour and commitment for me to lead the Czech Chamber of Commerce in a period when key decisions will have to be made in the Czech Republic on strategic investments in energy, transport and technical infrastructure, education and training. There is not much time for these decisions if we want to keep our economy and business competitive," says Zdeněk Zajíček, President of the Czech Chamber of Commerce.



Zdeněk Zajíček, President of Czech Chamber of Commerce



CHIPS WILL BE THE MOST ESSENTIAL INDUSTRIAL COMMODITY OF THE 21ST CENTURY

Chip development and production must become one of the main pillars of the future Czech economy. Global demand for semiconductors will skyrocket in the coming years. Changing the education system will also be crucial, as the Czech Republic has a severe shortage of qualified professionals. This was mentioned at a round table of the Czech Chamber of Commerce, which was attended not only by semiconductor companies and experts in the field, including universities but also by the Minister for Science, Research and Innovation Helena Langšádlová and the head of the Ministry of Industry and Trade Jozef Sikela.

Experts and the Czech Chamber of Commerce consider green technologies' general technological development and growth as an inevitable reality. Successful transformation of the Czech economy reflecting this trend can be assured by effective investment in the development and production of chips. Therefore, taking the required steps as soon as possible is necessary to ensure that the Czech Republic can compete economically on a European and global scale.

"Recent years have clearly shown us that the future of all developed economies of the world stands and falls with digitalisation and rapid technological progress. This is why the world cannot work without developing and producing high-quality semiconductors. If this segment of the economy in the Czech Republic can be fully developed, it will shift the added value in production and maintain industrial competitiveness," said Vladimír Dlouhý, Former President of the Czech Chamber of Commerce.

According to the Czech Chamber of Commerce, the government should also

professionals in the field, as well as on the appropriate involvement of foreign experts. "We advocate a national programme of education in the field of semiconductors; it is necessary to highlight the strategic importance and very significantly strengthen the competencies of the Czech Republic in this area. Currently, very few students are applying for these fields, while our economy will need thousands of them," points out Zdeněk Zajíček, President of the Czech Chamber of Commerce.

Experts at the round table also pointed out the great competition in Europe and the world. Therefore, international cooperation with, e.g. Germany, which will be the semiconductor leader in the upcoming years, is essential. "Currently, the European Union has only a 4% share of the global intellectual property related to developing new semiconductor solutions. Therefore, Europe must take full advantage of the European Chip Act and channel resources into developing the semiconductor industry," adds Stanislav Černý of the Czech National Semiconductor Cluster.

After the roundtable, the Czech Chamber of Commerce, the Czech National Semiconductor Cluster and the organisations present signed a declaration of support for semiconductors in the Czech Republic. In it, they point out, among other things, that the forecast future annual growth of the global semiconductor market is 8%, from the current \$662 billion to \$972 billion in 2028.

According to the signatories of the Declaration, the Czech Republic has a unique opportunity to actively participate in European semiconductor initiatives with the corresponding potential for industrial development, science, research and education with broad multiplier effects on increasing the efficiency of energy resources, reducing the overall carbon footprint and opening new opportunities for the downstream use of advanced semiconductor components.

Source: komora.cz



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.

POSITION ON THE-CRITICAL RAW MATERIALS ACT

The Confederation of Industry of the Czech Republic welcomes the draft Critical Raw Materials Act, the EU has to enhance its economic resilience and to mitigate the risks for supply chains related to strategic dependencies. The proposed Regulation sets out a regulatory framework for supporting the development of EU's capacities and for enhancing sustainability and circularity of EU's supply chains in terms of critical raw materials. The related EC's Communication adds measures to promote supply chain diversification via new mutually supportive global partnerships.

Critical raw materials are crucial for a wide range of strategic sectors, including net zero industry, the digital sector, engineering, aviation as well as defence and the space industry. Even if it is foreseen that the demand for critical raw materials will continue growing significantly in future, the EU remains strongly dependent on their imports and it is often from quasi-monopolistic third-country suppliers (currently, the EU is

particularly dependent on China – for example 97 per cent of the EU's consumption of magnesium and almost all of the EU's need of heavy rare earth materials come from the PRC).

Our Confederation fully supports the efforts of the European Commission to support domestic extraction of rare earth materials, however, we remain sceptical as regards the proposed speed of strengthening EU's capacities in this respect due to the lengthy and demanding procedures of current authorisation processes. In several aspects we also find it essential that the proposed Regulation be modified and amended. The primary goal of the new Regulation should be to support companies in order to be able to secure the critical raw materials they need, and to enhance the development of new, alternative materials thus mitigating dependency risks on specific countries.

Source: socr.cz

EESC: FEEDBACK FROM THE GROUND IS THE MOST ADDED VALUE WE CAN BRING INTO THE EU LEGISLATIVE PROCESS

A couple of weeks ago, CEBRE asked me to write an article regarding my role in the European Economic and Social Committee (EESC). After 2 and a half years, I am at the mid-way point of the EESC mandate which gives me a good opportunity to look back and assess my work in the Committee.

My engagement in Brussels business lobby started in 2007, since that time I have been serving as a representative of the Czech Chamber of Commerce to Eurochambres (European association of Chambers of Commerce and Industry) and as alternate to the Czech Members in the EESC Employers' group till I became EESC Member in 2020. The EESC consists of 3 groups: Employers (Group I), Trade Unions (Group II) and Civil society organisations (Group III). As a representative of the Czech Chamber of Commerce, I am part of

the Employers' Group.

Being a new EESC Member, it is a great discovery for me. Despite the difficult start, during the COVID-19 pandemic, I have quite enjoyed the first half of the mandate. Going back to face-to-face meetings after being behind a screen or wearing masks for so long has finally made my engagement much more interesting and allowed me to get connected with other Members and stakeholders. The EESC Members work on opinions in study groups and then vote on the draft opinions at Section level and adopt them at plenary. The process, similar to that of the European Parliament, requires regular meetings with EU institutions, stakeholders and also other Members in order to discuss the proposed texts or tabled amendments.

FLASHNEWS

HYDROGEN CAN BE A KEY ELEMENT OF DECARBONISATION

The Confederation of Industry of the Czech Republic sees hydrogen as a key tool for decarbonising industry and transportation. Its potential is seen in serving as an energy provider for long-distance transport, a raw material in high-emission industrial processes. It could lead to balanced energy consumption in the country. Firstly, the legislative framework for hydrogen utilisation and its role in the Czech Republic's energy mix has to be established.

DELTA 2 - THE 5TH PUBLIC COMPETITION

The Czech Republic's Technological Agency (TA CR) announced, on May 17, 2023, the fifth public competition as part of the DELTA 2 program that supports applied research, experimental development, and innovation. The competition aims to promote international cooperation in applied research through joint projects between Czech entities (supported by TA CR) and foreign partners with support from foreign institutions. The project proposal must be submitted in English through the ISTA system until July 19, 2023.

SUPPORT TO THE AMOUNT OF ONE BILLION CROWNS FOR THE COMPANIES WITH INFRASTRUCTURE FOR RESEARCH AND DEVELOPMENT

The Ministry of Industry and Trade has announced the first call for proposals under the Operational Programme Technology and Applications for Competitiveness 2021-2027 (OP TAK). The initiative is addressed to SME as well as companies with medium market capitalisation. The support applications can be submitted to September 25th, 2023. The goal is to support companies with research and development infrastructure to strengthen innovation capacities and promote high-value-added business.

CEBRE CALENDAR

20.06.2023 [Debate: „Cybersecurity: strengthening EU capacities“ \(Prague\)](#)



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EESC: FEEDBACK FROM THE GROUND IS THE MOST ADDED VALUE WE CAN BRING INTO THE EU LEGISLATIVE PROCESS

I am a Member of two Sections – INT (Single Market, Production and Consumption) and TEN (Transport, Energy, Infrastructure and the Information Society). Apart from these Sections, I am involved in Energy Thematic Group, SME Category, Ethical Committee and Commission for Financial and Budgetary Affairs.

In the last two years, I have been particularly active in the TEN Section and have undersigned more than 10 opinions as rapporteur or co-rapporteur. They were all linked to energy issues, e.g., REPowerEU, reform of electricity market design, security of energy supply and energy efficiency directive. Most of them were opinions as referrals requested by the European Commission but I also had a chance to be the rapporteur on the opinion requested by the Czech presidency on the role of nuclear energy in the stability of energy prices. This opinion was a difficult one as it opened a Pandora's box in civil society, but I managed to deliver a response to the Czech presidency and the conclusions were presented at the last European Nuclear Energy Forum (ENEF) in Prague. The Energy crisis certainly contributed to a change in the narrative about nuclear energy and I am looking forward to participating at the next ENEF forum to be held in Bratislava in the autumn.

Recently, I had another great experience working on the resolution and report about energy resilience in the European Economic Area in view of the geopolitical landscape. The text was adopted by the EEA Consultative Committee and included in the agenda of the EEA Council held on 24 May 2023. This shows that the EESC can deliver a valuable input to the ministers' discussions. Currently I'm working on my own opinion, analysing the impact of the energy crisis on the European economy, which is to be adopted at the June plenary together with my other opinion on REMIT. Adopted EESC opinions are published in the EU Official Journal and then presented to the EU institutions by rapporteurs.

Rather than simply shaking their hands, I prefer to explain our concerns to the Commission and Council representatives as well as to the Members of the European Parliament. As rapporteur for a series of energy-linked opinions, I had a chance to meet and exchange views with European Parliament rapporteurs as well as with EU agencies, stakeholders, and media. A rapporteurs' role is to present the opinions to the public, as I did at numerous conferences and through articles for Euractiv and other media.

My active involvement in the TEN Section activities certainly contributed to the fact that Group I Members put trust in me and elected me as Vice-President of the TEN. This is a political role inside the Committee which supposes supporting the activities of the Members from my group and raise the voice of businesses within the Section.

Aside from TEN opinions, I have contributed to several from the INT Section, mainly in the digital area. Besides that, I also tabled amendments at Section and plenary level, for instance regarding F-gases. The input of my work comes from my home organisation and I use the input of our Chamber Members as much as possible. Feedback from the ground is the most valuable asset and, in my view, the most added value the EESC can bring into the EU legislative process. It brings more reality into the "Brussels bubble".

That is also why, we as the Czech delegation in the Employers' group brought other Members to Ostrava – the Czech coal mining region. The aim was to showcase a region in transition. This event was organised during the Czech presidency in the Council of the EU. Another great success was the event organised by the Czech Chamber of Commerce together with the EESC on the packaging proposal, shortly after its publication by the European Commission.

My goal in the EESC is to create bridges between the EU institutions and civil society. Only if both sides listen to each

other will the EU legislation work in practice. I am pleased to combine my work in the EESC with my role of a delegate to Eurochambres. These worlds are interconnected. A notable achievement of the Czech Chamber of Commerce at the EU level this year, was that Vladimír Dlouhý, its President, became a President of Eurochambres. I am honoured to help President Dlouhý in his European engagement.

And what is ahead of me? I am looking forward to the June working trip to Luleå, a city in the northernmost county in Sweden, the home of several major innovations and technological milestones, including the production of fossil-free steel. At the same time, the upcoming change of EU institutions mandate will be an interesting period and the role of business organisations will be to shape the future political debate to allow businesses the breathing space they need to drive Europe's prosperity.



Alena Mastantuono, Vice-President of the TEN Section of the European Economic and Social Committee, Employers' Group Member, EESC