

REPORT

Europe without borders: Internal market challenges seen from Prague

Wednesday 8th of November 2017, 18:00 – 19:30
Permanent Representation of the Czech Republic to the EU

- **The panel discussion titled „Europe without borders: Internal market challenges seen from Prague, organized by EUROPEUM Institute for European Policy in cooperation with the Permanent Representation of the Czech Republic to the EU, took place on Wednesday 8th of November 2017. The debate reflected the most important developments of the past year regarding to the internal market, namely new initiatives in the free movement of services, posted workers directive and digitalization. The event featured H.E. Martin Povejšil, Michaela Šojdorvá (MEP, EPP), Alena Mastantuono (Czech Business Representation to the EU in Brussels, CEBRE) and Lucie Studničná (CMKOS), Zuzana Stuchlíková of EUROPEUM took on the moderation. More than 60 people participated in the discussion.**

H.E. Martin Povejšil opened the event by reminding that the title of the event, “Europe without borders” resembles the motto of the Czech EU Council presidency in 2009, which only proves that the topic of internal market is still not finished and there are still many borders to be dismantled in Europe. He stressed that the Czech Republic has always been a strong supporter of the internal market and in the very core of the European integration – in this aspect, Mr. Povejšil remarked, multispeed Europe doesn’t present a thread for the Czechs, as long as the internal market it maintained and developed and the four essential freedoms

are preserved. Even the new government, whatever it will be, will not change this direction, foresaw the Ambassador and reminded the public that the Czech government was one of those pushing Commission for developing the Digital Single Market and the Single Market Strategy. Mr. Povejšil then talked about globalization and digitalization – he identifies the two trends of current time, outward looking, aiming to secure EU’s place in the world, and inward looking, protectionist approach. Resolving those two trends in the environment defined by the new EU context, that is the Brexit, will present a big challenge, but the Czech Republic



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should continue to put emphasis the outward dimension.

Next to speak was **Ms. Michaela Šojdrová**, Member of the European Parliament for the EPP. She highlighted two emerging challenges – digitalization and growing internal protectionism. To ensure a secure position for the Czech Republic in this context, a much stronger lobby will be needed on the Czech side, as the regulatory framework of the Czech Republic is not yet well prepared for the changes and increase of capabilities is needed.

Ms. Alena Mastantuono, directress of CEBRE, underlined the business perspective, the internal market can never be completed as it is constantly developing and changing, reacting on new trends – she reminded the public of the debate about the 5th freedom, freedom of data, as an example. Ms. Mastantuono then defined few major challenges lying ahead – fragmentation of national legislatives, lack of information, digitalization and last but not least the Brexit, however she expressed a hope that Brexit will not affect the Single Market.

Last to speak was **Ms. Lucie Studničná**, Head of the Department for European and International Relations at the Czech-Moravian Confederation of Trade Unions and she completed the picture with the worker's perspective. Digitalization as such requires a holistic approach according to her, anticipating potential risks so that people wouldn't lose their guarantees. The same caution is needed in tackling the challenges of the shared economy, where health and safety provisions have to be kept and there is a

clear need for appropriate new regulations. Ms. Studničná then mentioned European Pillar of Social Rights as a key policy field connected to the internal market.

In the next round speakers spoke about the **posted workers' directive**. **Ms. Šojdrová** noted that the final result is still not set and it will depend on which version will come out of the trialogue, but she admitted to be carefully optimistic, as the current proposal includes a comprehensive legal base for services, doesn't cover transport and does take into account the collective agreements. For business, however, the directive means a direct confrontation with one of the biggest challenges, fragmentation of the legal systems, remarked **Ms. Mastantuono**. She warned that the new provision will present a new administrative burden for companies and in the end might harm the social protection of workers, who might be pushed to be self-employed to ease the administrative burden. **Ms. Studničná** saw the directive as a step in a good direction that might be a factor in convergence of the wages in the new and old member states.

Other topics that were briefly mentioned include ethical questions brought up by the continuing digitalization or e-card of services. In the end, all panelists agreed that the European commission should take concrete steps in fighting the double quality of food – **Ms. Šojdrová** mentioned that the topic clearly falls under the customer protection and **Ms. Studničná** closed the event by jokingly remarking that for once everyone agrees that regulation is not always a dirty word.

