

Press Release

The 10th Edition of the Act of the Year has been Launched

Prague, 26 February 2019 – For the tenth consecutive year, expert public can vote on the Act of the Year. The anniversary vote for the best legal regulation, set of acts or legislative act with a positive impact on business in the Czech Republic has started. This year, the Nomination Committee has selected three legislative acts. Furthermore, participants will also be able to select the winner of the new “Exclamation Mark” category. The results will be announced on 16 April.

The Act of the Year is organised by Deloitte and its legal office Deloitte Legal. This year’s edition is again taking place under the auspices of the Czech Chamber of Commerce and the Czech Bar Association. The Nomination Committee comprises about twenty authorities on various disciplines including but not limited to business. They have jointly put three nominees to the vote:

- Predictable business environment: an EU circular economy package defining a long-term concept for the European economy;
- Functional infrastructure: amendment to the act on fast-tracking the construction of transport, water and energy infrastructure; and
- Instrument for healthy competition: amendment to the Trademarks Act

“In 2018, the Czech Republic saw objective legislative slowdown. In 2016 and 2017, about 550 regulations or international treaties were produced annually. In 2018, the number was under 400. We could discuss whether this is a good or bad thing, or whether we are postponing issues that need to be addressed,” says Tomáš Babáček, Chairman of the Nomination Committee of the Act of the Year and a partner at Deloitte Legal.

Deloitte Legal has also introduced a new category for the anniversary edition entitled “Exclamation Mark”. As part of it, voter can nominate an act that has, for example, waited long to be debated or that has unnecessarily formed part of the Czech legislation and should be abolished. It will be possible to nominate both positive and negative changes in the legislative process.

“The transposed EU legislation contained several major legal regulations; however, the one that we found most interesting was the partial amendment to the act on fast-tracking the construction of transport, water and energy infrastructure, which originated based on the deputies’ initiative to shorten the process of issuing permits for the most important transport infrastructure structures, namely motorways and railways. Faster construction of motorways is undoubtedly an issue that troubles almost every entrepreneur and we believe that the amendment may, indeed, fast-track the much needed construction of motorways,” says Vladimír Dlouhý, President of the Czech Chamber of Commerce.

“We have seen a constant rise in the number of costly administrative and regulatory obligations imposed on businesses in the interest of protecting consumers, and combating money laundering and tax evasion. Instead of improving its services to business, eg by reducing the administrative burden, facilitating the tax system and fast-tracking the processing of administrative permits, the government essentially uses regulation to transfer its responsibility to private entities (eg, GDPR, DAC5, Electronic Sales Records etc). This primarily poses a threat to small and medium-sized businesses that are unable to employ more and more administrative staff or incur additional costs on external services. This places them at a major competitive disadvantage compared with

large and global players,” adds Robert Němec, Vice-Chairman of the Czech Bar Association.

“The nomination of the Circular Economy Package as the Act of the Year also sparked an intense discussion in the expert committee. In fact, so far it has been impossible to assess its impacts, the reason being that, as an activity, it has yet to be implemented. However, at the same time, it virtually introduces significant restructuring of the EU’s economy from its current form. Therefore, the survey also aims to highlight the necessity of closely supervising its actual transposition to the Czech legislation as it may both positively and negatively affect the business environment based on how well we will actually manage to guard the process from pressures with one-sided interests,” said Soňa Jonášová, Director of the Circular Economy Institute.

The vote will physically take place on the premises of individual partners and the organiser, and on the website www.zakonroku.cz.

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