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MINISTRY OF THE INTERIOR  
OF THE CZECH REPUBLIC



# Public administration in the Czech Republic



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OF THE CZECH REPUBLIC

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## Czech Republic - Constitutional system

### Legislative power

Legislative power is exercised in accordance with the Constitution of the Czech Republic by the Chamber of Deputies and the Senate, which together form the bicameral Parliament of the Czech Republic.

The Chamber of Deputies has 200 Deputies, who are elected for a period of four years. The Senate consists of 81 Senators, elected for six years. Every second year, one third of the senators are elected.

Both chambers have a different position in the legislative process. Laws must first be submitted to the Chamber of Deputies. After approval by the Chamber of Deputies, they are assigned to the Senate. Upon approval by the Senate, the President of the Republic signs the approved laws, but may use a presidential veto. A veto can be voted down by a simple majority of all deputies.

### Executive Power

The supreme body of executive power in the Czech Republic is the government, which is therefore the head of the state administration system. It consists of the Prime Minister, Deputy Prime Minister and the Ministers. The Government of the Czech Republic is accountable to the Chamber of Deputies.

The Government of the Czech Republic must have the confidence of the Chamber of Deputies throughout its duration. It is therefore required to appear before the Chamber to ask for an expression of its trust after being appointed.

According to the Constitution of the Czech Republic, the head of state is the President of the republic. The President is elected in a direct two-round election by citizens of the Czech Republic. The constitutional position of the President of the Republic is determined by the fact that the Czech Republic is a parliamentary republic.

When appointing a government, the President of the Republic first appoints its Prime Minister and then other members of the government upon his/her proposal. At the proposal of the Prime Minister, the President of the Republic appoints its members by the proceedings of the ministries or other offices.

The government makes decisions collectively following the principle of an absolute majority. The government manages the activities of the ministries and other central administrative authorities and is responsible for the level of its approved draft laws and government orders.

The ministries and other central administrative authorities operate in individual branches of state administration. They control the performance of state administration in the relevant field. A ministry is headed by a minister who is a member of the government. Other central administrative authorities are led by their head.

## Judicial power

Judicial power is exercised in the Czech Republic by independent courts. A judge is only bound by law and his/her position is incompatible with the function of the President of the Republic, member of the Parliament of the Czech Republic or with any function in public administration.

The judiciary can be divided into general, administrative and constitutional. Civil and criminal matters are decided within the general judiciary. These include the district, county and high courts and the Supreme Court.

The administrative judiciary is exercised by regional courts and by the Supreme Administrative Court. Within the administrative judiciary, decisions, or other acts of public administration are reviewed in terms of their compliance with the law.

The Supreme Court and the Supreme Administrative Court issue opinions to ensure uniform decision-making by the courts. Constitutional justice is exercised by the Constitutional Court.





## Czech Republic - state administration and self-government

### State administration

The system of state administration in the Czech Republic originates from a classical continental concept where the central state administration is based on ministries. Other central administrative authorities are targeted at certain specialized departments of state administration.

In addition to the central administrative authorities, there are also administrative authorities of the state in the territory.

### Territorial self-governments

There is a two-tier system of territorial self-government in the Czech Republic, which consists of municipalities as basic territorial self-governing units and regions as higher territorial self-governing units (incl. the capital city of Prague).

Independent competence means self-government within which municipalities or regions manage their affairs independently, being bound only by laws and other legal regulations. The principle of subordination does not apply here.

#### BASIC DATA ABOUT THE CZECH REPUBLIC

Capital city: Prague Area: 78,866 km<sup>2</sup>

Population: 10,578,820

Population density: 134 inhabitants / km<sup>2</sup>

Language: Czech

State system: parliamentary republic

Number of regions: 13 + capital city Prague

Number of municipalities: 6,254

The average number of inhabitants in a municipality (not including the capital): 1,485

The median number of inhabitants in a municipality: 426

Share of municipalities with up to 1,000 inhabitants: 77 %



Delegated competence concerns the performance of state administration, which the state does not implement directly, by its own bodies, but indirectly, through local authorities. The principle of subordination applies here.

### The joined model of public administration

The so-called joined model of public administration was chosen in the Czech Republic, wherein municipalities and regions carry out, besides self-governmental powers, also state administration in delegated competence.

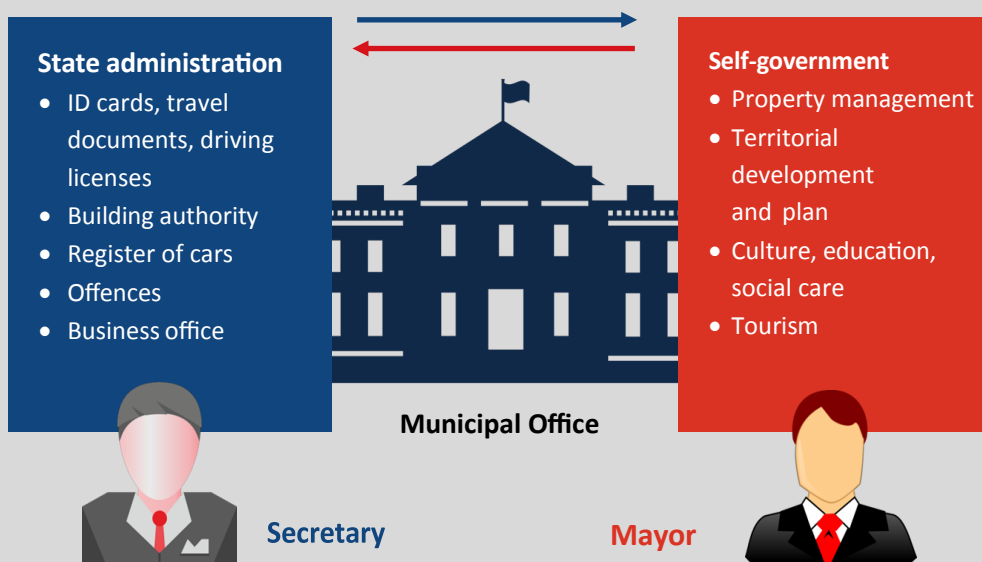
There are also state administration bodies in the territory (e.g., financial administration, social security administration), but these have the character of specialized bodies for individual branches or their parts, a state administration body with general competence in a territory in the joined model does not operate.

The performance of self-government is also based on the principle of decentralization in the joined model, i.e. self-government is not subordinate to the state, and lower self-government is not subject to higher self-government.

In the exercise of state administration, the principle of deconcentration in the context of so-called delegated competence is applied in substantive terms. In the implementation of delegated competence, the self-government body is subordinated to a higher state administration body or a higher self-government body.

The secretary of the municipal authority is responsible for the exercise of delegated competence. The performance of self-government is entrusted to the municipal council and board. The mayor, who is a member of both the municipal council and the municipal board, represents the municipality externally.

## Joined model in practice



## Central state administration

Central state administration has a crucial role to play in the management of the public sector, consisting in the development of concepts and the creation of a general framework for the functioning of particular areas in society. These concepts are then implemented through legislative mechanisms and coordination and control activities. The most important body in this process is the government of the Czech Republic.

However, the efficiency and quality of the central state administration system depends not only on the decision-making and the activities of the government of the Czech Republic, but also on the activities of the individual ministries and their interdependence.

The central state administration bodies of the Czech Republic are divided into central state administration bodies, headed by a member of the government of the Czech Republic, i.e. 14 ministries, and the so-called other central government authorities.

### Ministry

The Ministries perform state administration tasks within their sphere of competence, analyse the results achieved and take measures to address current issues. They elaborate the concepts of the development of the assigned sectors and the solution of the key issues that they submit to the Government of the Czech Republic. They inform the public of proposals for serious measures in an adequate manner.

In the field of public administration, the key central state administration body is the Ministry of the Interior, which is the central state administration body, for example, in the areas of registry offices, citizenship, identity cards, travel documents, residence reports, territorial division of the state, elections, state borders, the training of civil servants and for the area of civil service. It has a coordinating role in organizing and performing public administration.

Within the Ministry of the Interior, for example, the coordination of the performance of public administration is dealt with by the public administration section, civil service coordination by the civil service section and the coordination of eGovernment development by the section of information and communication technologies.

From the point of view of the financing of territorial self-governments, the key central state administration body is the Ministry of Finance, which prepares the state budget of the Czech Republic.

**The Czech Republic has 14 ministries, all of which are based in the capital city of Prague.**



Name of the central authority	Head Office (main building)	Contacts (in Czech/English)
Ministry of Finance	Letenská 15 118 10 Prague	<a href="http://www.mfcr.cz">www.mfcr.cz</a> <a href="http://www.mfcr.cz/en/">www.mfcr.cz/en/</a>
Ministry of Foreign Affairs	Loretánské náměstí 5 118 00 Prague	<a href="http://www.mzv.cz">www.mzv.cz</a> <a href="http://www.mzv.cz/jnp/en/">www.mzv.cz/jnp/en/</a>
Ministry of Education, Youth and Sports	Karmelitska 529/5 118 12 Prague	<a href="http://www.msmt.cz">www.msmt.cz</a> <a href="http://www.msmt.cz/index.php?lang=2">www.msmt.cz/index.php?lang=2</a>
Ministry of Culture	Maltézské náměstí 1 118 11 Prague	<a href="http://www.mkcr.cz">www.mkcr.cz</a> <a href="http://www.mkcr.cz/?lang=en">www.mkcr.cz/?lang=en</a>
Ministry of Labour and Social Affairs	Na Poříčním právu 1/376 128 01 Prague	<a href="http://www.mpsv.cz">www.mpsv.cz</a> <a href="http://www.mpsv.cz/en/">www.mpsv.cz/en/</a>
Ministry of Health	Palackého náměstí 4 128 01 Prague	<a href="http://www.mzcr.cz">www.mzcr.cz</a> <a href="http://www.mzcr.cz/Cizinci/">www.mzcr.cz/Cizinci/</a>
Ministry of Justice	Vyšehradská 16 128 10 Prague	<a href="http://www.portal.justice.cz">www.portal.justice.cz</a>
Ministry of the Interior	Nad Štolou 3 170 34 Prague	<a href="http://www.mvcr.cz">www.mvcr.cz</a> <a href="http://www.mvcr.cz/mvcren/">www.mvcr.cz/mvcren/</a>
Ministry of Industry and Trade	Na Františku 32 110 15 Prague	<a href="http://www.mpo.cz">www.mpo.cz</a> <a href="http://www.mpo.cz/en/">www.mpo.cz/en/</a>
Ministry for Regional Development	Staroměstské náměstí 6 110 15 Prague	<a href="http://www.mmr.cz">www.mmr.cz</a> <a href="http://www.mmr.cz/en/">www.mmr.cz/en/</a>
Ministry of Agriculture	Těšnov 65/17 110 00 Prague	<a href="http://www.eagri.cz">www.eagri.cz</a> <a href="http://www.eagri.cz/en">www.eagri.cz/en</a>
Ministry of Defence	Tychonova 221/1 160 00 Prague	<a href="http://www.army.cz">www.army.cz</a> <a href="http://www.army.cz/en/">www.army.cz/en/</a>
Ministry of Transportation	Nábřeží Ludvíka Svobody 1222/12 110 15 Prague	<a href="http://www.mdcr.cz">www.mdcr.cz</a> <a href="http://www.mdcr.cz/?lang=en-GB">www.mdcr.cz/?lang=en-GB</a>
Ministry of the Environment	Vršovická 1442/65 100 10 Prague	<a href="http://www.mzp.cz">www.mzp.cz</a> <a href="http://www.mzp.cz/en">www.mzp.cz/en</a>

**Ministry of Industry and Trade, Prague**



Specialized bodies of state administration

Within their sphere of competence, the other central state administration bodies also fulfil the tasks stipulated in the laws and other generally binding legal regulations and tasks arising from the membership of the Czech Republic in the European Union and in other integration groups and international organisations if

they are binding for the Czech Republic.

Specialized state administration bodies can also be subdivided into bodies subordinated to the government (most of the authorities) and so-called independent administrative authorities (such as the Office for the Protection of Personal Data, the Council for Radio and Television Broadcasting) that are not steered by the government.

Name of the central authority	Head Office (main building)	Contacts (CZ/EN)
Czech Statistical Office	Na padesátém 3268/81 100 82 Prague	<a href="http://www.czso.cz">www.czso.cz</a> <a href="http://www.czso.cz/csu/czso/home">www.czso.cz/csu/czso/home</a>
Czech Office for Surveying, Mapping and Cadastre	Pod sídlištěm 1800/9 182 11 Prague	<a href="http://www.cuzk.cz">www.cuzk.cz</a> <a href="http://www.cuzk.cz/en">www.cuzk.cz/en</a>
Czech Mining Authority	Kozí 748/4 110 00 Prague	<a href="http://www.cbusts.cz">www.cbusts.cz</a>
Office of Industrial Property	Antonín Čermák 2a 160 68 Prague	<a href="http://www.upv.cz">www.upv.cz</a> <a href="http://www.upv.cz/en.html">www.upv.cz/en.html</a>
Office for the Protection of Competition	třída Kpt. Jaroše 7 604 55 Brno	<a href="http://www.uohs.cz">www.uohs.cz</a> <a href="http://www.uohs.cz/en/">www.uohs.cz/en/</a>
State Material Reserves Administration	Šeříková 616/1 150 85 Prague	<a href="http://www.sshr.cz">www.sshr.cz</a> <a href="http://www.sshr.cz/en/">www.sshr.cz/en/</a>
State Office for Nuclear Safety	Senovážné náměstí 9 110 00 Prague	<a href="http://www.sujb.cz">www.sujb.cz</a> <a href="http://www.sujb.cz/en/">www.sujb.cz/en/</a>
National Security Authority	Na Popelce 2/16 150 06 Prague	<a href="http://www.nbu.cz">www.nbu.cz</a>
Energy Regulatory Office	Masarykovo náměstí 5 586 01 Jihlava	<a href="http://www.eru.cz">www.eru.cz</a> <a href="http://www.eru.cz/en/">www.eru.cz/en/</a>
Office of the Government of the Czech Republic	Nábřeží Edvarda Beneše 4 118 01 Prague	<a href="http://www.vlada.cz">www.vlada.cz</a> <a href="http://www.vlada.cz/en/">www.vlada.cz/en/</a>
Czech Telecommunication Office	Sokolská 219 190 00 Prague	<a href="http://www.ctu.cz">www.ctu.cz</a> <a href="http://www.ctu.eu/">www.ctu.eu/</a>
Office for Personal Data Protection	Pplk. Sochora 27 170 00 Prague	<a href="http://www.uouu.cz">www.uouu.cz</a> <a href="http://www.uouu.cz/en/">www.uouu.cz/en/</a>
Council for Radio and Television Broadcasting	Škrétova 44/6 120 00 Prague	<a href="http://www.rrtv.cz">www.rrtv.cz</a> <a href="http://www.rrtv.cz/en/">www.rrtv.cz/en/</a>
Office for the Supervision of Political Parties and Political Movements	Kounicova 26 602 00 Brno	<a href="http://www.udhpsch.cz">www.udhpsch.cz</a>
Office for Access to Transport Infrastructure	Nábřeží Ludvíka Svobody 1222/12 110 15 Prague	<a href="http://www.uicr.cz/">www.uicr.cz/</a>
National Office for Cybernetics and Information Security	Mučednická 1125/31 616 00 Brno	<a href="http://www.govcert.cz">www.govcert.cz</a> <a href="http://www.nukib.cz">www.nukib.cz</a>

# Bodies of state administration with territorial jurisdiction

At present, in the Czech Republic, due to the joined model of public administration, there are no administrative authorities with general competence, but only specialized administrative authorities subordinated to the relevant central administrative offices and deconcentrated central authority field offices.

While administrative authorities must be established by law, deconcentrated field offices may be set up at the discretion of the relevant central authority.

## The administrative authorities can be divided into several groups:

1. Administrative authorities with national competence, which do not have a general administrative division in the regions:

Central Control and Test Institute of Agriculture, Prison Services, Czech

Statistical Office, Agency for Nature Conservation and Landscape Protection

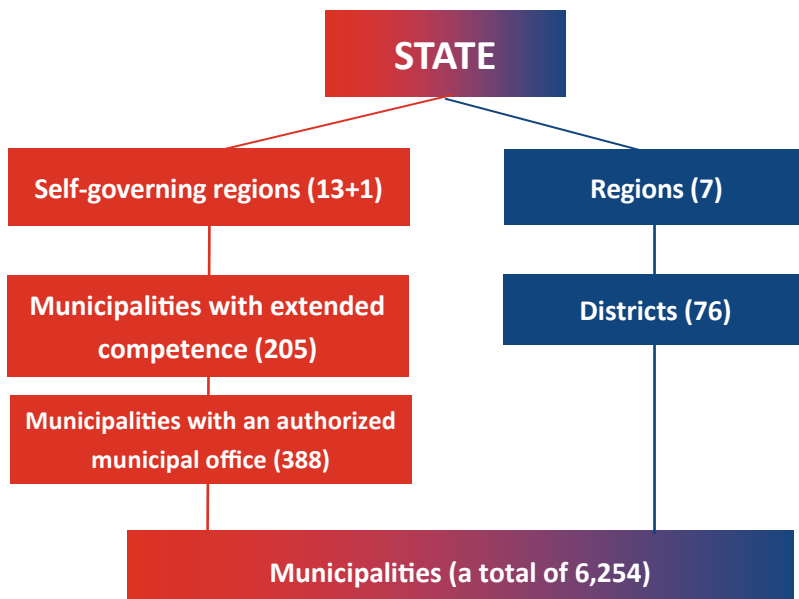
2. Administrative authorities that have a regional breakdown and territorial jurisdiction linked to the territory of the district:

Czech Social Security Administration, Police of the Czech Republic, Fire Rescue Service, Regional Hygiene Station, State Land Office

3. Administrative authorities with regional competence and their own special division within the territory of the region:

Financial Administration, Labour Office, Cadastral Authorities

## Structure of the territorial division of the State





# Territorial division of the state - history

## Development after 1989

### The 1st reform phase

In 1990, the system of the national committees of that time was coupled with the principle of centralism under the communist regime, replaced by a new organization of the territorial state administration.

In place of the cancelled local and city national committees, municipal self-government was created or restored. District national committees were replaced by district authorities that had the character of state administration bodies.

Local government was present only at the municipal level. At the level of state administration, the regional level was largely absent.

Higher territorial self-governing units (13 regions + Prague) were introduced by the Constitutional Act of 1997. Self-governing regions were based on the tradition of the regions before 1960, when the territorial division of the state was reformed, and 7 regions and 77 districts were established. The above mentioned Act on the Territorial Structure of the State is still partly valid today, so the term "region" is used for two different entities.

### The 2nd reform phase

The essence of the second phase of reform consisted in the termination of the activities of district authorities and the transfer of their competences to other public administration bodies, in particular municipalities with extended competence. This step was achieved by the 2002 Act.

Based on the law, two basic categories of municipalities - municipalities with a basic scope of delegated competence and municipalities with an extended scope of delegated competence were created. The second category is divided into municipalities with an authorized municipal office and municipalities with extended powers. Three types of municipalities that differ in the extent of the scope of the delegated competence were thus created.

Despite the termination of district offices, the districts were not abolished, which remained as administrative-geographic units.

Most of the deconcentrated offices of the central administrative authorities adapted to the new territorial administration at the level of the self-governing region in their internal organizational structure.





## Territorial self-government units

### Basic territorial self-governing units (municipalities)

Municipal government was restored in the Czech Republic in 1990.

The territory of the municipality consists of one or more cadastral territories. Each part of the territory of the Czech Republic belongs to a certain municipality or falls under one of the four military districts that are separate territorial administrative units.

The municipalities differ from one another by the extent of the exercise of state administration in delegated competence. Depending on the extent of the performance of the state administration in delegated competence, we distinguish municipalities with a basic scope of delegated competence (all municipalities fall into this category) and municipalities with a wider range of delegated competence. These are municipalities which carry out state administration in delegated competence and on the territory

of other municipalities, i.e. for municipalities falling within their administrative district.

### Higher territorial self-governing units (regions and the capital)

Higher territorial self-governing units were established in 2000. In the territory of the Czech Republic, 14 higher territorial self-governing units were defined. They are defined by district territories.

In addition to the 13 regions, the capital city of Prague, which has a special status and its own law, is also a higher self-governing unit.

Self-governing regions are included in the NUTS 3 level .

As of 1 January 2017, there were 6,254 municipalities and four military districts in the Czech Republic.

Until 2016, citizens of the Czech Republic lived permanently in the territory of military districts without the possibility of self-government. The inhabited areas were set aside as of 2016, creating 6 new municipalities.

## Municipalities and cities

The municipality is the basis of territorial self-government. It has its own assets, manages its affairs independently, performs legal relations on its own behalf and bears responsibility for these relationships.

A municipality may also carry the designation of a city and a township if it meets the specified criteria. The Municipalities Act regulates a special category of cities designated as statutory cities, which have the right to further break down internally into city districts or boroughs. They are particularly important cities. There are 26 of them in total, and all cities have more than 40,000 inhabitants.

The deliberative body of the municipality is the municipal council. The council elects the mayor and deputy mayor(s) from among their members. According to the number of inhabitants in the municipality, the council has between 5 and 55 members. In the Czech municipalities, there are currently 62,000 representatives. The mayor is an autonomous body of the municipality and represents the community externally. The mayor is responsible to the council for his/her performance.



The executive body of the municipality is the municipal board consisting of a mayor and members elected from among the council members. The number of members of the municipal board is odd and is at least 5 and not more than 11 members, and may not exceed one third of the number of members of the municipal council.

The mayor is at the head of the municipal office. The municipal office also consists of a deputy mayor (or deputy mayors), secretary (if this function is set up, otherwise it is performed by the mayor) and employees of the municipal office.

The municipal office fulfils the tasks assigned to it by the municipal council or by the municipal board and exercises delegated competence.

The mayor may designate specific municipal authorities for the exercise of delegated competence. The municipal police are also a municipal authority on the basis of the law, if established.



## The competence of the municipality

The municipality manages its affairs independently, in independent competence. In cases stipulated by law, the municipal authorities also carry out the state administration in delegated competence.

Unless the law specifies whether it is independent or delegated competence, it is a matter of independent competence.

For the exercise of delegated competence, the following categories of municipalities are distinguished in practice according to the degree of transfer of state administration:

- municipality;
- municipality with a registry office;
- municipality with a building authority;
- municipality with an authorized municipal office;
- municipality with extended powers.

The authorities of all municipalities exercise delegated competence in their basic scope for their administrative district, which is identical to the territorial area of the municipality.

The authorities of the municipality with an authorized municipal office and municipalities with extended powers also carry out delegated competence in an extended scope, including for other municipalities in their administrative district.

The municipality can, by its own decision, provide Czech POINT terminal services. Some municipalities are designated a registry office or building office by law. Municipalities with an authorized municipal office and municipalities with extended powers are stipulated by law.

## Transferred powers of municipalities

### **Municipalities with extended powers:**

- issuing of ID cards, travel documents, driving licenses, trade licenses;
- management of the register of motor vehicles and the population register;
- the coordination of the provision of social services;

### **Municipality with a building authority:**

- Issuing building permits and providing other building related activities.

### **Municipalities with a registry office**

- issuance of registry documents (birth, marriage, death certificates);

### **Municipalities:**

- dealing with offenses;
- ensuring elections;
- population records;
- road authority.

### **Independent competence of the municipality**

- the management of the municipality;
- ensuring the running of the municipal office;
- issuance of generally binding decrees;
- territorial and regulatory plan of the municipality;
- setting local fees;
- the establishment and management of a nursery school, elementary school and basic art schools;
- Inter-municipal cooperation.

### **The number of representatives according to the size of the municipality:**

up to 500 inhabitants — 5 to 15 members  
501 to 3,000 inhabitants — 7 to 15 members  
3,001 to 10,000 inhabitants — 11 to 25 members  
10,001 to 50,000 inhabitants - 15 to 35 members  
50,001 to 150,000 inhabitants — 25 to 45 members  
over 150,000 inhabitants — 35 to 55 members



## The difference between a municipality and a city

A municipality is a basic self-governing entity. If it reaches the threshold of at least 3,000 inhabitants, it can apply for the status of a city, which is approved and determined by the chairman of the Chamber of Deputies of the Parliament of the Czech Republic following the government's statement. In order to unify the procedure for deciding on granting city status to municipalities, the government issued a resolution in 2001 setting out the criteria for assessing municipal applications for the city status .

### The criteria are:

- The total number of inhabitants permanently residing in the built-up area of the municipality is at least 3,000;
- the municipality has a concentrated urban area in the centre of the municipality with a paved surface and sidewalks, there is a multi-storey above-ground building;
- all streets and public areas in the municipality are named;
- the total area of the municipality is characterized by residential houses with two or more dwellings and buildings providing generally needed services;
- a greater part of the municipality is equipped with public water sewerage systems, local roads and sidewalks with a dust-free surface and public lighting;
- the public service network exceeds the needs of the local population and serves as a catchment area;
- the municipality maintains public greenery and objects including cultural monuments;

- the municipality organizes the collection of solid household waste;
- the municipality is equipped with an elementary school, medical facilities and at least three permanent medical and pharmacy rooms, a social hall, a post office and monetary services, a sports ground, a gymnasium, accommodation facilities with at least 20 beds and a town chronicle;
- the municipality is at an adequate distance from another city in the area.

There are approximately 600 cities in the Czech Republic, of which about one third have fewer than 3,000 inhabitants. The reason for this is the historical claim to the status of a city and also the easier conditions for obtaining the status of the city, which were valid before 2000, when the new Act on Municipalities was adopted.

At the same time, some municipalities use the historical designation of a township. A municipality becomes a township upon a request approved by the Chairman of the Chamber of Deputies of the Parliament of the Czech Republic after the government's statement. Townships should also have the character of a catchment center for surrounding municipalities and provide services to citizens. The status of township is now a question of prestige for municipalities.

### In the Czech Republic there are:

#### **6,254 municipalities**

**205** municipalities with extended powers

**388** municipalities with an authorized municipal office (AMO)

**704** municipalities with a building office

**1,275** municipalities with a registry office

**4,047** municipalities with workplaces for authentication and legalization

**5,742** municipalities with a Czech POINT workplace

**4 military districts** (A military district authority has the competence of an AMO.)

## The size structure of municipalities

The settlement structure also contributes to the complexity of public administration.

The Czech Republic is characterized by a very fragmented settlement structure and a large number of municipalities. Municipalities with a population of less than 500 are the largest in the Czech Republic, namely 3,440 (55%). While only 7.9% of the population lives in them. On the contrary, there are 62 municipalities with over 20,000 inhabitants (1%) in the Czech Republic and 42.7% of the population live in them.

With the total number of 6,254 municipalities, where each municipality secures the performance of public administration in both independent and delegated competence, in some cases state administration is not simple.

In these small municipalities, where an unreleased mayor (also a civilian employee) often works, and where there are not enough qualified staff in municipal authorities, the performance of selected state administration tasks in delegated competence is complicated. The solution is often public-law agreements between municipalities, where the agenda in question is provided for several small municipalities, for example by a municipality with an authorized municipal office, which has a sufficient number of qualified employees.

The character of the settlement structure is specific even in the Czech Republic's comparison with other OECD countries. The Czech Republic is the country with the lowest average number of inhabitants among OECD countries and also the country with the lowest average area of

the municipality.

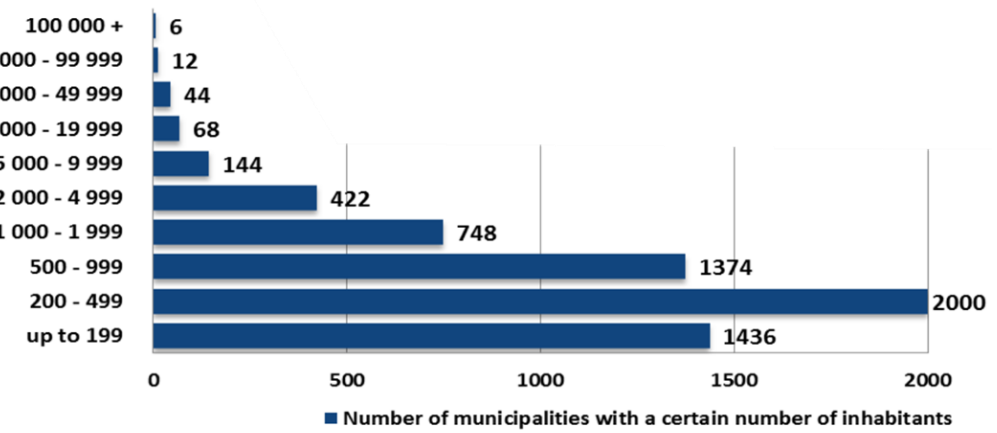
Compared to other OECD countries, there are fewer people living in urban areas in the Czech Republic. 53% of the population live outside urban areas. The average in the OECD countries is only 33%.

Regarding the average number of inhabitants living in the region, the Czech Republic also ranks among the countries with the lowest number of inhabitants living there.

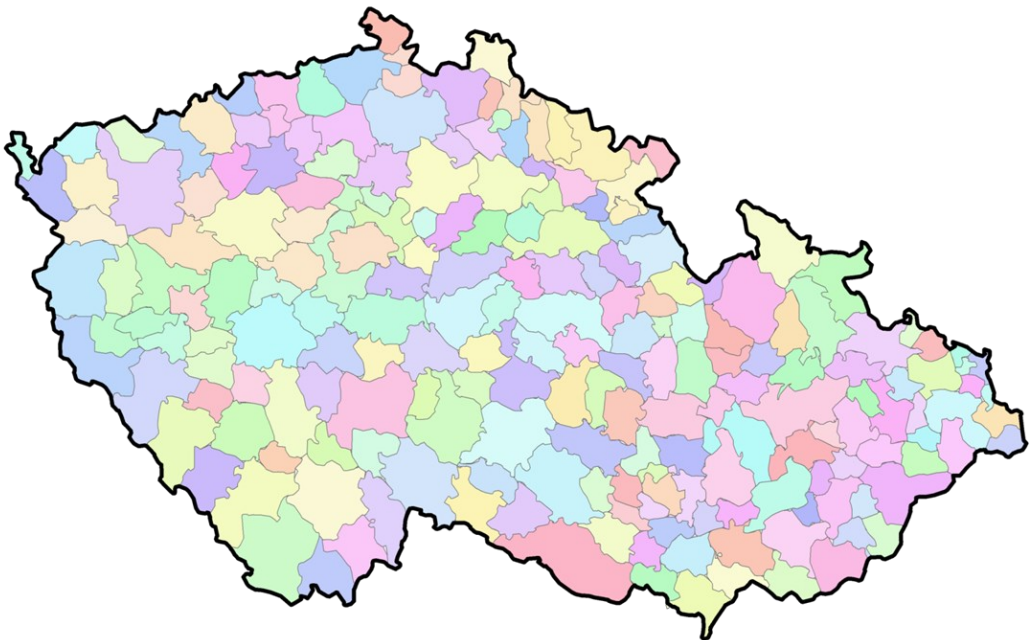
Similar degree of the fragmentation of municipalities comparable with the Czech case (6.254 municipalities for 10.2 million inhabitants) can be found only in few European countries (e. g. France, Slovakia). There are 1,640 inhabitants per municipality in the Czech Republic. This is only a mathematical average, the median is around 426, which means that half of the municipalities in the Czech Republic have fewer than 426 inhabitants.

Historically, there has been a fragmentation of the settlement structure since 1989, following the collapse of the communist regime, which has centralized the settlement structure for a long time. In 1990 there were only 4,100 municipalities in the Czech Republic, but two years later in 1992 the number of municipalities climbed to 6,097 and in 1994 to 6,230. Growth was stopped definitively in 2000, when there were 6,251 municipalities. Since then, the changes in the number of municipalities have only been marginal. The end of the growth of the number of municipalities was helped by the introduction of a condition of 1,000 inhabitants for the creation of a new municipality.

## Size structure of municipalities in the Czech Republic, 2017



**Map of the Czech Republic with marked boundaries of administrative districts of municipalities with extended powers**



## Self-governing regions

Regions are higher territorial self-governing units. The Czech Republic consists of 13 regions and the capital city of Prague, which has a special position. The seat of the region is the regional city, which is usually the economic, cultural and largest center of the region.

The region manages its property and its own revenues as defined by law. In legal relationships, it acts in its own name and bears responsibility for the resulting relationships. The region cares for the all-round development of its territory and the needs of its citizens.

### The authorities of the region

The authority, which manages the region independently, is the council. The council elects the regional council president and deputy regional council president(s) from among their members. The regional council president, who represents the region externally, is also one of the regional authorities. The regional council president may establish special bodies for the exercise of delegated competence.

The executive body of the region is the board, consisting of the regional council president, the deputy regional council

president(s) and other persons elected from among the members of the regional council.

According to the size of the region (population), the regional council has 45, 55 or 65 members. The board has 9 or 11 members according to the same principle.

Another regional authority is the regional office, which carries out the tasks assigned in independent competence by the council or board, and assists the activities of committees and commissions and also performs tasks in delegated competence. The head of the regional office is the director responsible to the regional council president.

### The scope of competence of the region

The region manages its affairs separately. If a region is entrusted with the performance of state administration, it is performed by the regional authorities as its delegated competence.

The independent competence of the region is defined by the Act on Regions, which in this area ranks matters that are in the interest of the region and the citizens of the region, unless it is the delegated competence of the region.

### Independent competence of the region

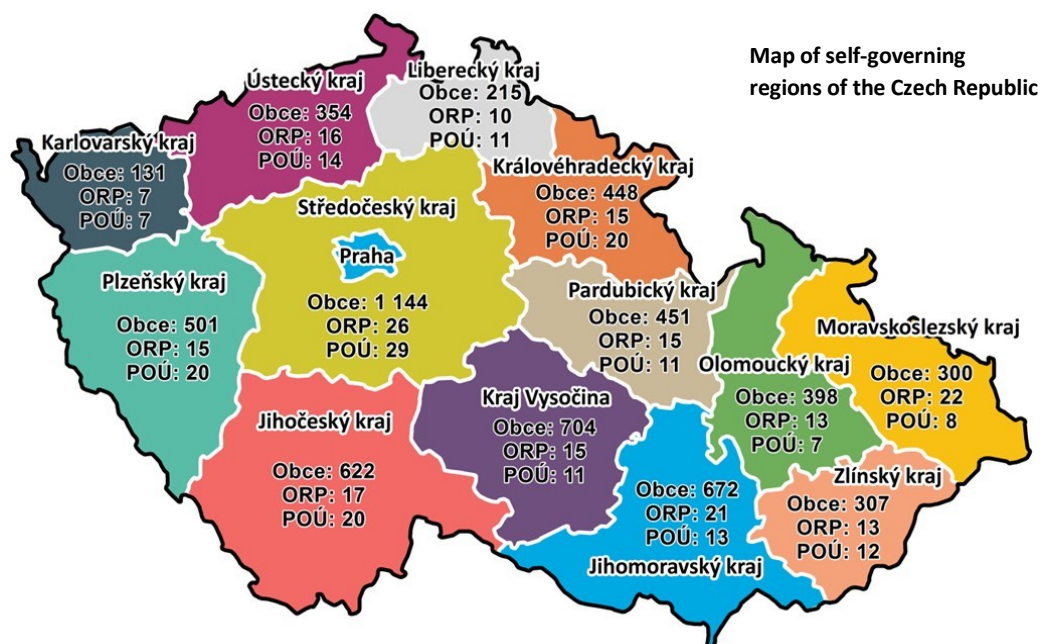
- the management of the region;
- the establishment and control of legal entities (hospitals, secondary and higher vocational schools, regional museums, seniors' homes, asylum homes, children's homes);
- ensuring the running of the regional authority;
- legislative initiative;
- territorial planning documentation for the territory of the region;
- transport services within the region;
- the concept of tourism development;
- the concept of developing monument care;
- regional education.

### Transferred competence of the region

- reviewing the management of municipalities;
- control and supervision of the legality in the performance of state administration by municipalities;
- environmental protection;
- cooperation on the organization of elections;
- appellate proceedings in the first instance;
- management and processing of waste records;
- methodological assistance to municipalities.

## Regions and the capital city of Prague (NUTS 3)

Name	Population (CZSO, as of 1 January 2017)	Area	Population density:
Capital city of Prague	1,280,508	496 km <sup>2</sup>	2,539 inhabitants/km <sup>2</sup>
South Bohemian Region	638,782	10,056 km <sup>2</sup>	63 inhabitants/km <sup>2</sup>
South Moravian Region	1,178,812	7,195 km <sup>2</sup>	163 inhabitants/km <sup>2</sup>
Karlovy Vary Region	296,749	3,314 km <sup>2</sup>	90 inhabitants/km <sup>2</sup>
Vysočina Region	508,952	6,796 km <sup>2</sup>	75 inhabitants/km <sup>2</sup>
Hradec Králové Region	550,804	4,759 km <sup>2</sup>	116 inhabitants/km <sup>2</sup>
Liberec Region	440,636	3,163 km <sup>2</sup>	139 inhabitants/km <sup>2</sup>
Moravian-Silesian Region	1,209,879	5,247 km <sup>2</sup>	224 inhabitants/km <sup>2</sup>
Olomouc Region	633,925	5,267 km <sup>2</sup>	121 inhabitants/km <sup>2</sup>
Pardubice Region	517,087	4,519 km <sup>2</sup>	114 inhabitants/km <sup>2</sup>
Pilsen Region	578,629	7,649 km <sup>2</sup>	75 inhabitants/km <sup>2</sup>
Central Bohemian Region	1,338,982	10,927 km <sup>2</sup>	120 inhabitants/km <sup>2</sup>
Ústí nad Labem Region	821,377	5,335 km <sup>2</sup>	154 inhabitants/km <sup>2</sup>
Zlín Region	583,698	3,963 km <sup>2</sup>	148 inhabitants/km <sup>2</sup>







## Capital City of Prague

The capital city of Prague is a higher territorial self-governing unit, which has a special status and is governed by its own law.

Since 2002, it has been divided into 57 city boroughs and 22 administrative districts with a similar scope as a municipality with extended powers.

The Act on the Territorial Structure of the State of 1960, which divides Prague into 10 districts (Prague 1 to 10), is also in force.

### **The authorities of the capital city**

The Municipal Council of the City of Prague consists of members of the council. The number of members is 65.

The Board of the Capital City of Prague is the executive body of the capital city of Prague in the area of independent competence, responsible for its activities to the Municipal Council of the City of Prague. The Board of the Capital City of Prague prepares proposals for meetings of the Municipal Council and ensures the implementation of resolutions adopted.

Another authority is the mayor of Prague, who represents the capital externally and is responsible to the Municipal Council for the performance of his/her function.

In cases provided for by law, the mayor may appoint special bodies designated for the exercise of delegated competence.

The City Hall (office) of the Capital City of Prague fulfills the tasks imposed by the Municipal Council or the Board. The City Hall decides in independent competence and also carries out the delegated competence of Prague if it is not entrusted by law to other authorities in Prague.

An independent body is also the City Police of Prague.

### **Authorities of city districts**

A city district is administered by the district council; other authorities of city districts are the district board, the mayor of the city district, the city district office, and the special bodies of the city district.

### **The scope of competence of the capital city**

The authorities of the Capital City of Prague exercise delegated competence, which is a special law entrusted to regional authorities, municipal authorities, authorities of municipalities with an authorized municipal office and authorities of municipalities with extended powers.

# Cohesion Regions

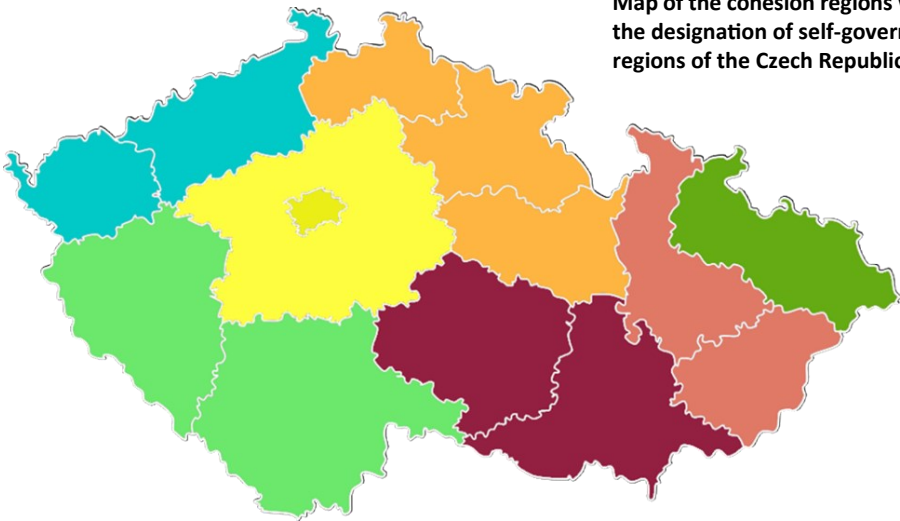
Due to the membership of the Czech Republic in the European Union, it is worth mentioning the NUTS classification, which is used for statistical monitoring and analysis.

The average size of the regions (higher territorial self-governing units) is smaller compared to the 28 NUTS 2 average in the European Union by 2.5 times in terms of the number of inhabitants and 4 times in terms of the area.

Self-governing regions are therefore included in the NUTS 3 level. For the needs of the European Union, it was necessary to create so- called “associated regions” on the NUTS 2 level. The creation of this level in the conditions of the Czech Republic is currently of a purely statistical nature.

The size, measured by the number of their inhabitants, so as to ensure the comparability of data in NUTS 2 areas in the Czech Republic with areas of the same NUTS level in the European Union, was decisive for the association of regions (NUTS 2). In the Czech Republic, it should be a territorial unit whose population is more than 1 million.

Cohesion regions (NUTS 2)		
Name	Population (CSO, as of 1 January 2017)	Area
Capital city of Prague	1,280,508	496 km <sup>2</sup>
Central Bohemia	1,338,982	11,014 km <sup>2</sup>
Southwest	1,217,411	17,617 km <sup>2</sup>
Northwest	1,118,126	8,649 km <sup>2</sup>
Northeast	1,508,527	12,440 km <sup>2</sup>
Southeast	1,687,764	13,990 km <sup>2</sup>
Central Moravia	1,217,623	9,231 km <sup>2</sup>
Moravia-Silesia	1,209,879	5,445 km <sup>2</sup>



Map of the cohesion regions with the designation of self-governing regions of the Czech Republic



## Districts

**Number of districts (LAU 1): 76**

**Average population of the district: 139,195**

**The most inhabited districts:**

1. Brno-město (377,973 inhabitants)
2. Ostrava-město (323,464 inhabitants)
3. Karviná (253,518 inhabitants)

**The least populous districts:**

1. Jeseník (38,957 inhabitants)
2. Rokycany (48,184 inhabitants)
3. Prachatice (50,695 inhabitants)

**Self-governing region with the most districts:**

Central Bohemian Region (12 districts)

**Self-governing region with the least districts:**

Karlovy Vary Region (3 districts)

The Territorial Structure of the State Act of 1960 introduced the administrative division of the Czechoslovak State into newly conceived regions and districts as the basic administrative and economic units for the performance of state administration of the socialist state with a centrally managed economy.

The post-revolutionary reform of territorial public administration consisted in the termination of the activities of the district offices and the transition of their powers to other public administration bodies, especially into the new category of municipalities - municipalities with extended powers.

The execution of the vast majority of state administration agendas hitherto carried out by district offices was transferred to these municipalities. This, together with the new definition of administrative districts of municipalities with extended powers, defines the territorial jurisdiction of the administrative offices of this municipality.

The new concept understands the territory of a district (LAU 1) as only an accounting-statistical unit in the structure of a state with a gradually decreasing administrative function.



**Map of districts and regions based on the breakdown from the year 1960**

## Public law contracts

A public law contract is a bilateral or multilateral act that establishes, changes or abolishes rights and obligations in the field of public law. This contract must not be concluded in violation of legal regulations and must be in accordance with the public interest.

Public-law contracts are concluded between bodies with statutory powers in the field of public administration. In practice, mainly smaller municipalities transfer part of the exercise of their delegated competence to larger, better equipped (in terms of qualified personnel) municipalities.

Coordination contracts are concluded between each other by public administration bodies with delegated competence provided by law in order to carry out their tasks. These contracts may be concluded by the entities only in accordance with the law and with the consent of the superior administrative authority (in most municipalities with the approval of the regional authority and in the case when the contract is concluded between two municipalities with extended powers located in the administrative district of one regional authority, the Ministry of the Interior gives consent to the conclusion of the contract).

The institute of public contracts was introduced into the practice of Czech public administration as a tool for small municipalities to reduce the impact of public administration reform. In particular, they should give appropriate time to small municipalities for organizing and staffing new agendas arising from abolished district

offices and transferring part of the state administration to municipalities. Under these conditions, it should have been an exceptionally used and, most importantly, a temporary instrument.

However, at the beginning of 2017, 7,102 coordinating public contracts with 2,573 amendments were concluded. The possible reasons for the overuse of public contracts may include a large number of small municipalities and thus the fragmentation of the settlement structure that limits the performance of the public administration. To recap: in the Czech Republic 77% of the 6,254 municipalities have less than 1,000 inhabitants. Especially for the smallest municipalities, this means a de facto inability to ensure the sufficient and qualified staffing for municipal authorities.

For example, 85% of municipalities with basic jurisdiction have transferred the agenda for offenses in this way. The offense agenda is the most common reason for concluding public contracts. Out of a total of 7,102 contracts, 4,982 were designated for this agenda, i.e. 70%

For the assignment of their duties, the smaller municipalities shall provide the counterparty with reimbursement of the costs of performing the subject of the contract. As regards the method of payment for executing a delegated agenda, there is a so-called "payment by case" that is negotiated in 5,491 contracts, i.e. 77%. Less often, a "lump payment" is negotiated, which was agreed in 1,125 contracts. In 257 contracts, it is stated that the transferred agenda is carried out free of charge. The remaining contracts indicate a combined payment method.



## Inter-municipal cooperation

As mentioned above, the Czech Republic is characterized by a very fragmented settlement structure, in an international comparison comparable only to countries such as Slovakia or France, not only with a large number of small municipalities, but also with a large number of small settlements situated at a small distance from each other.

Within the EU, it belongs to the group of states with the lowest average size of the municipality, expressed in the number of inhabitants (1.6 thousand inhabitants). A total of 55% of all municipalities are municipalities with up to 500 inhabitants, 77% of municipalities have up to 1,000 inhabitants. Only about 8% of the total population of the Czech Republic lives in municipalities with up to 500 inhabitants. These municipalities, however, occupy more than 1/3 of the area of the Czech Republic.

In the Czech Republic, therefore, the Voluntary Association of Municipalities is supported as an expression of voluntary cooperation of municipalities in the area of the autonomy of municipalities.

The first "associations of municipalities" began forming early in the 1990s under various names, most often as a "micro-region", first as an interest group. The greatest boom in this form of inter-municipality cooperation occurred in the late 1990s and was conditional to a subsidy

program.

Municipalities may, in their mutual cooperation, conclude the necessary contracts or jointly establish legal entities under other legal regulations.

Local action groups (LAGs) are examples of cooperation between municipalities (with associations or business corporations) for the purpose of drawing on the European Agricultural Fund for Rural Development (EAFRD) and now also some other EU-funded Operational Programs. This is the application of the LEADER methods (rural development policy of the EU Common Agricultural Policy).

Currently, the LAG's activities consist in activating local actors with the aim of developing and improving the quality of life of citizens in the countryside. They usually focus on the sphere of tourism development, cultural heritage and the environment, stimulating small and medium-sized businesses - crafts, replenishing civic amenities, small infrastructure etc.

In addition to representatives of the public administration (especially municipalities), other actors - representatives of civil society, environmental and socially oriented non-governmental non-profit organizations, representatives of the local business sphere, interest unions etc. participate in the activities.

## Cross-border cooperation

Euroregions (or associations of municipalities) are an important part of cross-border cooperation in the Czech Republic.

Under cross-border cooperation programs, funds for projects with smaller financial volumes are managed by part of the relevant program area.

These funds mainly support projects that deepen direct communication and cooperation among residents of border regions.

Each program territory is divided into several parts for the needs of the funds and each of them is managed by the designated Euroregion (or regional association of municipalities) allocated the fund.

### Member municipalities of individual Euroregions

#### Country - Euroregions

##### **Czech Rep. / Saxony**

Euroregion Nisa  
Euroregion Labe  
Euroregion Ore Mount.  
Euroregion Egrensis

##### **Czech Rep. / Bavaria**

Euroregion Egrensis  
Euroregion Šumava

##### **Czech Rep. / Austria**

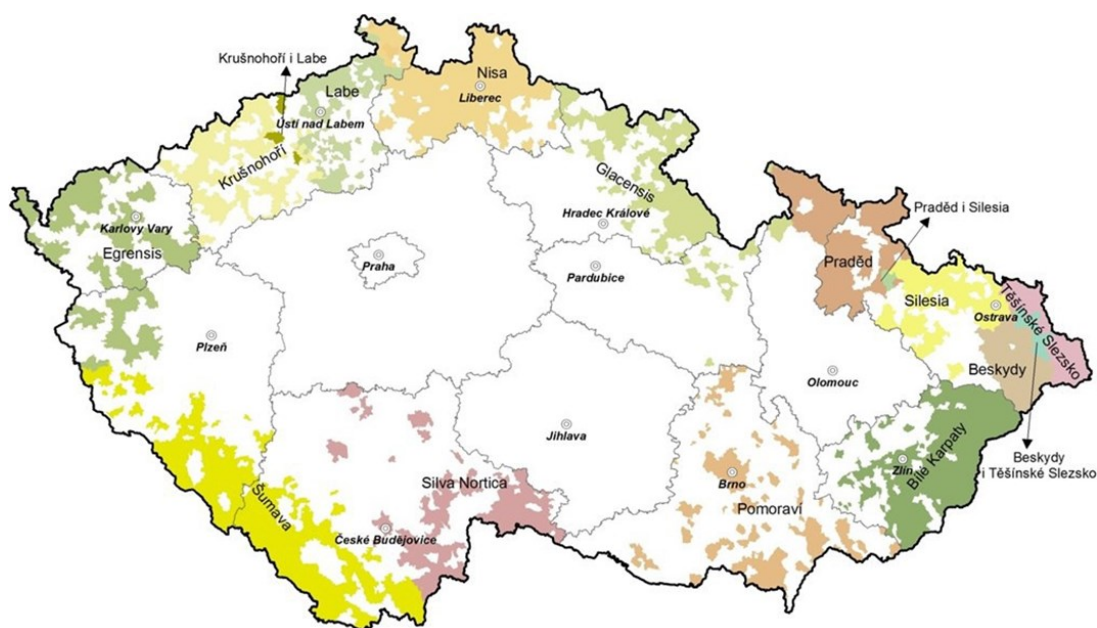
Euroregion Silva Nortica  
Assoc. of Vysočina Munic.  
Association of Municipalities and Towns of South Moravia (Euroregion Pomoraví)

##### **Czech Rep. / Slovakia**

Euroregion White Carpathians

##### **Czech Rep. / Poland**

Euroregion Beskydy – Beskydy  
Regional Association for Czech-Polish Cooperation in Těšín-Silesia  
Euroregion Silesia  
Euroregion Praděd  
Euroregion Glacensis  
Euroregion Nisa



# Supervision and control of municipalities and regions

In the framework of supervision and control, the State and the competent state administration bodies shall determine whether the territorial self-governing units, in the exercise of their competence, respect the applicable legislation. Supervisory and control permissions then differ according to whether the territorial self-governing unit is involved in the performance of independent or delegated competence (state administration).

## Independent competence

### Supervision

The supervisory authority in independent competence for all territorial self-governing units is the Ministry of the Interior, unless a special legal regulation confers the supervision to another state administration body. The subject of supervision are generally binding decrees such as legislation issued by self-governing territorial units in independent competence (e.g. in the field of local fees, public order, management of municipal waste or gambling), resolutions, decisions and other measures issued in independent competence, while the supervisory authority assesses their compliance with the law.

The supervisory authority is entitled to suspend the effectiveness of an unlawful, generally binding decree or the enforcement of resolutions, decisions and other measures, and subsequently submit a proposal for their annulment to the competent court.

An important role in the preventive activities, i.e. in the provision of methodological assistance to municipalities in particular, is played by the Department of

the Supervision and Control of the Ministry of the Interior and their contact points deployed in the regional cities.

### Control

The control authority is the Ministry of the Interior in independent competence for all territorial self-governing units.

When exercising the control, it is determined whether the authorities of the municipalities and the regions respect the laws and other legal regulations in the exercise of independent competence.

The result of the control is the protocol in which the control findings are recorded. For example, the duties of municipalities related to the holding of meetings of municipal councils or the handling of real estate are controlled. If a procedure has been found to be contrary to the law, municipalities and regions are obliged to remedy the situation. It is therefore required to inform the municipal or regional council about the results of the inspection, to propose remedial measures and to inform the control authority about this. However, the method of *de facto* remedy depends on the municipalities and the regions themselves, as the Ministry of the Interior is not entitled to impose corrective measures in carrying out inspections of its independent competence. Control also has a significant preventive methodological function.

## Delegated competence

### Supervision

In the case of delegated competence, the supervisory authority for municipalities is the regional authority and for the regions

and the city of Prague, the relevant ministry. Ordinances such as legislation issued under delegated competence (e.g. market rules), resolutions, decisions and other measures issued under delegated competence are subject to supervision. The Supervisory Authority considers whether the ordinances are contrary to the laws and other legal regulations and other legal acts within their limits also government resolutions, the directive of the Central Administrative Authority or the measure of the competent public administration authority adopted in the control of the exercise of delegated competence.

The supervisory authority is entitled to suspend the force of a regulation contrary to the law. In the case of other legal acts, the supervisory authority has the option to abolish them.

### **Control**

In the case of delegated competence, the control authority for municipalities is the regional authority and for the regions and the city of Prague, the relevant ministry. In the exercise of the control, it is determined whether the municipalities and regions of the particular section of state administration, comply with the laws and other regulations in the exercise of delegated competence and within their limits also the government decrees, directives of the central administrative authorities, as well as the measures adopted by the competent public authorities during the control of the exercise of delegated competence.

The result of a control is the protocol where the control findings and the remedies imposed are recorded which, unlike the independent competence, can be directly imposed by the control body. If deficiencies

are found during the control, the obligation to remedy the deficiencies identified by the control and the fulfilment of the imposed measures is stipulated.

### **Financial control**

The objectives of financial control are to verify compliance with legislation and ensure the protection of public funds in the efficient and cost-effective performance of public administration.

Responsibility for the implementation of financial control is exercised by the heads of public administration authorities within their powers. Financial control consists mainly of public-law control and the internal control system.

Public administration control is intended to control the spending of public expenditure, in advance, during and after. The central administrative authority for financial control is the Ministry of Finance.

Public administration control for state organizational units is carried out by the Ministry of Finance together with the financial authorities.

The internal control system mandatory for their organization is set up by the head of the public administration authority. This system creates the conditions for the efficient, effective and purposeful performance of public administration. The system includes management control and an internal audit function.

The management control is conceived as a three-phase procedure, which consists of a preliminary, continuous and subsequent control of the respective operations.

Internal audit is independent and objective review and evaluation of the operations and the internal control system of the



public administration authority, which is identified by a functionally independent entity. The internal audit includes, in particular, financial audit (control of assets and the sources of its financing), audit of systems (assessment of revenue systems of the controlled public administration body), and performance audit (control of the economy, efficiency and effectiveness of the internal control system).

### **Review of the management of territorial self-governing units and voluntary associations of municipalities**

The review of the management is carried out every year. In the case of regions, the Ministry of Finance carries out the reviews .

In the case of municipalities, there are two possibilities, either the municipality entrusts an external auditor at their own expense, or the management review is transferred to the regional authority in delegated competence at the expense of the region. In the capital city of Prague, the Ministry of Finance carries out the review.

The subject of the review is the data on the annual management of the territorial self-governing unit, which forms part of the final account, in particular the implementation of budget revenues and expenditures, financial and monetary operations, costs and benefits of business activities, billing and the settlement of financial relations to the State budget.

Reviews of voluntary associations of municipalities are performed either by the region or by an auditor. In the case of the city districts of Prague and the city districts and boroughs of territorially subdivided statutory cities, either a by a city office or

an auditor.

### **Supreme Audit Office**

The Supreme Audit Office is an independent audit institution whose task is to control the state's management - both on the revenue side and on the expenditure side.

The Supreme Audit Office submits to the Government, to the Parliament of the Czech Republic, as well as to professional and general public, independent and impartial information on whether state resources have been spent expediently, economically and efficiently and that legally binding standards have been respected. The Supreme Audit Office's purpose is to answer the question of whether and to what extent public funds have contributed to improving the state and to highlight the weaknesses in their spending.

### **Breach of budgetary discipline in territorial budgets**

Breaches of budgetary discipline include, in particular, any unauthorized use or retention of funds provided as subsidies or repayable financial assistance from the budget of the territorial self-governing unit, the City of Prague, the Regional Council of the Cohesion Region or an association of municipalities.

A natural or legal person who has breached budgetary discipline is required to make a deduction for violating budgetary discipline in the budget from which the money was provided. In case of the delay in the payment of the budget discipline, the person who has breached the budgetary discipline is obliged to pay the penalty.



# The electoral system

## Elections to municipal councils

- every 4 years;
- the proportional electoral system of candidate lists;
- election threshold: 5% of the vote;
- candidate parties (with candidates) are listed on a single electoral roll and the voter has as many votes as there are members of the council in the municipality;
- municipal councils have between 5 and 55 members according to the number of inhabitants in the municipality.
- a voter may vote for: A) one running electoral party, B) candidates across electoral parties (so-called "panache"), or C) combination - the voter checks one electoral party and several candidates from other parties. The votes then preferentially go to the selected candidates of the other parties and the rest to the party checked.

## Elections to the Chamber of Deputies of the Parliament of the Czech Republic

- every 4 years;
- the proportional electoral system of candidate lists;
- election threshold: 5% of the vote;
- linked candidate lists, but with the possibility of granting up to 4 preferential votes;
- the Chamber of Deputies has 200 Deputies;
- every voter will receive a complete set of ballot papers with the candidate electoral parties before the election;
- the voter elects one electoral party as a whole.

## Elections to regional councils

- every 4 years;
- proportional electoral system of candidate lists;
- election threshold: 5% of the vote;
- linked candidate lists, but with the possibility of granting up to 4 preferential votes;
- the regional council has 45 to 65 members according to the number of inhabitants;
- every voter will receive a complete set of ballot papers with the candidate electoral parties before the election;
- the voter elects one electoral party as a whole.

## Elections to the Senate of the Parliament of the Czech Republic

- Every 2 years 1/3 of the senators; A term of office of 6 years;
- absolute majority electoral system;
- one mandate constituencies;
- in the usual second round, the two candidates with the most votes from the first round will advance
- unless one has achieved the absolute majority already in the first round;
- in the second round, one of the two successive candidates obtains an absolute majority of votes;
- the voter has one vote for each of the two rounds of elections.

## Elections to the European Parliament

- every 5 years;
- the proportional electoral system of candidate lists;
- election threshold: 5% of the vote;
- Linked candidate lists, but with the possibility of granting up to 2 preferential votes;
- Czech Republic has 21 mandates reserved in the European Parliament;
- every voter will receive a complete set of ballot papers with the candidate electoral parties before the election;
- the voter elects one electoral party as a whole.

## TURNOUT AT THE LAST ELECTION

**President of the Republic: 61% and 59% (2nd round) (2013)**

**Chamber of deputies of the Parliament of the Czech Republic: 60% (2017)**

**Senate of the Parliament of the Czech Republic: 34% and 15% (2nd round) (2016)**

**Regional Councils: 35 % (2016)**

**Municipal councils: 44 % (2014)**

**The European Parliament: 18 % (2014)**

## Right to vote:

Active voting right (right to vote):

In all types of elections, citizens of the Czech Republic from 18 years of age.

Elections to municipal councils can be voted on not only by citizens of the Czech Republic but also by foreigners from EU countries with permanent residence in the given municipality.

Elections to the European Parliament may be open to foreigners from EU countries with permanent or temporary residence in the Czech Republic lasting at least 45 days before the election.

Passive voting rights (the right to be elected / run):

Elections to councils of municipalities and regions from the age of 18;

Elections to the Chamber of Deputies of the Parliament of the Czech Republic and to the European Parliament from 21 years old;

Elections to the Senate of the Parliament of the Czech Republic and election of the President of the Republic from 40 years old.

## Elections of the President of the Republic

- every 5 years;
- for candidacy, it is necessary to get the support
- of 20 deputies, 10 senators, or 50,000 citizens;
- absolute majority electoral system;
- to any possible second round, the two candidates with the most votes from the first round will advance
- unless one has already achieved an absolute majority in the first round;
- every voter will receive a complete set of ballot papers with the candidate electoral parties before the election;
- the voter chooses one candidate

# The public and public administration

## Nationwide referendum

A nationwide referendum shall be promulgated by a special constitutional law. Only one nationwide referendum was held in the history of the Czech Republic, namely the accession of the Czech Republic to the European Union (in 2004). There is no law on the general referendum in the Czech Republic.

## Regional referendum

In the regional referendum, the voters may choose to agree or disagree on specific questions that are part of the region's independent competence.

A regional referendum can only take place throughout the whole territory of the region. The right to vote in a regional referendum is held by any person who has the right to vote for the regional council.

The regional referendum shall be held if the regional council resolves to do so, or the preparatory committee submits a proposal for holding a regional referendum and the regional council shall decide on its publication.

The proposal of the preparatory committee may be submitted if it has been endorsed by at least 6% of the authorized persons with permanent residence in the region where the referendum is to be held.

There is still a lack of experience in the Czech Republic with the holding of regional referendums, as none have been implemented as of yet.

## Local referendum

In a local referendum, the voters may choose to agree or disagree on specific questions that are part of the independent competence of the municipality, city,

statutory city, city district or city borough of the territorially subdivided statutory city and city district of the capital city of Prague and the capital city of Prague.

A local referendum shall be held if the municipal council resolves to do so, or the preparatory committee submits a proposal for its holding and the municipal council shall decide on its publication.

The proposal of the preparatory committee may be submitted, if it is supported by its signature in the municipality or in a part of it, in the case of a local referendum in the territory of a part of a municipality which is not a city district or city borough:

Up to 3,000 inhabitants

- at least 30% of eligible persons

Up to 20,000 inhabitants

- at least 20% of eligible persons

Up to 200,000 inhabitants

- at least 10% of eligible persons

Over 200,000 inhabitants

- at least 6% of eligible persons

The validity of decisions in a local referendum requires the participation of at least 35% of eligible persons. The decision in a local referendum is binding if more than half of the eligible persons who participated in the local referendum and at least 25% of the eligible persons voted for it.

A local or regional referendum cannot be held on budget issues, on the establishment or cancellation of self-government bodies, the election or dismissal of elected or appointed representatives of self-government, thus also the staffing of self-government, the question in

the referendum must not be in conflict with the applicable legal regulation or abolish blinding decrees. A referendum can also not be held in the event that 24 months have not elapsed since the valid decision in the referendum to submit a motion for a regional referendum on the same matter.

### **Participation of citizens in meetings of self-government bodies**

Physical participation in the meetings of self-governing bodies is one of the other activities of the public to engage in the functioning and control of public administration. Citizens can participate in public meetings, usually meetings of municipal and regional councils. Conversely, for example, the meetings of the board of a municipality or region are not public.

### **Petition**

A petition is a form of a request, proposal or a complaint in public or other matters of common interest by which citizens turn to the competent state authority. At the same time, the petition must not call for violations of the constitution and laws.

In order to organize the collection of signatures and contact with state authorities, citizens can create a so-called petition committee, with which the state body will then communicate exclusively.

The organizers of the petition have the full right to invite citizens to sign a petition that complies with the law. Citizens indicate their name, surname and address under the petition. The petition is therefore written and is only accepted in this manner.

The state authority is legally obliged to accept the petition and answer it in writing

within 30 days. It shall give an opinion on the content and manner of its handling in the reply. If it does not concern its agenda, the state authority is obliged to send it to the competent authority.

### **The right to information**

An important area of the public control of public administration activities is the right to information, the implementation of which is a basic condition for the performance of public control and also other public participation in the activities of the public administration.

In the Czech Republic, the right to information is enshrined in the Charter of Fundamental Rights and Freedoms as well as in the obligation of state bodies and territorial self-governing units to provide information on their activities.

The legal regulation is then further elaborated in Act No. 106/1999 Coll., on Free Access to Information, which regulates the basic rules for the active publication of information by public sector entities, as well as the process of providing information by these subjects to information seekers.

Under the law in question, everyone has the right to turn to public sector entities with a request for information which are obliged to provide the information within the statutory time limit (basically 15 days), or, if there is a legitimate reason for the protection of certain information, to reject the request in a decision which is reviewable by the superior authority in whole or in part.





## Financing

### Public budgets

Public administration manages the public sector through which citizens are provided public goods on a non-profit basis. That is why funding takes place through public budgets, which should ensure the efficient use of financial revenue.

### Tax burden

Tax revenue is the most significant revenue for public budgets. The selected tax revenue is also referred to as the tax burden.

The tax burden is, for example, measured as a percentage of gross domestic product. In the Czech Republic, the tax burden in 2015 was 33.47% of GDP. In the long run, this percentage is approximately the same.

### Budgetary system

The funding of public administration is organized through public budgets - the budgetary system.

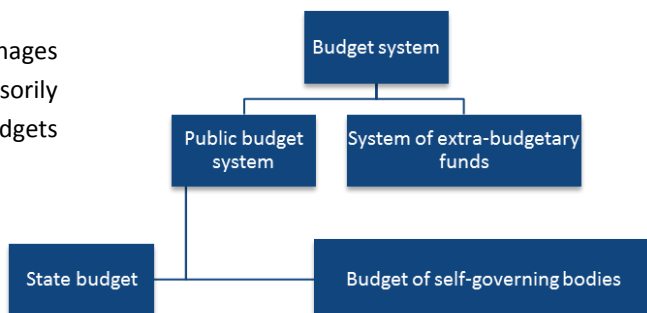
Each public administration entity manages through its budget, which is compulsorily created by law, and these budgets together form the budgetary system.

**The state budget** includes about 80% of revenue and expenditure from the budgetary system. At the same time, however, part of this funding is in the form of transfers to local government budgets.

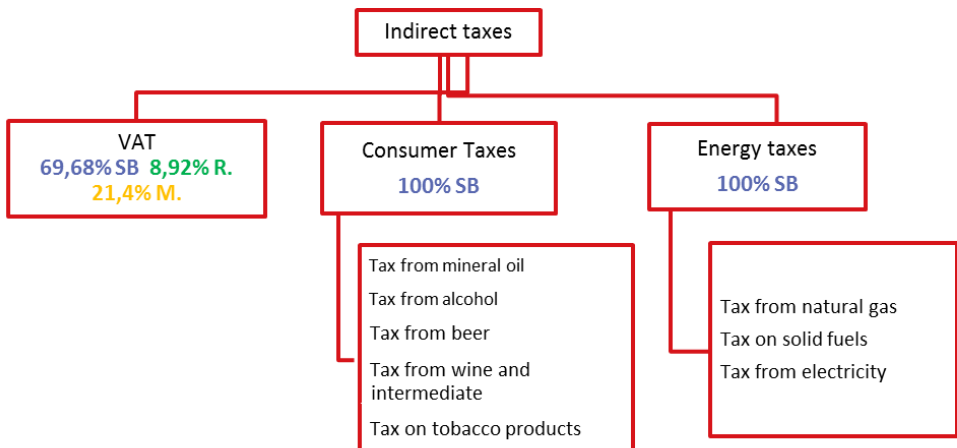
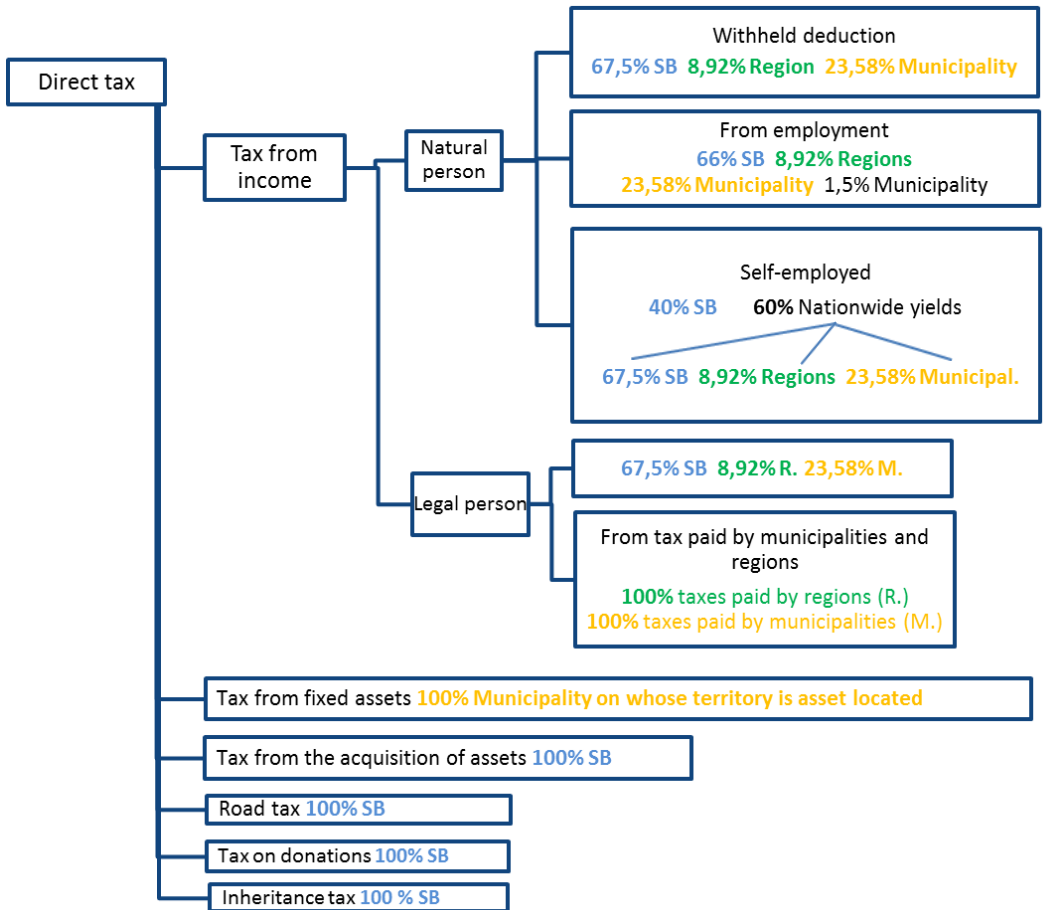
Budget funds are redistributed through the budgetary system. Act No. 243/2000 Coll., on the budgetary determination of taxes determines which public budget the yield from specific types of taxes flows to.

**The extra-budgetary funds system** captures the management of other components of public budgets. These may be state funds, but also funds of municipalities and regions. Extra-budgetary funds are established by law and are usually earmarked to ensure the stability of funding for key areas of public administration.

#### Simplified diagram of the Czech budgetary system



# Tax system as public budget revenue



## Insurance premiums (social contributions)

A specific type of tax, which is also a significant income of public budgets, is the **insurance premium**, which is obligatorily paid by a citizen as an employee, but also by the employer.

Premiums are used for **social security funding**. The functioning of social security is based on the principle of solidarity, but merit also plays a role in the social insurance model in the Czech Republic.

### Social insurance consists of:

- health insurance;
- pension insurance;
- unemployment insurance.

Revenue from health insurance flows into health insurance companies' budgets. The state covers this insurance for those not gainfully employed. Social security benefits (pension, sickness and unemployment benefits) are revenue for the state budget.

## The structure of revenues of public budgets

The largest share of government revenue is **tax revenue and income from social security contributions**. Other components include **subsidies** (from international organizations, especially from the European Union) and **other earnings**, which include income from property, from the sale of goods and services, fines and penalties and transfers.

### The structure of state budget revenues

The individual types of taxes can be tracked using the state budget revenue. The highest yield is value added tax and income tax. At the same time, social security premiums represent a significant

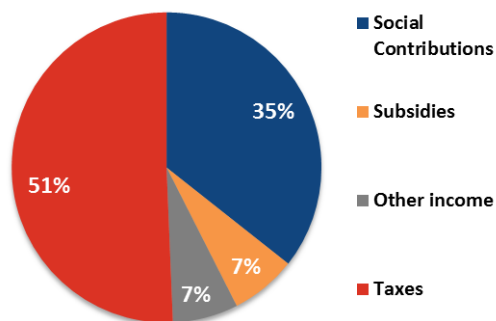
item of state budget revenue.

## Subsidies

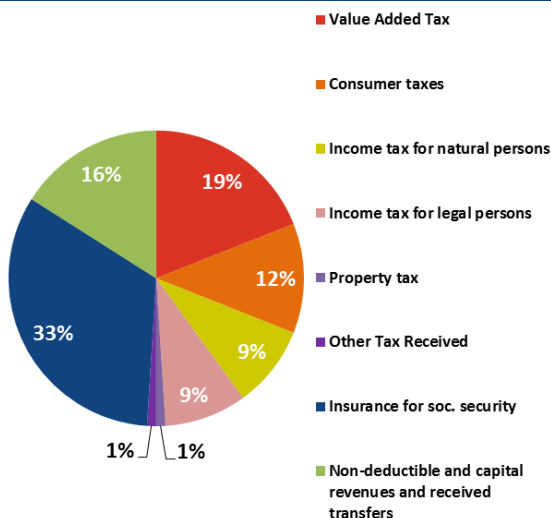
Financing from the European funds has a great influence on government budget revenue. Since joining the European Union in 2004 until 2016, the Czech Republic has drawn from the European

funds a total of CZK 1,112.4bn, and has paid CZK 473.4bn to the EU budget for the same period. It is clear from this data that **the Czech Republic has received CZK 638.9 billion.**

Structure of revenues of public budgets in 2016



Structure of state budget revenue in 2016





Public administration is one of the largest beneficiaries of European funds.

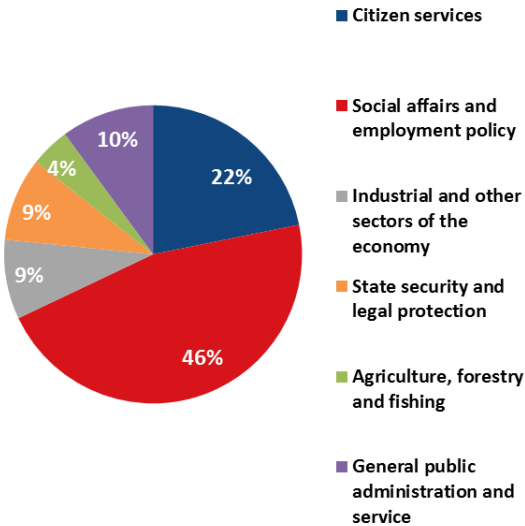
In terms of the total volume, a large part of the funds has been used up by large infrastructure projects for the construction or reconstruction of the backbone road and railway network and the reconstruction of roads owned by the regions and municipalities. In addition, the construction of research centres and the reconstruction of many state administration buildings and, above all, self-governments, the restoration of cultural monuments and the construction of infrastructure to support tourism, the equipment of public service facilities, the sewerage system for municipalities with over 2,000 inhabitants, environmental protection projects and many others would hardly be realized to the given extent without the European support.

Soft projects subsidized, for example, from the Operational Program Employment (e.g. educational and social projects, the modernization of public administration and others) drew 34 billion crowns from 2014 to the end of 2016. This is almost half the total allocation.

The thousands of small community projects associated into Local Action Groups have also received considerable support, contributing significantly to improving the environment and services in the countryside. In addition to these large investments, a number of projects have been implemented to support human resources, for their education, to improve the use of leisure time, and a large amount of assistance was directed to help socially disadvantaged groups. Technical assistance, as part of European funds, also

funded the personally and professionally demanding implementation of the EU Structural Funds' implementation itself.

Structure of state budget expenses in 2016



# Financing of municipalities and regions

Budgets of territorial self-governing units are the most numerous group of public budgets, although they represent in total only one third of all public budgets. Financing is an important element not only for ensuring the operation and functioning of territorial self-governing units, but also for the development of their territory and the provision of public goods for the population.

However, municipalities and regions are not financially self-sufficient and are therefore dependent on other resources. In the case of the regions, this is primarily revenue from transfers from the state. For municipalities, the most important are tax revenue and transfers from other public budgets. Financial management is thus heavily influenced by the overall economic situation of the state, which affects the amount of tax revenues and transfers.

## Contribution to the performance of state administration

An important source of income for municipalities is a contribution to the performance of state administration. The contribution for individual municipalities (for the performance of state administration in delegated competence) is determined by the Ministry of the Interior, but it is limited by the input factor, by the total allocated amount of funds for the given year, which flows from the state budget.

The contribution is allocated to municipalities on the basis of the size of the municipality determined by the number of inhabitants and the size of the administrative district of the municipality in the given area of activity, expressed also

in the number of inhabitants. In the case of municipalities with extended powers , the proportion of the size of the administrative district to the size of the administrative centre itself in the number of inhabitants also plays a role.

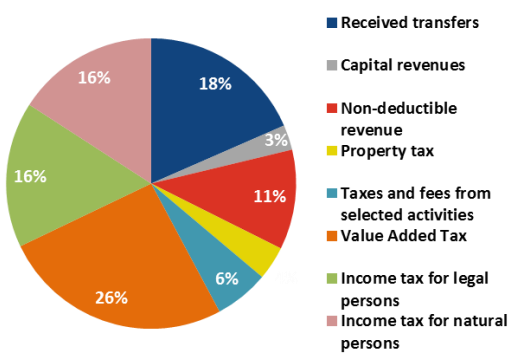
The calculation of the contribution is based on five types of administrative roles of municipalities: basic competence, registry offices, building authorities, municipalities with an authorized municipal authority, municipalities with extended powers . The total contribution of a specific municipality consists of partial contributions for each relevant role.

Newly, a contribution to public guardianship, which should cover the expenditures of municipalities precisely for this agenda, is also included in this item.

## Local fees

Municipalities are entitled to collect local fees. The charging of fees belongs to the independent competence of the municipality that established it in its territory. Fees are introduced by a generally binding decree specifying the details of their collection, especially the rate of the fee. There are eight kinds of local charges (e.g. for dogs, recreational stays, public use, etc.).

Composition of the revenue of municipalities and voluntary associations of municipalities, 2016



### Tax revenues of municipalities and regions

The most important tax revenue for municipalities is value added tax (VAT) and income tax. Revenue from real estate tax is the only tax that municipalities can directly influence by setting coefficients; the entire tax revenue goes to the budget of the municipality in whose territory the real estate is located.

Municipalities have the possibility to influence the tax rate for real estate tax on their territory by determining the local coefficient by a generally binding decree. However, municipalities are cautious about introducing these coefficients, which could increase revenue, as it is an unpopular measure that can easily affect public opinion and, consequently, citizens' decision-making at the next election.

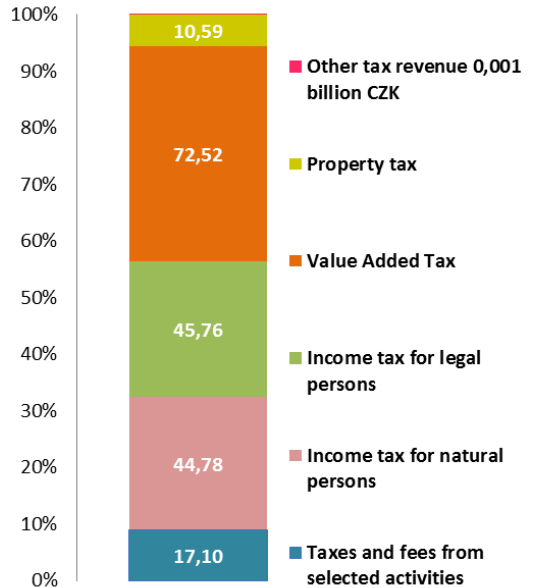
Taxes account for only 36% of all revenue for regions. The largest share is value added tax. However, for the regions, the most significant revenues are transfers received from the state budget and from state funds, which is considerably higher than tax revenues, a total of CZK 104.7 billion.

The data refers to the year 2016.

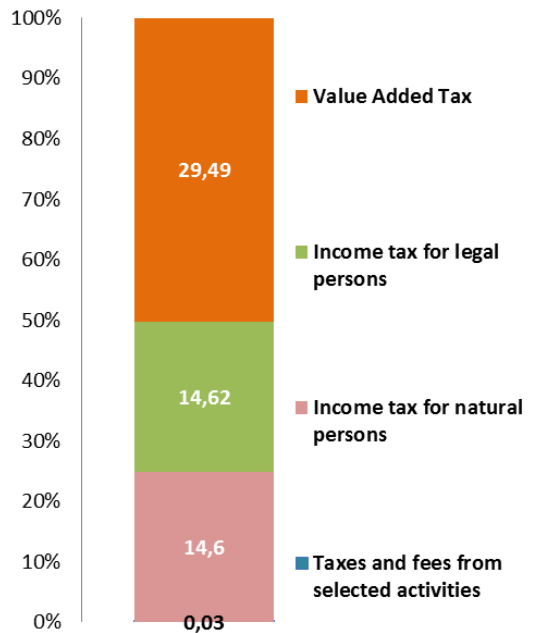
### Public budget expenditures

The largest share of public budget expenditures is current transfers and social benefits that fall under the state budget and health insurance budgets. In most cases, these are mandatory expenses, which are determined by law and their amount cannot be affected. The share of mandatory spending in 2016 accounted for 56.6% of the total state budget expenditure. The introduction of the civil service and the subsequent increase in salary scales resulted in an increase in expenditure on wages and salary of 5.3%. However, this expenditure was lower than planned in the budget.

Tax revenues of the municipalities in total:  
190,75 billion CZK



Tax revenues of the regions total:  
58,75 billion CZK



**Territorial budget expenditure in 2016**

In territorial budget expenditures by sector, the largest volume of expenditures is for the Population Service (53%) and Industry and Other Industries (23%).

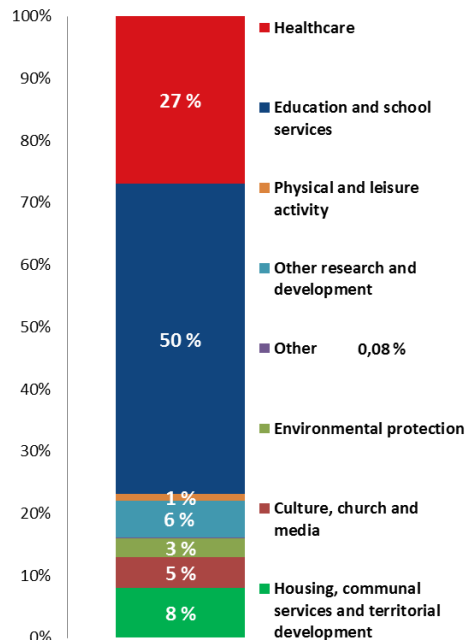
For Population Services (53% of expenditure), it is mainly expenditure on education and health. In the field of education, at the regional level, it concerns the expenditure on non-investment expenditures for the direct costs of schools (see above - salaries, teaching aids, etc.). The regions have providing secondary education in their competence, while the municipalities have the responsibility to provide nursery and primary education. In the sphere of healthcare, it is mainly the costs of running health facilities, whether hospitals or outpatient facilities.

In the Industrial and other sectors (23% of expenditure), transport is a major part of the expenditure. The regions mainly provide basic transport services by rail and road transport and the administration of II and III class roads (regular maintenance and investment). The municipalities within their independent competence also provide transport services, in addition to the basic services that the regions are in charge of, which is mostly the strengthening of certain connections or the provision of urban public transport. Municipalities are also owners and administrators of local roads and therefore also have to ensure their maintenance, repair and other investments.

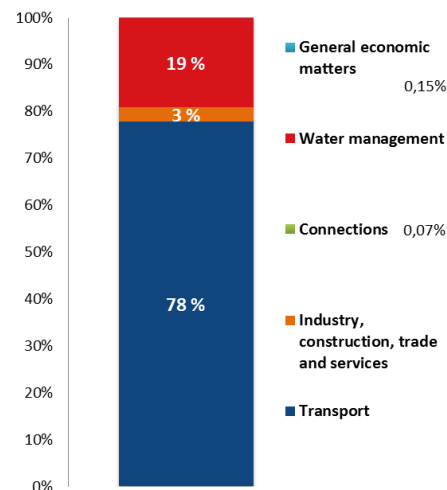
Another significant component of the expenditures of the territorial budgets is the General Public Administration and Services (15% of expenditures), the largest share consists of the salaries of the

employees of municipalities and regions, the already significantly smaller share in the order of billions of units, e.g. compulsory insurance, the remuneration of members of regional and municipal councils, payment of taxes, the purchase of

**Composition of expenditure in the group of Services to the population in local budgets in 2016**



**Composition of expenditure in the industrial and other sectors group in territorial budgets, 2016**



### The result of the management of public budgets

In 2016, the balance of public budgets was boosted after many years, and public budgets had a surplus of CZK 78.0 billion, or 1.7% of GDP. This was primarily due to an increase in revenue, especially all tax revenues and insurance premiums, but also an increase in the revenue collection from the European Union budget due to the end of drawing from the 2007-2013 programming period. This was mainly due to positive economic developments, but it is possible to assume that the measures of the current government in the tax area also influenced it. However, it cannot be forgotten that savings were achieved on the side of spending by individual ministries.

Territorial self-governing units have been operating with a surplus over a long period of time, and thus they are able to reduce the debt of territorial self-governing units.

In 2016, thanks to the improved management of public budgets, public debt declined by 4.5% to CZK 1,695.9 billion. Of which state debt amounted to CZK 1,613.4 billion (94.9% of public debt), regional debt CZK 26.4 billion, and municipal debt CZK 86.9 billion. The state

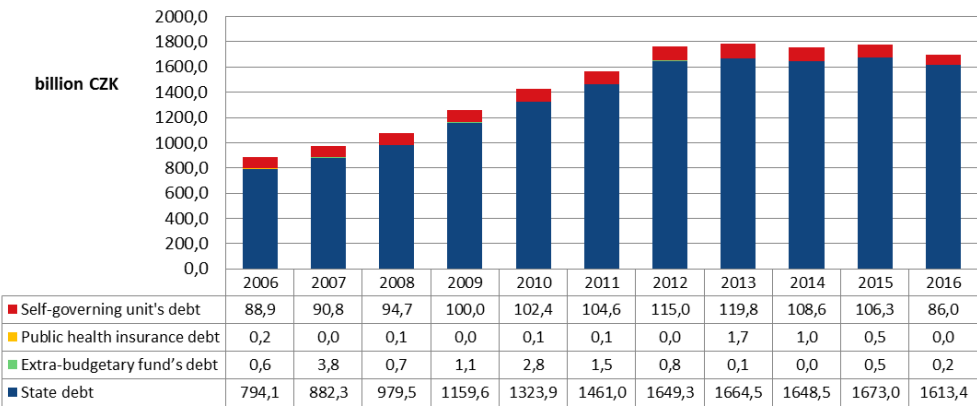
budget deficit is mostly covered by the sale of government bonds on the domestic market.

State debt has been the overwhelming majority of public debt for a long period of time. Due to the fact that the state budget accounts for 80% of public budgets, it is logical that state debt is the largest part of the public debt. The main cause of the debt growth remains the persistent deficit of the state budget.

State debt is mostly domestic debt. It consists mainly of medium and long-term bonds issued on the domestic market, a total of 96.8% of the domestic debt. A smaller share consists of government treasury bills and saving government bonds. Foreign debt is also mostly composed of medium and long-term government bonds issued on foreign markets, accounting for 79% of foreign debt, while another item is received loans and credit.

Public debt has been a lasting phenomenon in most developed countries in recent years. If we count public debt as a percentage of EU GDP, the Czech Republic is the fourth least indebted country within the EU.

Development and composition of public debt in billions of CZK, 2006 - 2016







## Civil service

Civil service in the Czech Republic is governed by Act No. 234/2014 Coll., on Civil Service, as amended (hereinafter the Civil Service Act), which regulates the legal relations of public servants executing state administration tasks in administrative offices, organizational matters of civil service and human resources related matters. This Act establishes the principles and basic values of the civil service in order to increase the efficiency of the state administration, defines the boundary of interaction between the political and official (expert) level, establishes rules for the training of state employees, ensures the professionalization and stabilization of the state administration by improving the public administration expertise and building a fair and transparent remuneration system.

The adoption of the Civil Service Act brought major changes in the functioning of state administration in the Czech Republic. On 1 July 2015, when the Civil Service Act entered into force in its full extent, civil service positions were created based on the first systemization in all civil offices, while all the leading officials (i. e. directors, heads of units) became “senior

officials” under the transitional provisions of the Civil Service Act; there started the process of recruiting existing staff into a service relationship, the organization of official examinations, the announcements of new selection procedures and the performance of many other tasks began that the Civil Service Act and the related legislation impose. Prior to this date, it was necessary to complete the legislative process within a very short period of eight months by adopting fourteen implementing regulations to the Civil Service Act, to create a methodical basis for the application of the new legislation, to ensure the conditions for coordination of the performance of the civil service and the setting of its basic parameters.

The Ministry of the Interior - the Civil Service Section - is responsible for the implementation of the Civil Service Act.

### Civil service offices and the personal purview of the Civil Service Act

The Civil Service Act, applies to civil service offices and civil servants who are assigned or appointed to a post and perform some of the specified activities within the service fields.

## Service offices

A service office is an administrative authority and also the state body or legal person, which is stipulated in another law. For the purposes of the Civil Service Act, it is decisive that the administrative authority whose employees are employed by the administrative authorities in the state administration is established by law and expressly designated by law as an administrative office or state administrative authority. From the total number of 233 civil service offices, the following number participated in the performance of state administration in 2017:

- 14 ministries and the Office of the Government,
- 174 service offices subordinated to the ministries and the service offices managed by them,
- 13 other central administrative offices,
- 30 civil service offices subordinate to other central administrative authorities; and
- An archive of security forces that does not fall into any of the above categories.

Some of the authorities, such as the National Security Authority, or employees of some service offices, such as a member of the government, his/her adviser, the chairman and vice-chairman of the Office for the Protection of Competition, the Energy Regulatory Office, the chairman and the inspector of the Office for Personal Data Protection and others are explicitly exempt from the scope of the Civil Service Act.

## Civil service employees

Under the Civil Service Act, a civil servant is

a natural person who has been recruited into a service relationship or assigned to a service post or appointed to a senior service post to perform one of the activities provided for in the Civil Service Act.

Data from the Civil Service Information System on 1 July 2017 shows that the civil service in the Czech Republic is carried out by 64,722 civil servants, of which 9,000 are senior civil servants and 55,722 are non-senior civil servants.

The Civil Service Act contains an exhaustive list of activities that involve civil service and are therefore performed at systemized service points. Following this, a government regulation defined 79 service fields by activity and agendas performed in the service offices.

The establishment of specific service areas at individual service points is under the responsibility of the relevant service bodies and is based on specific activities the performance of which is required at the systemized sites. At the same time, it is the duty of civil servants assigned to these places to carry out official examinations in the specified fields. Every civil servant performs civil service on average in two to three fields of service.



## Civil service legislation

The Civil Service Act was adopted on 6 November 2014 and has already been amended several times in response to the experience from its previous application.

The most important of these changes was the amendment adopted in 2017, which addresses the situation of existing staff in administrative offices who could not be admitted to employment because they did not meet the prerequisite of education and could not be exempted from doing so. Their employment relationship would have been terminated by 30 June 2017 but was extended to 31 December 2021 by an amendment to the Act. Extending the termination period for the service relationship is intended to serve these employees to complete their insufficient education. The amendment brings other significant changes to make the recruitment procedures for civil servants more effective. This concerns for example, the eliminating of certain administrative barriers for applicants for admission to service, changes in the procedural arrangements, including the determination of the time limit within which the selection procedure should normally be completed and the adjustment of the procedure if there are more than ten applicants for appointment to a service relationship.

## Foreign Service Act

Due to the incomplete legal regulation of the Civil Service Act, it was necessary to adopt a legal regulation containing comprehensive rules on the performance of foreign public service, especially diplomatic or administrative staff abroad and diplomatic staff in the Czech Republic, if they are classified under the

Ministry of Foreign Affairs. Therefore, in the year 2017, Act No. 150/2017 Coll., on Foreign Service, which can be considered a “lex specialis” to the Civil Service Act, was adopted.



## Organization and systemization

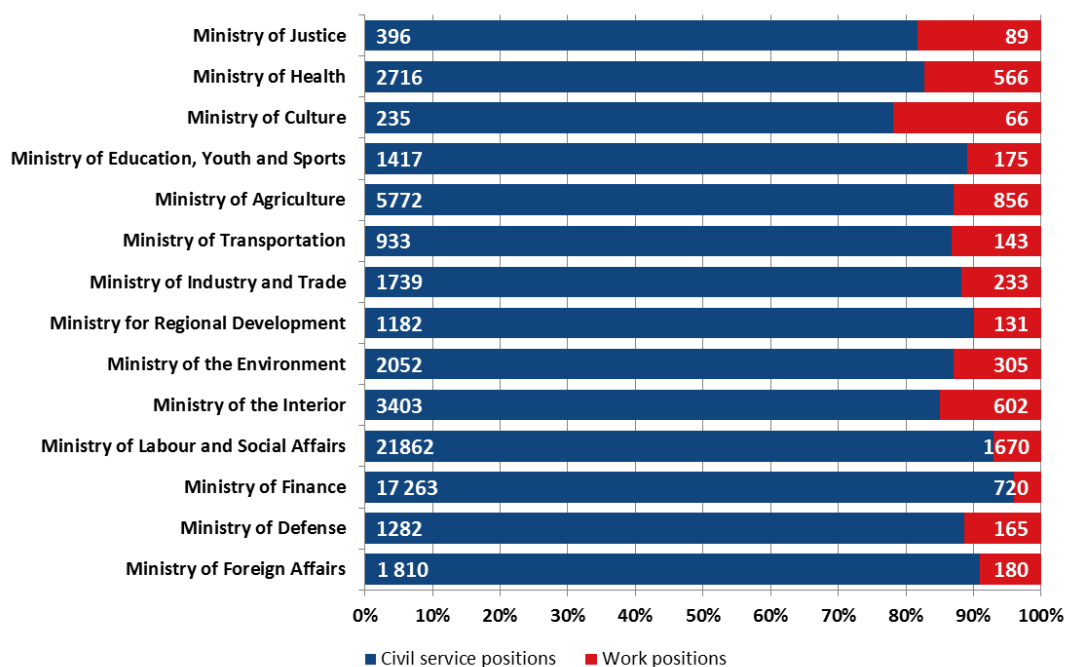
The Civil Service Act and the relevant implementing legislation regulate the rules for the creation, submission and approval of the systematization of service and work positions and the organizational structure of the service offices. The proposal for systemization is submitted to the Government of the Czech Republic for approval by the Ministry of the Interior in agreement with the Ministry of Finance on the basis of the proposals of individual service bodies.

According to the Civil Service Act, systematization is approved for a calendar year and during its course the change of systematization is only possible under the conditions stipulated by law. On the basis of the approved systematization, the proposal of the organizational structure of the service office is elaborated and approved.

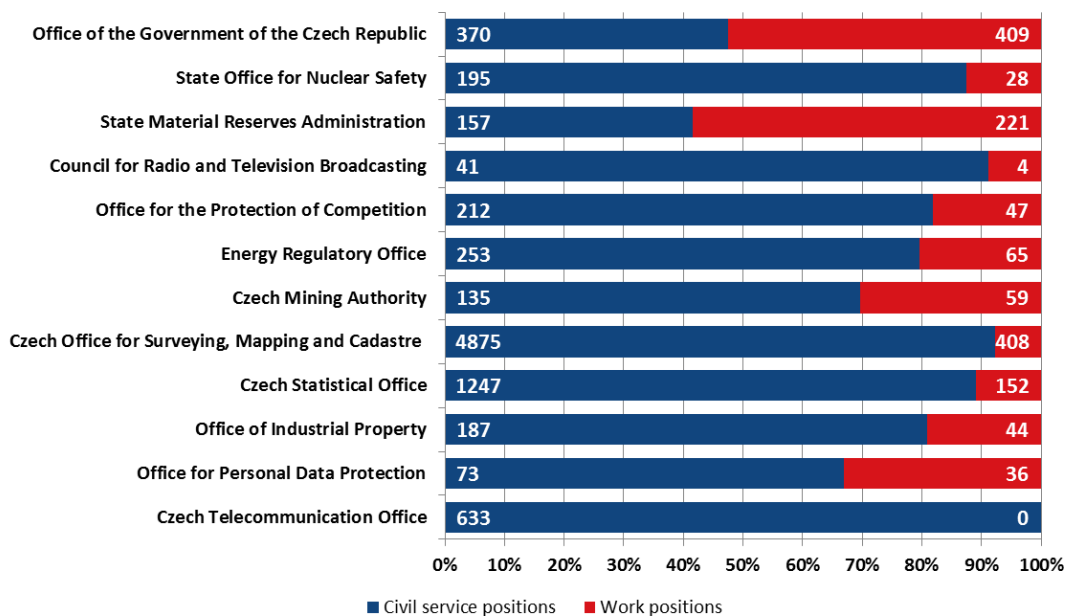
The systematization of service and work posts is approved by the Government of the Czech Republic for service and similarly also for jobs in this range:

- the number of posts of civil servants

The composition of service and work positions at the individual ministries as of 1 January 2017 including subordinate service offices.



The composition of service and work positions at central administrative offices as of 1 January 2017 including subordinate service offices.



that are not senior officials , classified by pay grade,

- the number of senior service posts classified by pay grades,
- amount of funds to pay the salaries of civil servants,
- the number of service positions, for which with regard to the protection of the public interest is an indispensable requirement the Czech citizenship.

the number of service positions, for which a ban on competition is imposed.

### **Selection procedures**

With the adoption of the Civil Service Act, the selection procedures for civil servant posts have undergone significant changes, especially with regard to their subordination under the Code of Administrative Procedure. This change brought, on one hand, the emphasis on greater professionalism and transparency in the selection of suitable civil servants, on the other hand, the increased administrative burden and the extension of the time for the selection procedure. This led to the adoption of the amendment to the Civil Service Act and the adjustment of the procedural rules while maintaining a high degree of transparency.

According to data from the Civil Service Information System, there have been a total of 10,374 selection procedures for senior service posts and 17,820 selection procedures for non-senior civil servants were announced in this system since September 2015 to June 2017.

The number of selection procedures in the first years of the application of the law strongly increased due to the obligation to hold selection procedures for all senior posts. On the basis of the transitional

provisions of the Civil Service Act, the heads of administrative authorities and other existing senior employees at the administrative authorities became legally senior, but only temporarily. If these senior civil servants wanted to continue to serve at their posts, they had to apply for and succeed in the selection procedures and defend their posts.

A very important date was 30 June 2016. By that date, selection procedures for senior service positions of service office directors, deputy ministers and section directors had to be completed. At the same time, calls for selection procedures for service posts of division and department heads to be completed by 31 June 2017 should have been announced.

### **Service relationships and its changes**

A member of staff shall be recruited into a service position by decision of the service authority on the basis of the success of the selection procedure. Together with the decision on acceptance into a service relationship, the service body shall decide on the appointment of a civil servant to a post or the appointment of a civil servant to a senior post.

Service is to be performed in a service relationship for an indefinite period or for a fixed period, while civil servants usually serve for an indefinite period. A person who has not successfully passed a civil service examination is always accepted for fixed-term employment. A person can also be accepted for fixed-term if it is necessary to replace a temporarily absent employee, or in other specified cases.

Changes in the service relationship are those institutes of the Civil Service Act, in the application of which there is a change



in the conditions of service of a civil servant. The change in the service relationship itself is not linked to the termination of service. If, for example, a civil servant moves from one service office to another on the basis of a selection procedure, it is not a termination of service and re-admission. The service position of such a state employee continues without interruption. This is one of the most significant changes in the understanding of civil service performance.

The Civil Service Act declares as a change in the service relationship a total of sixteen institutes, including transfer, discharge, assignment or transfer to another post, a change in the duration of the service relationship, appointment or dismissal from a senior service post, transfer outside the performance of service for organizational reasons, for maternity or parental leave for the exercise of a post in a trade union, for the suspension of service, representation, posting for a foreign service and post-graduation posting, sending of a national expert, reduction of the service period, interruption of service for further education or professional stages.

### **Civil service exam**

Historically, the first official examination under the Civil Service Act took place on 15 September 2015. As of 1 July 2017, a total of 1,790 dates of civil service examinations were completed.

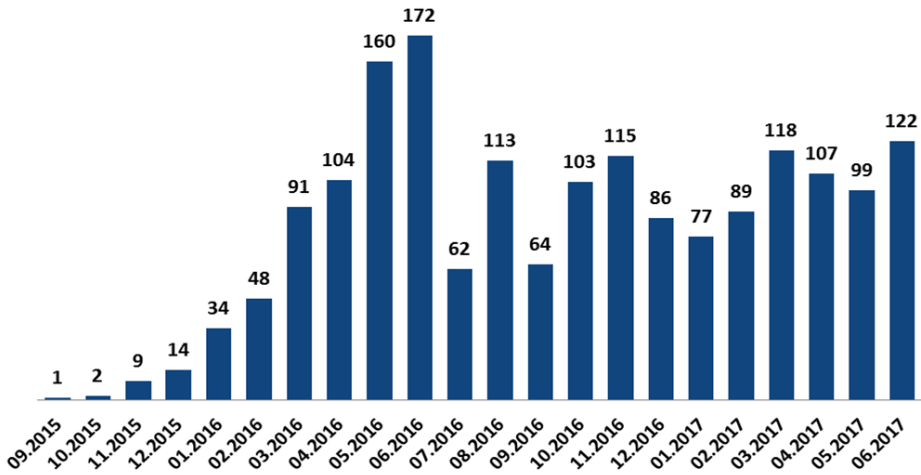
The civil service examination has a general part and a special part. The general part of the examination is conducted in writing and is designed to verify whether the civil servant has the necessary knowledge of the organization and activities of public

administration, rights, obligations and rules of ethics of a civil servant, the legislation generally affecting the activities of the state administration and the law of the European Union. The special part is carried out after the successful completion of the general section and its purpose is to verify whether the civil servant has the necessary knowledge and skills and is adequately qualified to perform the service in a specified field of service.

Every civil servant is obliged to pass the exam successfully. In case of failure, the civil servant has the opportunity to repeat the exam once. If a civil servant performs a service in several fields of the civil service, he/she must perform a civil service examination for each of them. In the context of the service relationship of existing employees under the transitional provisions of the Civil Service Act, the exam or a particular part of it was acknowledged for these employees on the basis of legal fiction.

The period 2016 – 2017 represented perhaps the most demanding year in terms of the intensity of civil service examinations. This was due firstly to the fact that several thousand civil servants were required by the transitional provisions of the Civil Service Act to carry out the general part of the examination by 30 June 2017 and, in addition, newly recruited civil servants within one year after entering the service to successfully pass the examination, otherwise their employment relationship is terminated. Thus, the combination of these two key factors have put pressure on intensive testing of civil servants.

## The number of civil service examinations conducted between September 2015 and June 2017



### Education in administrative offices

The training of employees in administrative offices had already been historically established by the Rules of the education of employees in administrative offices. With the adoption of the Civil Service Act, there was a need to lay down training rules specifically for civil servants under the Civil Service Act and for employees covered by the Labour Code. Therefore, the Framework Rules for the training of civil servants in service offices were adopted.

Both types of the training rules were designed to comprehensively address the issue of training in offices, and to the greatest possible degree of similarity for both categories of employees. Both of the aforementioned standards thus set the same process of training, from the identification of the training needs of the employees, the elaboration of the training plans to the actual implementation and evaluation of training. The training does not happen randomly but the set process is a guarantee of continuity, continuity with other processes and the usability of the acquired knowledge in practice.

### Service evaluations

Service evaluations represent a new institute in civil service, which would be used for the first time in 2016 to assess the performance of state employees in 2015.

Service evaluations are conducted once a year in four core areas: knowledge and skills, civil service performance in terms of accuracy, speed and autonomy in accordance with established individual goals, adherence to service discipline and learning outcomes. A weight is determined for each evaluated area, by its percentage in the total score of the service evaluation.

The greatest emphasis is placed on the performance of civil service in terms of accuracy, speed and autonomy in accordance with the individual objectives set. The classification of the performance of the evaluated areas, the method of calculating the overall score of the service evaluation and the resulting verbal conclusion of the service evaluation are set, to which the maximum limit of the personal bonus corresponds. The determination of the specific amount of the

personal salary of a civil servant is based on the results of the service evaluation. Recurring service evaluations with an unsatisfactory result then leads to the termination of the service relationship of civil servants.



### **Remuneration**

The system of remuneration in state administration has been undervalued for a long time. For the attractiveness and personal stabilisation of the civil service, the following three measures were implemented in 2016, responding to the lack of stabilisation of university educated civil servants performing the most demanding service activities and a highly competitive environment that in the labour market is currently causing extraordinary demand for qualified professionals:

1. A change to the structure of the basic pay scale, so from the 12th to 16th pay grade the inter-grade difference increases convexly between ten to sixteen percent instead of the existing linear growth.
2. The addition of a five-year period to the achievable creditable practice of civil servants, which was achieved according to the conclusions of two consecutive service evaluations of the maximum possible outcomes.
3. The possibility of setting up to twice

the salary scale for specialists performing the most demanding service tasks at key positions in the fields of audit, medical assessment service, legislation and legal activities, information and communication technologies.

### **The harmonisation of family and working life**

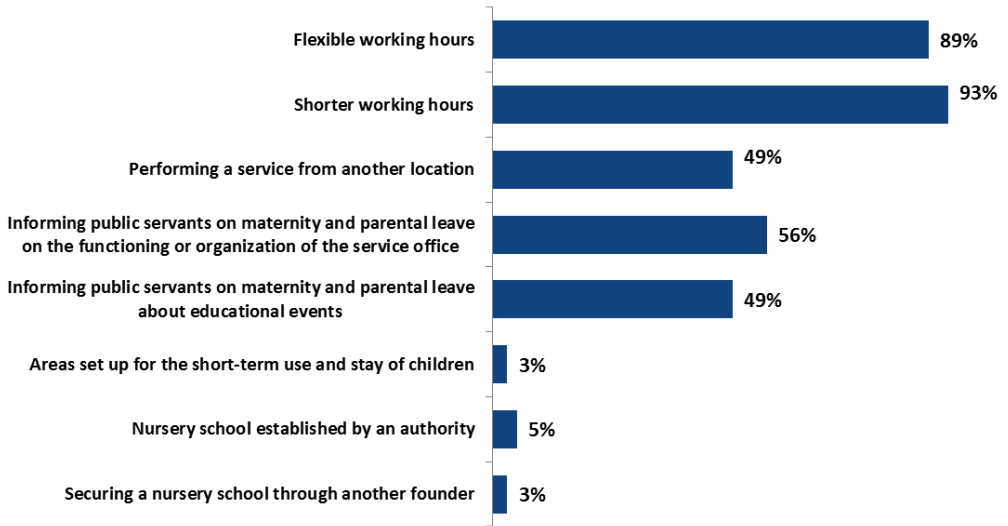
Civil service also includes a balance between the needs of the Czech Republic as an employer, whose main concern is the proper performance of the civil service, and the personal needs of civil servants. It is the so-called harmonisation of the civil and personal life of civil servants with the exercise of civil service. The Civil Service Act contains a demonstrative list of harmonisation tools. Their examples and frequency of use in 2016 are illustrated by the graph below.

### **Informing civil servants and discussing service issues, trade unions, and collective agreements**

One of the basic duties of service authorities is the obligation to inform civil servants and deal with them directly. If a trade union office operates in a service office, it provides information and discussing service issues with all civil servants. If one does not operate, it is provided by the Council of Civil Servants, if elected, and, in matters of safety and health during the performance of civil service, representatives of public health and safety of employees if they have been elected.

The Government of the Czech Republic and the Trade Union of State Authorities and Organizations and other trade unions conclude a Collective agreement of a higher degree for the improvement of the conditions of the performance of the

## Use of tools to harmonise the life of civil servants with the performance of civil service by service authorities in 2016



service. It is binding on all service offices, and claims arise from it for all civil servants in all service offices. The Act also regulates the negotiation of so-called departmental collective agreements concluded between service offices and trade unions that may further regulate other terms of service for civil servants in the service office.

### Ethics

The rules on the ethics of civil servants are issued by a service regulation, the breach of which is considered to be a violation of the Civil Service Act, since the Civil Service Act imposes the duty to observe these rules on civil servants. The rules of ethics regulate the principles of the proper performance of civil service in service offices, as well as the area of the lawfulness of the performance of civil service and the adequacy of the performance of the service tasks, the area of professionalism, behaviour, speed and efficiency, conflicts of interest, corruption and management of the entrusted means.

### Whistleblowing

The term whistleblowing is used to report suspicions of illegal behaviour. Civil servants have the opportunity to report their suspicions of the committing of an offense, even anonymously. In connection with giving of such notice, they cannot be subject to penalties, disadvantages or pressure.

The submitted complaints are addressed by so-called investigators and, on the basis of their activity reports in 2016, it was found that the anticipated procedure for reporting specific suspicions is not being used to a greater extent by state employees. Notifications have been registered only in a few cases. It appears that the possibility to submit notifications anonymously is little used, and in most cases, almost four-fifths of notifications, the identity of the whistleblower is indicated. A number of notifications have also been considered as completely different submissions.

Civil service information system

The civil service information system (hereinafter "ISoSS") is established as a public administration information system, the purpose of which is the management of data necessary for the administration of organizational matters of service and service relations within and between the service offices.

It is primarily intended for the operation of service offices, for example, for ensuring civil service examinations or civil servants' records, but the public may also be able to get information on selected data, such as on the selection procedures for post vacancies or the results of the civil service exams of civil servants.

The operation of ISoSS was successfully launched after six months of development, from 1 July 2015, that is, a year and a half before the Civil Service Act envisaged it. However, this did not end the development of ISoSS, and a new solution was proposed for the ISoSS environment during 2016 for submitting, assessing and ap-

proving proposals for the organizational structure and systemization of service and work positions at service offices.

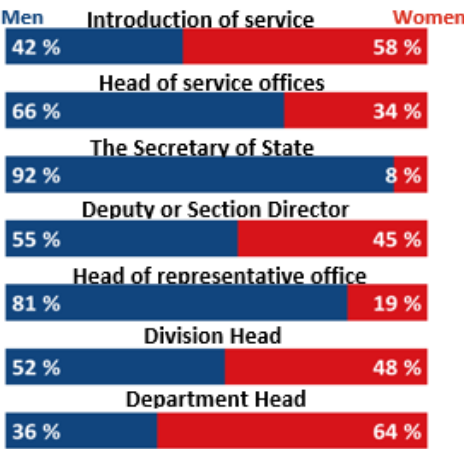
Information about civil service can be found on this website Section for civil service:

[www.mvcr.cz/sluzba](http://www.mvcr.cz/sluzba)

[www.statnisluzba.cz](http://www.statnisluzba.cz)

[www.mvcr.cz /mvcren](http://www.mvcr.cz/mvcren)

The composition of men and women in service offices, 2017





## The status of men and women

Equality between men and women is one of the core values of modern democratic societies and an issue of justice and human rights.

In the framework of state administration, the Office of the Government of the Czech Republic has drawn up the Governmental Strategy for the Equality of Men and Women in the Czech Republic for 2014-2020, which aims to ensure the equality of men and women on the labour market and to support the development of the harmonization of family and working life.

The government's strategy is also a minimum standard of equality between men and women in the state administration, which set tasks for central bodies of state administration.

Data from the Czech Statistical Office for 2015 showed that in the category of employment (according to CZ-NACE classification) "Public administration and defence; compulsory social security" 158.2 thousand women and 158 thousand men were employed. Since 1993, this meant an increase of the number of women in the industry by 60,000, while the number of men has fallen by 40,000. Over the past twenty years, there has been a significant opening up of public administration to women and the evening out of the total number of women and men employed there.

According to the CZ-ISCO job classification, in the year 2015, 364.3 thousand women and 100.2 thousand men were employed in the "Officials" category, and in category "Legislators and Managers" 80.9 thousand women and 193.4 thousand men. However, this classification does not separate the private and public spheres.

The fact remains that women are under-represented in managing positions in the public and private spheres. For example, in the Chamber of Deputies of the Parliament of the Czech Republic at the end of 2015 there were 40 women and 160 men, in the Senate, 15 women and 66 men. Women accounted for 20% of the personnel of the Chamber of Deputies, 18.5% of the Senate, 27% of municipal councils and around 20% of regional councils.

The highest representation of women is in municipal politics (27%). It is the only election in which the proportion of candidates and elected women in the past five years is increasing linearly. The number of women candidates in the 2014 municipal elections was 32%. However, the rule is that the bigger the municipality, the fewer the number of female representatives. The representation of women in statutory cities was 23% in the year 2015. Conversely, in smaller municipalities a large number of female mayors (approximately over a thousand) can be found.

In the European Parliament, the Czech Republic is represented by 5 female MEPs and 16 male MEPs, thus 24% of them are women. However, the total share of MEPs is 37%.

Nevertheless, the share of women in the membership of political parties in the Czech Republic is relatively high - ranging between 30 and 56%, which indicates a significant interest of women in politics. On the other hand, the representation of women in political leadership is still low. It does not exceed 30% in any of the parliamentary parties and none of them has a woman at their head.

## Employees of municipalities and regions

Since 2003, the status of employees of territorial self-governing units has been regulated by a special act.

### Who is an official?

The Act on Officials of Territorial Self-governing Units applies only to those employees of a territorial self-governing unit who fall into the category of “an official”. This includes employees of the office of the territorial self-governing unit who are involved in the administrative activities in the office.

Thus, the Act on Officials does not apply to employees included in the organizational units of a territorial self-governing unit, to employees included only in its special bodies and to employees who perform exclusively so-called servicing activities or which manage such activities. The Act on Officials also does not apply to members of elected bodies or to those whose employment relationship with a given territorial self-governing unit is determined by a special labour agreement.

Labour relations of employees of territorial self-governing units who are not officials under the Act on Officials continue to be governed by the Labour Code.

A citizen of the Czech Republic or a foreigner with permanent residence in the Czech Republic, provided that he has reached the age of 18 years, has legal capacity, has a clean record, speaks the language of negotiation and fulfills the prerequisites for the performance of administrative activities may become an official.

It is necessary to announce a selection procedure for an official. A public call or a selection procedure is a condition for an

indefinite period of employment. A selection procedure is also a condition for appointment to the post of Head of an Office or senior official.

### Obligations of an official

It is the duty of an official to act in the public interest, to act and to decide impartially, to observe constitutional rules, laws and other legal regulations. Other basic duties of an official include not only statutory duties which are imposed on the official only for the period of work but also obligations relating to the conduct of an official outside the workplace (for example, the official must refrain from acting in a manner that seriously undermines the credibility of the territorial self-governing unit).

An official is also prohibited from engaging in any other gainful activity without the prior consent of the territorial self-governing unit with which the official is employed. However, the Act on Officials provides for an exception to the above-mentioned ban on the pursuit of other gainful activity. Restrictions do not apply to scientific, pedagogical, journalistic, literary or artistic activities, to the activities of an expert or interpreter performed under a special regulation for a court or administrative authority, to work in advisory bodies of the government and to manage own property.

### Senior officials

A senior official is a senior employee, a member of statutory bodies, a head of organizational unit and other employee who is charged with the management of the individual stages of the proceedings with the employer. These persons are

entitled to set and impose work assignments on subordinate employees, organize, manage and control their work, and provide them with binding instructions for this purpose.

For senior officials, the law exhaustively provides reasons why they can be dismissed. These reasons are exclusive, i.e. removal from office for other reasons or without giving reasons is not possible.

### **Head of the Office**

This is the senior employee responsible for the whole body. In a municipality, it is the secretary of the municipal office, in the case of the region the director of the regional office and in Prague the director of the City Hall of the City of Prague.

### **Training of local and regional self-government officials**

The training of local and regional government officials is governed by the aforementioned Act on Officials. As the duty to train officials is based on valid legislation, the territorial self-governing unit must ensure the deepening of the qualifications of each of its officials. At the same time, it elaborates an individual training plan that includes a schedule of qualification enhancements of at least 18 working days over a 3-year period.

The deepening of the qualifications of officials is ensured by the Ministry of Interior by an accredited educational institution. By law, the Institute for Public Administration is accredited, which is a contributory organization of the Ministry of the Interior. Accreditation can be obtained by both legal entities and natural persons, as well as territorial self-governing units.

The Ministry of the Interior registered in

total 353 accredited educational institutions in 2015, out of which 217 educational institutions fulfilled the legal obligation in the form of sending a written report.

### **The education of officials is divided into 4 types:**

#### **Initial training**

Initial training must be completed by each official and must be finished no later than three months after the start of his / her employment and his / her completion is demonstrated by a certificate issued by an accredited educational institution.

#### **Continuing education**

##### **Special professional competence**

Special professional competence includes a set of knowledge and skills necessary for the performance of activities. SPC, which must be passed within 18 months from starting, is divided into two separately performed and evaluated parts, written and oral. In the written and oral part, the knowledge from the general and the separate part is verified separately:

- **The general part** includes knowledge of the foundations of public administration, especially the general principles of the organization and activities of public administration, knowledge of the Act on Municipalities, the Act on Regions, the Act on the Capital City of Prague and the knowledge of administrative proceedings, and the ability to apply this knowledge.
- **The special part** includes the knowledge necessary for the performance of administrative activities stipulated by the implementing legal regulation, especially the knowledge of

the competence of the territorial self-governing bodies and the territorial administrative authorities related to these activities, and the ability to apply them.

### **Training of senior officials and heads of offices**

The training of senior officials and managers also includes a general and a special part. As part of the general section, senior officials and office heads acquire knowledge and skills in the field of the management of officials, and, within the special part, obtain an overview of the activities stipulated by the implementing legislation performed by subordinate officials.

The senior official shall be obliged to terminate the training of senior officials within two years from the date on which he/she began to act as a senior official.

### **Recognition of the equivalence of education**

If an official has obtained an education in a university degree program established by an implementing legal regulation, he / she is not required to prove his / her special professional competence, or to participate in the training of senior officials and heads of offices or initial training. Nor must an official who has carried out the official examination under the Civil Service Act prove the general part of the special professional competence.

## **Conflict of interests and public officials**

A conflict of interest in the Czech Republic is governed by the Act on Conflicts of interest, which stipulates that if there is a conflict of public interest with a personal interest, a public official may not favour his personal interest in interests which he/she is obliged to promote and defend as a public official.

### **For example, public officials are:**

- Deputies and Senators,
- members of the Government and heads of other central government bodies,
- The Chairman and Inspector of the Office for Personal Data Protection,
- The Chairman of the Office for Standards, Metrology and Testing,
- A member of the Council of the Czech Telecommunication Office,
- The Chairman of the Energy Regulatory Office,
- A member of the Bank Board of the Czech National Bank,
- The President, Vice-President and a member of the Supreme Audit Office,
- The Ombudsman and his/her Deputy,
- The Chairman or a member of the Office for the Supervision of Political Parties and Political Movements
- A member of the Council for Radio and Television Broadcasting,
- A member of a regional council or member of the Municipal Council of the City of Prague, who is released for the long-term performance of the function,

- A member of the council of a municipality, city district of a territorially subdivided statutory city and a city district of the capital city of Prague, who is released for the long-term performance of the function,
- A mayor of a municipality, the deputy mayor of a municipality and the members of the council of a municipality and of the region, who are not released for the long-term performance of the function,
- The head of the organizational unit of the state, which is an administrative authority the head of a territorial self-governing unit,
- And other public officials according to the law.

According to a regulation of 2017, public officials within the meaning of the Act on Conflicts of Interest also became deputies of members of the government and Deputy Minister of the Interior for the Civil Service, Head of the Office of the Chamber of Deputies, the Senate and President of the Republic, professional soldiers in the rank of Colonel and Higher, directors of public research institutions.

Public officers must not, during the performance of their duties, engage in

business or engage in other self-employment, be a member of the statutory body or any other management, supervisory or controlling body of a legal person.

**On the contrary, public officials are required to file a notice in the form of affidavits:**

- notification of personal interest (announcing his/her relation to the present case) - oral submission,
- notification of activities (written report on own business, ownership of legal entities and membership in their statutory and other bodies),
- notification of property (written report on assets acquired during the performance of public functions),
- notification on income, gifts and liabilities (written report on cash income and other property benefits acquired during the performance of the function, on outstanding loans and other financial liabilities).

Public officials must store these notifications in the Central Register of Notifications, which is publicly accessible to citizens on the Internet.



## eGovernment

The idea of a more affordable, cheaper and friendlier public service is the driving force behind eGovernment. Governments are able to use modern electronic tools and meetings with authorities have become friendlier. For a citizen, many public administration services have accelerated and is "within reach". The basics of eGovernment were built in the 2007-2013 programming period using the EU Structural Funds.

### **Czech POINT**

Firstly, the Czech POINT network of public administration contact points, which is today in almost every municipality, whether in the office, in the post office or in the library, was established.

Thanks to them, citizens can get a number of documents at one point and take advantage of the services which in the past they had to visit several offices to do. Czech POINT services are available in more than 7,200 locations, mostly in the Czech Republic, but also at some representative offices around the world. So far, 17 million outcomes from this universal contact point with public administration have been issued, forming one of the pillars of

eGovernment.

Since January 2015, a citizen can find their nearest branch of a public administration contact point on the Web site [www.czechpoint.cz](http://www.czechpoint.cz). The service can also be used on smartphones. Everyone can easily find out where the nearest contact point is, including a detailed map, exact address, and opening hours.

Since August 2015, citizens do not have to go to a Land Registry for a certified cadastral map but can pick them up at any of the 7,200 Czech POINT contact points.

Since September 2015, a current electronic statement of the driver's point rating can be obtained via the data box at any time. The service is available at a Public Administration Portal and is an electronic version of the statement, which can be obtained in paper form at Czech POINT contact points.

### **Overview of offered Czech POINT services:**

- Extract from the Land Registry;
- Extracts from the Public Registers (Register of Societies, Foundation Register, Register of Institutes, Register of Associations of Owners of Units,



- Business Register,
- Register of Public Benefit Companies;
- Extract from the Criminal Records;
- Receiving a submission under the Trades Licensing Act;
- Extract from the point score of a driver;
- Submission to the ISOH car wrecker register;
- Data boxes - request for establishment, request for invalidation of access data and issuance of new ones, request to add another authorized person, their removal, request for permission to deliver documents from the data box of natural persons, natural persons, entrepreneurs and legal entities to data boxes of physical persons, natural persons, entrepreneurs and legal entities;
- Centralized storage of verification clauses;
- Extracts from the Basic Registers - e.g. extract of data from the population register, extract of data from the register of persons, extract of data on the use of data from the population register, request for change of data kept in the population register, request to provide data to a third party.



## Data boxes

The data box system has replaced traditional registered letters and data boxes have become a state-guaranteed communication tool. All authorities communicate with each other through them and with everyone else who has established such a data box.

By law, all public authorities, legal persons registered in the Business Register, lawyers, tax advisers and insolvency administrators have a data box established. Others may set one up on a voluntary basis free of charge and also make it inaccessible.

Data boxes in numbers:

**829,699 established data boxes**

**476,744,690 data messages sent**

Data as of July 2017

Instead of going to the post office for official envelopes, it is possible to set up a data box for free and communicate with the authorities online from anywhere. The data box has provided the certainty that the message will reach the right office. You can save the sent message and at any time prove the content of the message, unlike a registered mail receipt from which the contents of the letter could not be read. The data box also provides accurate shipping and delivery details. An electronic document has the same legal validity as a traditional paper one with a stamp and the sending of a data message is free of charge, unlike a registered letter.

## Basic registers

The system of basic registers allows for the sharing of information between authorities, without the need to require them repeatedly from citizens. The repeated filling in of forms with the same details and confirming their authenticity by signing is generally eliminated for citizens. In the basic registers, all reference data is always up to date and legally binding.

If the authorities need it for the performance of their agenda, they can draw it directly from the basic registers.

The names of tracked actions	Number
Total number of basic registers transactions (between July 2012 and June 2017)	1,409,731,642
Number of connected agenda information systems (to June 2017)	4,995
Number of public authorities attached to the basic registrars (to June 2017)	3,461
The number of Czech POINT outputs issued (from 2007 to July 2017)	17,534,464
The number of CzechPOINT @office operations for basic registrars (from 2012 to July 2017)	1,405,787
The number of CzechPOINT@office operations in the case of statements of authority (registers, registration offices, courts, Land Registry), (from 2009 to July 2017)	60,001,478
Number of CzechPOINT@home extracts (registers), (from 2012 to July 2017)	27,078

If any of the information changes, all authorities connected to the registers will automatically learn about the change.

The system of registers was launched on 1 July 2012, and works without any major problems and failures. All authorities can get data that is up to date and legally valid from that time. In addition, the data is securely protected, all access to it is carefully recorded, and all those entitled can easily obtain these records.

## Open data

In June 2015, the Ministry of the Interior of the Czech Republic launched the National Catalogue of Open Data, the purpose of which is to register and publish published data and information from the entire public administration in one place, thus ensuring its maximum availability for further use.

Its use can serve for both non-commercial and commercial purposes. An important feature of the catalogue is the storage of metadata, i.e. data about open data from which it is possible, for example, to know who publishes the data, whether and under what conditions the data can be used, when it was published etc.

Open data is information published by public administrations on the Internet that is complete, easily accessible, machine-readable, using standards with freely available specifications, made available under clearly defined data usage conditions with minimum constraints and available to users at the minimum cost possible. Specifically, it concerns the various statistics, budgets, reports, databases, etc.

The catalogue makes it easier for users to find and search in open data published by

the Czech public administration from one place. The use can be both non-commercial and commercial.

### **eCollection and eLegislation**

In 2015, the Ministry of the Interior presented as part of the eCollection and eLegislation projects changes to the legal rules. The purpose is to ensure better accessibility, clarity and comprehensibility of the applicable law, and to improve the quality, efficiency and transparency of its work. It concerns the creation of modern tools for law-making, for access to valid laws, and the adoption of the necessary legislative changes for new law-making and promulgation procedures.

Today, only the paper form of the Collection of Laws is valid, and now its electronic form is also legally binding. The expected date of launching the upcoming innovation is 1 January 2020.

### **Public Administration Portal**

The Public Administration Portal is the name of a web portal where public information and services are available to citizens. In one place, you can find published and publicly available information on public administration including laws, electronic submission forms, Czech POINT@home services, the National Open Data Catalogue, the Register of Contracts, the instructions for resolving all life situations in relation to public authorities, and the list of data sites. The portal also includes direct access to the user's mailbox portal and the Czech POINT information pages.

The portal targets the general public, state administration and self-government institutions, state and private organizations,

including businessmen, tradesmen and foreigners. This division is also in line with the structure of the information provided. The portal is divided into four information sections for citizens, entrepreneurs, foreigners and public authorities. More at <https://portal.gov.cz/>

### **Electronic identification - preparation for complete electronic submission**

A trusted and secure electronic identity is a prerequisite for complete electronic submission public administration, which should significantly facilitate the communication of citizens, entrepreneurs and companies with the authorities.

The Ministry of the Interior has completed the creation of a legislative framework that regulates the concept of electronic identity and the legal behaviour of persons using electronic identity means. This creates the basis for the use of electronic identification that will serve the needs of electronic communication with the public administration not only at the national level but will also be compatible with cross-border electronic identification systems. The term of the effectiveness of the Act is assumed for 1 July 2018.

At the same time, the issue of an electronic identity card is being prepared, which will enable citizens, for example, to obtain their data from the population register, the tax portal and other official systems, as well as a simpler possibility of electronic communication with the state. Authentication should be simpler and should be done not only at the office but also remotely (on-line). Citizens will be able to submit documents directly from home and will not have to go to the office personally if they choose to do so. The state will

automatically offer every holder of the ID card the possibility of electronic identification at the highest level of confidence.

### **Register of Contracts**

The operation of the Register of Contract's information system was started on 1 July 2016. All state and public institutions, local authorities, state-owned enterprises, legal entities in which the majority ownership is the state or a territorial self-governing unit and other institutions as defined by the Act on the law on the Register of Contracts, have the obligation to publish 2016 newly concluded contracts with a performance of over 50 thousand CZK without VAT in the Register of Contracts. The law is a positive step towards transparency in public administration. Contracts must be published in an open and machine-readable format including metadata. Forms to help prepare contracts and metadata for publication in the Register of Contracts are displayed on the Public Administration Portal. The Ministry of the Interior is the administrator and operator of the Register of Contract's Information System.

### **International cooperation**

The central and local public administration bodies of the Czech Republic actively cooperate with their counterparts from other European Union countries on projects of common interest to support the

digital single market. The aim is to make it easier for EU citizens to negotiate with authorities in another country in different life situations, such as when studying or looking for a job. On the "Your Europe" website, the EU offers its citizens and entrepreneurs information and advice on how to deal with the various life situations and problems they may encounter in the European Union.

The digital transformation of the Member States' public administration is to support the Action Plan for eGovernment for the period 2016-2020 with the subtitle "Accelerating the Digital Transformation of Public Administration" adopted at the European level in April 2016. It helps to remove existing digital barriers and prevents fragmentation that may arise as a result of modernizing public administration. The Czech Republic is developing eGovernment in line with this document and cooperates with other Member States to implement individual measures within working groups and teams. The European Commission enables public authorities and their representatives, entrepreneurs, businesses and citizens to actively participate in the implementation of the action plan, through the on-line eGovernment 4E platform.

# Modernization of Public Administration

## The system of measuring and evaluating public administration

In the Czech Republic, there is currently no tool for the overall evaluation of public administration. This is reflected in the document entitled Strategic Framework for the Development of Public Administration of the Czech Republic for the Period 2014-2020; one of its objectives is to set up the System of Measurement and Evaluation of Public Administration in a comprehensive format.

The proposed system should address key aspects of public administration and, in the longer term, contribute to its better management, efficiency and transparency.

After a wide-ranging debate, involving representatives of local governments, interest organizations and other ministries, a list of 46 indicators was compiled, by whose measuring over time it will be possible to follow trends in public administration. It concerns the areas of public administration availability, the level of its electronization, administrative agendas, human resources, management, the regulatory environment and international comparison.

The system will be implemented in the form of annual data collection. For the future period, it is anticipated that a system will be built to enable the necessary data to be unified in a compatible form and to allow their further use by all obligated entities from one place, while reducing the administrative burden on municipalities, which sometimes send data repeatedly to different places. Annual reports will also be published.

## Quality management in public administration

Within the public administration, the Ministry of the Interior especially supports quality management both in the practice of central administrative bodies and at the level of territorial self-governing units. In particular, the Ministry supports the implementation of

quality methods (CAF, ISO standards, local Agenda 21, model of excellence EFQM, CSR / quality management tools, (benchmarking, process management, strategic planning and management, project management and others)) in public administration through the methodical leadership, coordination and appreciation of those who have started or are systematically engaged in quality.

As part of quality management support, quality conferences are organized and, for example, the Ministry of the Interior awards prizes for quality and innovation in public administration.

## Friendly office

Within the framework of improving the quality and efficiency of public services offered to citizens by municipal and city authorities, the Ministry of the Interior set up a Friendly Office incentive competition. This competition aims to motivate municipal authorities to a higher quality of service, to appreciate the voluntary introduction of above-standard services and to disseminate the awareness of examples of good practice.

The competition focuses on the perception of the quality of public services by citizens. It monitors and appreciates, for example, the high number of office hours, office electronization, web and mobile applications (map portal, office application, reporting of city property defects, modern informing of citizens) or the digitization and publication of key office materials and community leadership.

Overall, it is a service that enhances the availability, transparency and communication of the office. The winners are, for example, awarded a sticker, which they can put on the front door of the office so that their office is friendly.





## International cooperation

After 1989, the international status of the Czech Republic (until the end of 1992 still within Czechoslovakia) changed fundamentally. In this context, the Czech Republic was newly oriented in foreign relations of a bilateral and multilateral nature.

At the same time, this restructuring led to a significant increase in international public administration activities, as this platform has enabled and allows a growing exchange of experience in the given field, particularly between the candidate countries and the old and new EU Member States, but also within the framework of international organizations, in which the Czech Republic is bound by its membership.

In the last few years, foreign activities were thematically oriented mainly on the issue of the reform of territorial public administration, the modernization of public administration and the improvement of the effectiveness of central state administration, to improve the quality of management. Other areas of concern

were the informatisation of public administration at all levels, the standardization of public services and their financing, the use of EU structural funds, the status of civil servants and self-government employees. Issues of public awareness of the activities of state administration bodies and territorial self-government and increasing the participation of public participation were also consulted.

An important part of international cooperation remains to ensure the involvement of experts in international organizations and bodies and to coordinate the participation of relevant representatives in the field of public administration.

### The Council of Europe

The Council of Europe was founded in 1949 and currently has 47 member states. The Czech Republic has been a member since its inception in 1993. Considerable attention of this intergovernmental organization is dedicated to the issues of local, regional and central administration, and the reform of their systems.



In 1994, the Congress of Local and Regional Authorities (CLRAE) was established; it replaced the until then existing Permanent Conference of Local and Regional Authorities. The Council of Europe through this body has stepped up its role in local and regional self-government.

The Congress addresses the most important issues relating to the political interest of local and regional authorities and is consulted on the adoption of all texts of a legal nature which concern them. It is advisory in character, so its resolutions are usually in the form of a recommendation. From the very beginning, the Czech Republic has actively participated in the work of this body, both by specialized experts in different working groups and in particular through its delegates in both chambers (the Chamber of Regions, the Chamber of Local Authorities).

Specific lines of tasks and specific issues are addressed at the level of Directorates-General, divisions, committees and sub-committees. In the field of public administration, **the European Steering Committee on Democracy and Governance (CDDG)**, which was established in 2013 and which closely follows the work of the previous Steering Committee for Local and Regional Government (CDLR, 1967 - 2013), is of utmost importance.

The activity of the CDDG is generally focused on supporting local and municipal self-government, analysing administrative and legislative structures, financing of local and regional authorities, facilitating cross-border cooperation, promoting territorial and cultural diversity, etc., and also on various aspects of central government reforms.

CDDG oversees and co-ordinates implementation of the following conventions (+ approximately 20 recommendations) of the Council of Europe:

- European Charter of Local Government;
- European Framework Convention on Transfrontier Cooperation between Territorial Communities or Authorities;
- Convention on the Participation of Foreigners in Public Life at the Local Level.

The most significant convention of the Council of Europe in the area of local democracy is undoubtedly the European Charter of Local Self-Government. This Multilateral Agreement entered into force on 1 September 1988 and for the Czech Republic on 1 September 1999. It is an international convention that establishes a common European standard for securing and protecting the rights of local self-government and obliges the contracting parties to apply its basic rules guaranteeing the political, administrative and financial autonomy of territorial self-government.

### **Organization for Economic Cooperation and Development (OECD)**

The Organization for Economic Cooperation and Development is an intergovernmental selective organization based in Paris, which currently has 34 members. The Czech Republic became a member of the OECD as the first post-communist country in December 1995. It offers the governments of the member states support in the implementation of reforms, provides statistics, economic and social data, analyzes and predicts economic development, examines societal changes and trends in various fields (trade, environment, agriculture, budgetary policy,

public administration, etc.).

The rich cooperation between the OECD and the former CSFR has taken place since 1990, after the federation was divided in 1993 with the Czech Republic, in many areas (including public administration) and through a number of programs (e.g. SIGMA).

The area of public administration is not a key priority of the OECD's activities, but attention is also paid to this issue, especially because of its importance for the development of trade and business. That is why the Public Administration Committee (PGC), in which the governments of all member states are represented, was established. The Committee is aimed at the centre of government, governance and the activities of the central government and devotes significant attention to public administration reforms in general and to some of their particular problems in particular (e.g. human resource development, civil service reform, ethics and corruption, regulatory reform, relations between governments and citizens, the importance of information technology for public administration, etc.).

In the PGC Committee, through its representatives, the Czech Republic

regularly participates in the work of the working committees and the meetings of expert groups such as working group on human resources in public administration (PEM), working group on regulatory reform, eGovernment expert group, working group on strengthening relations between the government and citizens, working group on distributed governance etc.

Cooperation on PGC projects lies primarily in the provision of information and expert opinions, the preparation of national reports on the situation in the Czech Republic in the relevant areas etc. In recent years, the Czech Republic has been involved in a number of projects.

### **The European Union**

The issue of public administration as a whole is not part of the *acquis communautaire*, the European Union essentially leaves it to the Member States what public administration system to choose. Nevertheless, this area is carefully monitored, especially in terms of the capacity of the state and its institutions to apply, implement and enforce the EU law. The issue of public administration is also paid attention because of its significant influence on the economic development of



the state, the smooth functioning of economic relations and hence on competitiveness and growth. For these reasons, the development of public administration in the Member States is also supported by EU funds.

**Specific cooperation** in the field of public administration therefore has **an informal character within the EU**. Nevertheless, significant attention is paid to public administration issues. The European Council has stressed on several occasions the importance of improving the quality of public administration for the further development of the EU.

At the ministerial level, there are always some areas of cooperation in the field of public administration, which are being given more attention in the following period. During the last presidencies, the areas of human resources, innovation and quality of public services, eGovernment and so-called better regulation came to the fore.

Despite the informal nature of the given agenda, ministers responsible for public administration decided, in the 1970s, to meet and exchange experiences and to pass on public administration information, including examples of good practice, as good governance, including a professional and high-quality public administration, to contribute to ensuring a functioning and modern governance of a democratic society.

**The EUPAN (European Public Administration Network)**, which also brings together Directors General responsible for governance and in working groups, also experts in selected sub-areas of public administration, was therefore created.

EUPAN is organized on three levels:

- political level: ministers and commissioners responsible for public administration;
- the management level: general directors responsible for public administration (DG);
- technical level: working groups (EWL).

On an informal basis in relation to the European agenda (such as advisory and implementation platforms) other working groups also meet, eg. ***The Group of Directors and Experts on Better Regulation (DEBR), Better Regulation Network (BRN), the Social Dialogue Committee*** and so on.

Within the EU (European Commission, Council of the EU) there are also some formalized working groups dealing with the issue of public administration in a partial way, i.e. as one of the associated topics, examining some of its aspects etc. Within the framework of thematic formations, this category may include for example, the Competitiveness Council.

**Other major international organizations in the field of public administration**

Organization with economic and financial character, such as **World Trade Organization (WTO)** **The International Monetary Fund (IMF)** or **the World Bank (WB)** together with **the OECD** have often influenced the focus and speed of public administration reforms, in particular by publishing comparative studies and country reports, including an assessment of public administration. These comparative analyses and experience (i. e. benchmarking) have created challenges for policy as well as for the public and encouraged efforts based on lessons from the successes and shortcomings of other

countries.

**The United Nations (UN)** has given some importance to administrative reform in its work in recent years. Some important documents have been adopted and various global and regional activities have been organized, such as the awarding of the **UN Prize for Public Administration (UNPSA)**, which has been awarded annually since 2003 on the occasion of the so-called **Public Administration Day (June 23)**. **The Forum for Public Administration** has always been organized with this goal.

As regards organizations involved in the training of public administrations, one can mention, in particular, the **European Institute of Public Administration (EIPA)** or the **Network of Institutions and Schools of Public Administration in Central and Eastern Europe (NISPAcee)**.

The primary mission of the European Institute of Public Administration is to support the EU, its Member States and EIPA countries by providing high-quality services to develop civil servants' capabilities in the field of EU affairs. These activities thus contribute to a better knowledge of the European integration process and European policies. EIPA also organizes seminars and other consulting activities (focusing mainly on familiarizing civil servants with the legal system and the functioning of the EU).

The network of institutions and schools of public administration in Central and Eastern Europe is an international non-governmental and non-profit organization whose main mission is to support the development of educational programs in public administration in post-communist countries and the professionalization of civil service. Considering that cooperation

with Western Europe has so far prevailed, cooperation takes place mainly between Central and Eastern European countries.

### **Bilateral relations in the field of public administration**

Bilateral relations are governed in particular by the given contractual basis (intergovernmental and ministerial agreements), but also based on the needs and current requirements of the Czech Republic and foreign partners. It is also based on the Concept of Czech Republic's Foreign Policy. Cooperation with foreign partners is continuously followed through the approved programs of the European Union or through the use of projects or specific programs offered by the respective countries such as France, Great Britain or the Netherlands.

All these activities are in line with the foreign policy of the Czech Republic and after the creation of the regions in 2001 they are also supplemented by new relations which are contractually concluded by the regions with foreign partners.

From the international point of view, for the field of contracts concluded by self-governing bodies in the Czech Republic with their counterparts abroad, the European Framework Convention on Transfrontier Co-operation between Territorial Communities or Authorities, is applicable, which entered into force for the Czech Republic on 21 March 2000.

From a territorial point of view, it is possible to divide the bilateral foreign activities realized from the creation of the Czech Republic into the following four basic areas:

- *cooperation with the Member States of the European Union;*

- *cooperation with the countries of south-eastern Europe, in particular within the framework of the Stability Pact;*
- *cooperation with the neighbouring states (especially the V4 states);*
- *cooperation with non-member countries of the European Union in the interest of the exchange of experience (Switzerland, Iceland, Norway, etc.).*

**List of selected countries with which bilateral relations have been developed in the area of public administration:**

***Albania, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Ireland, Iceland, Italy, Canada, Latvia, Hungary, Germany, Netherlands, Norway, Poland, Austria, Slovakia, Slovenia, Serbia, Sweden, Switzerland, Ukraine, United Kingdom.***

In the past, bilateral relations were established and then most intensively developed with those countries with which special ***bilateral cooperation agreements in the field of public administration were concluded*** (Slovakia, France, Switzerland), the remaining two countries of the Visegrad Four (Poland, Hungary) and countries with a similar tradition of the public administration system, the legal system or specific examples of good practice suitable for application in the Czech Republic (Germany, Austria, Estonia, the Netherlands, the United Kingdom).

In some cases, ad hoc contacts have taken place, e.g. through visiting a foreign delegation to exchange experience, which has not yet been reassured by mutual assurances (Romania, China, Vietnam, Georgia). At present, relations with the V4 countries are the most actively developed.

## **The Visegrad four**

It is a regional grouping of four Central European States: The Czech Republic, Hungary, Poland and Slovakia. It was created in 1991 by the signing of the declaration of the Member States on close cooperation on their way to European integration. After the admission of the V4 member countries to the European Union, the group focused on promoting cooperation and stability in the wider region of Central Europe. Within the framework of the Regional Partnership, the V4 cooperates with Austria and Slovenia and within the so-called V4 + program with other Central and Eastern European countries.

V4 public administration activities are implemented on the basis of program priorities, which, after consultation, are compiled by the V4 countries. These are then implemented through one-off actions, informal exchange of experience on a particular topic, the activities of expert groups (e.g. the modernization or electronization of public administration, education, civil service, etc.) or meetings of state secretaries and deputy ministers responsible for public administration.



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