

Single Market cannot develop further without mutual efforts of both, PA and businesses

During a debate organized by CEBRE, Czech Permanent Representation and Ministry of Industry and Trade (CZ) over 80 representatives of European institutions, Member States, European businesses and businesses associations agreed that the Single Market can be strengthened only through proper implementation of the Services Directive and via continuous efforts to implement the Single Market Act measures. "Being pragmatic, it is not up to us, the public administration, to evaluate the implementation of the Services Directive, but to the business sector," said the host, H.E. Milena Vicanová, Czech Permanent Representative. The Czech Republic serves as a good example in the Services Directive implementation. Francois Arbault, Member of Cabinet of Commissioner Barnier emphasised the Commission's firm determination to bring the

Single Market closer to citizens and SMEs and monitor its functioning from a „user-perspective“. Martin Tlapa, Czech Deputy Minister of Industry and Trade, stated, "the tools to boost the services sector, including the PSC, must provide added value and be client oriented." (see more on page 2)



From left Martin Tlapa, Deputy Minister of Trade and Industry CR, Jana Reinišová, Czech Deputy Permanent Representative to the EU, Milena Vicanová, Czech Permanent Representative, François Arbault, Member of Commissioner Barnier's Cabinet

Czech exports to Belgium



By H.E. Muller, Czech Ambassador to the Kingdom of Belgium

The Belgian market should not be underestimated. During the first 8 months of 2010 the Czech Republic exported CZK 40.7 billion

of goods to Belgium, a higher figure than to the far bigger Russian federation. As a consequence

of the financial and economic crisis, imports dropped by more than 20% in 2009. 2010 brings the first signs of recovery in Belgium and its GDP grew slightly. Czech exports to Belgium reflect this positive balance and increased by 11% (to CZK 40.7 bln as indicated above). In 2011 we might reach the record numbers of 2007. More than 88% of Czech exports to Belgium originate in finished products with high added value, such as machinery and vehicles (SITC 6, 7, 8). Other good results also include agriculture and the food industry (up by 2.4%) as well as chemicals (increased by 27%).

Will 2011 be a good year for international trade and for Doha?!

EU trade is the engine of global growth. It contributes to the creation of sustainable jobs and has a real impact on everyday lives of people and businesses. The European Union is the biggest global element of international trade and investment. However, the EU is challenged



From left Adrian Vand Den Hoven of BUSINESSEUROPE, Matthew Baldwin of European Commission, Anna Teličková of Ministry of Industry and Trade (CZ), Hosuk Lee-Makiyama of ECIPE

by the changing world and has to maintain and improve its leading position. On 9 November

Czech government wants to purchase good ideas

The Czech government decided to set up a venture capital fund enabling the State to buy and resell shares in newly established innovative companies. Resold shares and profits will be reinvested in the fund. Venture capital fund will be presented to public at the beginning of 2011 with initial amount of CZK 1.2 billion, mainly financed via structural funds, state budget and private investors.

E-vignettes postponed

The Czech Chamber of Deputies supports the senate's proposal to postpone the introduction of electronic highway vignettes. Therefore, drivers will still be able to use their paper highway vignettes. The reason for the delay is the high price of the project proposed by the sole contractor– Kapsch company.

Absurdity of the year

Czech businesses vote every year in the survey „Absurdity of the year“ for the most burdensome regulation. First place was won (with 38% of votes) by the measure required by the Czech Social Security Administration to send a certificate from Trade register, although it is available online and regularly updated. The survey is a part of the Czech red-tape campaign.

Czech industry positively surprising

Czech industry still maintains relatively high growth with September seeing a 12.2% growth YoY. The amount of new contracts has also increased by 14.6% YoY driven by external demand for Czech goods (i.e. machinery, cars, electric equipment, engineering and metallurgy). Further development is however limited by external factors: appreciation of EUR and CZK, dynamics of US recovery and their impact on the EU's export.

2010 the European Commission presented its renewed Trade Strategy. It focused on removing persistent barriers mainly via achieving the ongoing multilateral and bilateral trade deals and searching for new ways to work with the main EU trade partners. Over 40 representatives of European institutions, Member States and the business sector, gathered to discuss Commission's paper two days after its release and agreed that the strategy reflects their main concerns, however it lacks concrete measures to achieve these ambitious goals.

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TALKING ABOUT...

...THE SERVICES DIRECTIVE

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Jérôme Chauvin, Director for the Internal Market department of BUSINESSEUROPE recalled that the data gathered from the national business federations show that we are on the right track, but there is still much room for improvement, in particular with regard to the functioning and the user-friendliness of the PSCs. Ben Butters, Director of European Affairs Department of EUROCHAMBRES acknowledged that the PSC are operating fully in a limited number of Member States only. Positive results are obtained on the information side, but the procedural side still seems to have significant room for improvement". Luc Hendrickx, Director for Enterprise Policy of UEAPME, stressed that the performance of the "single points of contact" foreseen by the directive has been "quite disappointing" so far. Tina Sommer, President of ESBA raised another important aspect – to what extent do businesses know about the PSC and the help they can get from them? "The Secretary General of the European Council of the Liberal Professions (CEPLIS) Dr. Koutroubas has underlined the importance of article 37 of the Directive, relating to European Codes of Conduct for the Liberal Professions. Looking towards

challenges ahead, Maria Martin-Prat, Head of Unit at the European Commission, DG Internal Market, stressed the need to consolidate and to build upon the significant results achieved. The Czech Deputy Permanent Representative and moderator of the debate Jana Reinišová urged that strengthening of the Internal Market shall follow the principle of 3 „Cs“ - communication, coordination and confidence. "No legislation is perfect when adopted because it is a result of a compromise. But we have to make the best use of it," concluded Reinišová.



Services Directive debate on November 4, 2010

EU TRADE POLICY

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Trade is a key pillar of the EU growth, especially in the time of economic recovery. The value of EU trade has grown by 75% over the last ten years, however in five years time, 90% of the world growth will be generated outside Europe, with a third from China alone. It is a challenge for Europe to remain the number one economy and strategy is the tool to achieve it. The new Trade Strategy has a close link to the EU 2020 Strategy and is a starting point of the discussion with a broad range of stakeholders. A key priority of the Strategy is to conclude on-going negotiations at multilateral and bilateral level. Europe wishes to conclude the Doha round as soon as possible and 2011 seems to be a good year to achieve this goal. Trade liberalization is even more important for small export-oriented economies. Global trade is not static but changing and Europe has to focus even more on the protection of IPR, investment, regulatory

issues, market access public procurement and the synergy between our single market and what we are doing externally. In 2011, the Commission will report to the European Spring Council its first annual report on trade barriers. The strengths of the strategy are continuity, predictability, transparency, coordination and



EU Trade Policy debate on November 11, 2010

EU branding. Stakeholders also appreciate the new way in which the Strategy will be shaped from now on. This task includes cooperation with stakeholders, smart administration and efficient interaction among EU institutions.

ENERGIZING EUROPE:

EU is under the risk of lacking nuclear experts



Initiated and held under the auspices of MEP Pavel Poc, a joint exposition and seminar by CEZ Group and the Czech Technical University in Prague was held in the European Parliament in late October, focusing on human resources in the nuclear sector. The EU is at risk of lacking sufficient numbers of skilled nuclear experts for the operation of both existing and future power plants, but also for R&D in the sector. This major concern is more generally part of an overall declining interest for studies of technical fields. MEPs urged in this connection the European Commission to take concrete action in order to promote effectively nuclear studies and ensure the future of the crucial low-carbon energy source in Europe.



CEZ GROUP

Václav Lebeda
CEZ Group

CEBRE CALENDAR:

- Sector Seminar „Water supply and wastewater treatment in the EU external aid programs“ organized on **24th November 2010 (Brussels)**
- Glass of wine with the Czech delegation of European Economic and Social Committee organized by CEBRE and Czech Permanent Representation on **8th of December 2010 (Brussels)**

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