

Public Administration in the Czech Republic

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Introduction

On 1st May 2004 the Czech Republic has become a full-blood Member of the European Union and crowned so an important phase of its democratic development commenced by the Velvet Revolution in November 1989. The profound transformation, through which our Society went in the past fifteen years, reflected immediately in the structure and operation of the public administration – a shift from its character of a tool, which promoted power interests of the one and only governing party, to perception of public administration as a service for a free citizen, from a centralistic decision-making process, which was made on every more significant detail, to full exercise of the self-government at the municipal and regional level.

This publication has a formidable task – to map basic transformation steps in the area of public administration since 1989 till present and to clarify contemporary organisation of the state administration and self-government, and last but not least to emphasise international aspects of the public administration development in the Czech Republic.

The publication has been prepared by the authorial collective of the Section for Public Administration Reform of the Ministry of the Interior of the Czech Republic in cooperation with experts of the Ministry of Finance of the Czech Republic and the Office of the Government. We wish this publication helped representatives of municipalities, towns and regions, officials and all the interested persons in orientation in such an extensive area.

RNDr. Josef Postránecký

Deputy Minister of the Ministry of the Interior
for the Public Administration Reform

1. Development of Public Administration Systems of the Czech Republic

1.1 System Transformation of the Public Administration of the Czech Republic

The preceding state of the public administration was significantly changed by the system transformation, and fundamentals of the new constitutional and administrative system were created successively. Development of this system can be considered as the continuous one since 1989.

At the level of the central state power, changes were based mainly on inclusion of the existing constitutional authorities into a new context from both the political point of view and from the viewpoint of relations between a citizen and the public authority. These relations were fully reflected in the Charter of Fundamental Rights and Freedoms launched by the constitutional Act No. 23/1991 Coll.

In 1989, it means at the moment when the transformation of the public administration system commenced, the Czech Republic was a part of the Czechoslovak federation. Due to this fact, the structure of legislative, executive and judicial authorities of the Czech Republic could not be complex from the viewpoint of state competencies. However, all of the highest state authorities were established. This structure was represented by the Czech National Council as the legislative authority, the Government of the Czech Republic as the highest executive authority and the Supreme Court of the Czech Republic as the highest authority of the judicial power. Similarly, at the federal level, there existed the bicameral Federal Assembly, the Federal Government and the Supreme Court of the Federation.

Further development at the central level was affected mainly by two facts. The first one consisted in the inevitable change of functions, methods of operation and forms of organisation of the central state administration, while the latter in a must to solve matters related to functionality and the further existence of the federative arrangement.

At first, there arose a situation – mainly in connection with the constitutional and factual abolishment of the leading role of the Communist Party of the Czechoslovakia – when the constitutional competencies of the central state authorities became real. The standard mechanism of a parliamentary republic was established, and even in 1990 free parliamentary elections on the basis of the modified system of proportional representation was carried out. The structure of the central state administration authorities was changed significantly, they were reduced noticeably in terms of the number, and their function was modified in terms of competencies, which are ordinary for state administration, and in connection with gradual termination of the economic management functions. No less significant changes were put into practice within the structure of the state authorities in connection with implementation of the criteria of a democratic and legal state on performance of the public administration. The state administration went through a substantial reduction e.g. in culture by elimination of the redundant state regulation, which resulted from the previous effort to regulate cultural activities politically.

On the other hand, the potential of the state authorities to use their competencies pointed out problems, which were hidden behind the existing constitutional regulation of the federative arrangement. It was not possible to overcome different opinions on the mode of the federative arrangement, which were advocated by political representatives from both

republics of the federation. This was one of the reasons for the separation of the Czechoslovak federation.

After the separation of the Czech and Slovak Federative Republic in January 1, 1993, the Czech Republic became a sovereign state with a new structure of the central state authorities, with cohesive legislation, the only citizenship, as well as the Parliament, the Government and the Supreme Court. Internal division of the Czech Republic was ceaselessly solely the territorial-administrative arrangement. This situation reflected in the new Constitution of the Czech Republic adopted on the very beginning of the sovereign State existence (the Constitutional Act No. 1/1993 Coll.). The Charter of Fundamental Rights and Freedoms became a part of the Constitutional order as well.

The further development was much more dynamic in the sphere of the territorial administration than in the sphere of the central state authorities. That is why this chapter introduces only changes in the territorial administration, while changes in the system and activities of the central state authorities are introduced in chapters describing their present situation.

Till 1990, territorial public authorities were the so-called National Committees. National Committees operated as the State bodies practically, however, they had formally a representative component as well. Self-government - in the ordinary sense of this word – did not exist because it was inconceivable that it would make an opposing decision to directions of the communist party.

In 1990, the system of National Committees was replaced by a new arrangement of the territorial state administration. However, each of the levels of the public administration was handled in a different way. Local self-government arose, resp. was re-established instead of the abolished local and municipal National Committees. The local self-government has had a long tradition in the territory of the Czech Republic and its system has not changed significantly from its establishment in 1849 to 1938. Since the very beginning, the local self-government has performed specific functions of the state administration as a delegated competence. The new arrangement followed this system considerably. The new arrangement of the local self-government was implemented by the Act No. 367/1990 Coll., on Municipalities (the Municipal Arrangement).

District National Committees were replaced by District Offices, which had character of state administration. With respect to the defined functions at distribution of state resources to single municipalities, District Assembly operated there as well. Municipalities delegated their representatives in it in accordance with the legally approved system. The existence of District Offices was established by the Act No. 425/1990 Coll., on District Offices, on Arrangement of Their Competencies and on Some Other Related Measures.

As concerns the regional National Committees, they were abolished without replacement. Their competencies were transferred partly to the central administrative bodies and partly to the newly established District Offices.

The situation established should not have been a long-term situation. District Offices were composed as authorities with a considerable, maximally two-year deadline. The establishment of the higher self-governments was supposed as well. At the beginning, their establishment was postponed by disputes over their arrangement – if they should be arranged according to the historic countries or according to regions. Furthermore, there existed different opinions on the form of regions and on the method of exercise of the country-principle. The efforts to reflect position of historic countries into the federative arrangement arose already during existence of the Czechoslovakia. The public administration in the

territory of the contemporary Czech Republic was organised in compliance with historic countries (Bohemia, Moravia, Silesia, and Moravian-Silesian Country instead of Moravia a Silesia since 1928), as they existed till 1948. This terminated practically the first stage of transformation of the public administration in the Czech Republic.

Temporary system introduced in 1990 proved to be longer lasting. As concerns the District Offices, the main role played a must to introduce at least minimal stability elements into the public administration at situation, when the self-governments did not have yet sufficient experience with its performance. The regional level was affected by more factors. In addition to the initial hesitation between the country and regional variant, the situation was affected also by the efforts towards more significant integration inside the Czech Republic after the separation of the federation, and as well by concerns about competition to the central authorities, which would be represented by the higher self-governments.

Long-term continuation of the system, which was previously established as a provisional one, brought of course some problems. The self-government was practically limited to the local level. At the level of the state administration, the mezzo-regional level was noticeably missing. Central administrative authorities attempted to solve this situation by proposing of specialised state administrative bodies, which were consecutively approved by law on the basis of governmental proposals. Due to this system, fragmentation of coordination of the territorial state administration performance increased without achieving any savings, which were expected to result from the abolishment of the regional National Committees.

The above-mentioned situation became less and less tolerable in terms of decentralisation tendencies characteristic for contemporary European administration, as well as of effectiveness of public administration performance. An impulse was found in re-establishment of the regional arrangement, which became the beginning of the second stage of the territorial public administration reform at the same time.

1.2 The New Regional Arrangement

The higher level of self-government was launched by the Constitutional Act No. 347/1997 Coll., on the Establishment of Territorial Self-Governing Units (Regions) and on Amendment of the Constitutional Act of the Czech National Council No. 1/1993 Coll., the Constitution of the Czech Republic. The above-mentioned Constitutional Act established regions only in terms of their territories, not in terms of their factual competencies and the method of their organisation. Long legis-vacation – it means the period between adoption and validity of the Act - was determined to find solution of these questions. Act No. 347/1997 Coll. came into effect on January 1, 2000.

Regional elections were held only in November 2000 and relevant Acts came into force as of the day of the regional elections, possibly on January 1, 2001.

14 regions - including the Capital City of Prague - were established by the Constitutional Act No. 347/1997 Coll. The number of regions and their seats are identical with those of regions existing in the period between 1949 and 1960. Thus, higher number of regions was preferred. Besides the adopted variant, where the number of regions originally oscillated between 12 and 15, the second most frequent variant was that one resulting from the regions established in 1960.

This variant included in single sub-variant between 8 and 9 regions including the Capital City of Prague; in addition to the regions of 1960, the Region of Olomouc, resp. the Central-Moravian Region, was considered as well.

Advantage of the chosen territorial arrangement was especially better conformity with natural mezzo-regional division of the Czech Republic, even if the actual number of centres is contentious. By this way, nearly all of the mezzo-regional centres were satisfied. Such satisfaction creates a good basis for relative stability of the chosen arrangement.

Certain disadvantage can be seen in discontinuity with the existing regional arrangement and in disconformities of the new arrangement with the arrangement of certain specialised administrative authorities and courts. The above-mentioned disadvantage is connected naturally with every change of the territorial basis of regions. Other disadvantage can be seen in the fact that regions are too small from the viewpoint of units for provision of assistance from the EU funds. On the other hand, competencies of regions are mainly domestic, so this argument is not necessarily the decisive one. The Act No. 248/2000 Coll., on Support of the Regional Development, solves divergence resulting from these disconformities by establishment of regional boards for cohesion regions in cases, when these regions consist of two or three regions. Regional boards are elected by members of relevant Regional councils, equal number of members from each of the regions.

New self-governing regions did not abolish automatically the regions of 1960. Due to this fact, concurrently there exists legally disappointing situation, when the name "region" relates to two different categories of units. This situation is evoked by the impossibility of immediate abolishment of the Act No. 36/1960 Coll., on Territorial Division of State. By such an abolishment, certain state administration authorities would lose a basis of their competency given by districts and regions of 1960. The above-mentioned regions as territorial units were not abolished in 1990; at that time only the regional National Committees were abolished.

In relation to organisation of regions that was solved by the related Acts, namely by the Act No. 129/2000 Coll., on Regions (the Regional Arrangement), the principal problem was based on choice between a join and a separated model of public administration performance. The first model is based on performance of the state administration by the territorial self-government, in addition to which there can exist certain specialised state administration authorities; however, existence of the state administration authorities with a general competence is not allowed. The latter model would mean establishment of special state administration authorities with a general competence and of special self-government authorities with a general competence.

The Ministry of the Interior, which was authorised by preparation of the public administration reform, proposed originally the separated model, after voting in the Chamber of Deputies in May 1999, when 160 of 176 attendant Deputies voted for a join model, draft Acts to fulfil conditions of the join model were elaborated. This model was later implemented.

As concerns competencies of regions, the decisive factor was the scope of decentralisation and deconcentration. Both the decentralisation effect was achieved in this sense, when competencies were transferred to the regions in the form of independent powers, and the deconcentration effect, when competencies were transferred to the regions in the form of delegated powers, where their subordination to the central state administration was remained. Deconcentration effect was more significant, but it is necessary to take into consideration that - from the organisational and personnel point of view - a region performs its delegated powers, it means competencies in state administration affairs, independently. Excluding transfer of competencies to regions from district offices, the establishment of regions basically did not affect competencies of municipalities.

Solution of problems related to management of regions and to their activities in the initial period is usually called the first stage of the territorial public administration reform.

Concurrently there are two of these problems that are significant in terms of conception. The first and most important problem is financial arrangement of the region's activities. Contemporary situation allows securing financially the region's own organisation and performance of the state administration at the regional level. However, existing financial resources are not sufficient to enable regions to perform their independent powers in terms of territorial development. The only feasible way how to overcome this problem is to increase the regions' proportion on budgetary reallocation of tax revenues. This increase is not an affair without conflicts. Such a solution, which would enable similar conditions for activities at all levels, is searched in the situation of general tension among needs and resources; one level of public administration cannot be prioritised to the others. Decentralising and deconcentration character of the public administration reform excludes increase of the regions' proportion on the account of municipalities; satisfaction of regions is possible only by decrease of the state proportion.

It is obvious that finding optimal proportions is highly difficult mainly in connection with tension of the State budget on the one side and with necessity to implement decentralisation to the regional level even financially on the other one.

1.3 Second Stage of the Territorial Public Administration Reform

Already in the course of preparation of the first stage of the territorial public administration reform, the change of arrangement of the state administration even at the district level was considered. Indispensability of this change resulted on the one hand from decentralising and deconcentration character of the public administration reform, it means from delegation of further competencies so far performed by the State to the self-government, on the other hand from the necessity of a change of the existing territorial arrangement of the state administration performance, which was based at the district level of 1960 as well. In principle, the existing districts have not changed since 1960; the number of districts in the Czech Republic has increased only by the District of Jeseník. Very important was as well, that district offices as authorities performing exclusively state administration were elements of the separated model of public administration performance, while in municipalities and regions is being applied the join model. Territorial public administration reform at the basic level of the state administration is usually called the second stage of this reform.

Its focus consisted in abolishment of district offices and in transfer of their competencies to other authorities of the public administration.

The key question for the conception of the second stage of the territorial public administration reform was, if there should be realised only the transfer of competencies from district offices to municipal offices of district towns without any change of the territorial-administrative arrangement of the public administration performance, or if decentralisation and deconcentration of public administration in terms of the territory should be applied, and so enabled realisation of remedy of imperfections caused by the territorial-administrative arrangement of 1960.

The Government supported positively this following wider conception of the reform; however, distribution of powers in the Chamber of Deputies during negotiations of bills of the relevant Acts generated uncertainty about the success of the conception that was pushed by the Government. This uncertainty terminated only at the moment of adoption of the relevant laws.

During preparation and implementation of the wider conception of the second stage of territorial public administration reform, it had to be cleared up, to which public administration authorities should be transferred majority of competencies of district offices. For this purpose, in new smaller districts, there could be established even new authorities with character of district self-government. If such district self-government were created not by direct elections, but on the basis of delegations from municipalities, such a solution would possibly stand even from the constitutional viewpoint, although the Constitution of the Czech Republic recognises only municipal and regional self-government. Establishment of new authorities would be practically more complicated than transfer of competencies to already existing authorities. Certain risk was represented likewise by the possible weakening of towns' interest, to which would be transferred otherwise the competencies, if the district self-government did not exist. This solution was not implemented with respect to all of the above-mentioned reasons. However, its undisputable advantage can be seen in the fact, that certain municipalities would not perform state administration in the territory of other municipalities, which cannot influence functioning of a relevant municipal office through their elected bodies.

Competencies of district offices could be transferred neither to all of 381 authorised municipal offices. This impossibility resulted from the fact that some of the authorised municipal offices have a seat in relatively small centres and they have very small territorial districts, possibly even with only five thousand of inhabitants. It is neither possible to create long-term conditions for the quality state administration performance so far executed by district offices; territory, where they executed their competencies, most often encompassed 100 – 150 thousands of inhabitants.

With regard to the previous explorations of residency structure of the Czech Republic, to natural geographic micro-regions and to possibilities of provision of the quality public administration performance, it was obvious that a suitable number of units for basic performance of the state administration in the scope of most of the district offices competencies can be set approx. at 200.

Due to the impossibility of establishment of district self-government in smaller districts and unfeasibility to entrust authorised municipal offices by performance of district offices' competencies, the chosen solution consisted in the choice of the above-mentioned approx. 200 municipalities that would perform state administration even in a wider territorial district. The principle of administration performance in a wider district is undertaken of authorised municipal offices. Selected municipalities were called municipalities with extended powers.

A result of the above mentioned process was a governmental bill on determination of municipalities with authorised municipal office and municipalities with extended powers, which was adopted and published as the Act No. 314/2002 Coll. Actual determination of administrative centres was naturally a theme of extensive considerations and attempts of certain municipalities to be incorporated into a list of municipalities with extended powers. Governmental bill was submitted to the Chamber of Deputies in November 2002 and included 192 municipalities. This number was increased in the Chamber of Deputies to 194 and even later in the Senate to 205. Even though certain reservations may exist concerning determination of municipalities with extended powers, in complex their structure corresponds maximally with territorial decentralisation and deconcentration of performance of most of administrative competencies at the basic level.

The Act No. 314/2002 Coll. specifies not only municipalities with extended powers, but it determines as well a legitimate form and existence of concrete authorised municipal offices, which were so far in accordance with the Act No. 128/2000 Coll., on Municipalities

(the Municipal Arrangement), determined only by the Decree of the Ministry of the Interior. The Act No. 314/2002 Coll. increased number of municipalities with authorised municipal office to 388.

Administrative districts both of municipalities with extended powers and municipalities with authorised municipal office are determined by the Decree of the Ministry of the Interior, legal determination concerns only municipalities, which perform this extended powers, resp. which have authorised municipal office.

The above-mentioned basic change required certain legislative and factual steps to be implemented. As concerns legislative steps, the most important was the transfer of competencies of district offices to municipalities with extended powers, transfer of the State property related to performance of the above mentioned competencies to these municipalities and transfer of personnel of district offices to bodies, to which were delegated relevant competencies. Matters of implementation of regional arrangements are described in another part of this publication.

2. Constitutional Order of the Czech Republic

2.1 Fundamentals of the Constitutional Order

Concurrently the Constitution of 1993 is in force in the Czech Republic (the constitutional Act No. 1/1993 Coll., the Constitution of the Czech Republic, as amended), it means the Constitution adopted at the birth of the Czech Republic as a sovereign state. This Constitution went through only a small number of amendments that did not affect its conception.

On the basis of the Constitution of the Czech Republic, the Czech Republic is a sovereign, unitary and democratic, law-abiding State based on respect for the rights and freedoms of a man and a citizen. In its first nine Articles are formulated basic principles of the constitutional arrangement. Pursuant to Article 9 (2) of the Constitution of the Czech Republic, the amendment of substantial requisites of the democratic, law-abiding State is inadmissible. Relation between the State and a citizen is based on the possibility of exercise of state power only in cases, limits and ways given by the Act; from the citizen's viewpoint on the other hand stands that everybody can make everything what is not prohibited by law.

Fundamental rights and freedoms are specified in detail in the Charter of Fundamental Rights and Freedoms. This Charter fully reflects the International Pact on Civil and Political Rights and the International Pact on Economic, Social and Cultural Rights. The Charter of Fundamental Rights and Freedoms is a part of the Constitutional Order of the Czech Republic and it has the same status in legal order as the Constitution itself. Reason for confirmation of fundamental rights and freedoms in an individual document apart from the text of the Constitution is historical.

Relation of national and international law is defined in the Constitution of the Czech Republic in accordance with a principle of primacy of international law. On the basis of Article 10 of the Constitution of the Czech Republic, it is defined that published international treaties, ratification of which was approved by the Parliament, and by which the Czech Republic is bound, are part of the legal order. If the ratified international treaty sets something else than law of the Czech Republic, then the international treaty is applied.

2.2 The Legislative Power

The Chamber of Deputies and the Senate, that together creates the bicameral Parliament of the Czech Republic, perform legislative power in accordance with the Constitution of the Czech Republic.

The Chamber of Deputies has 200 Deputies, who are elected for a term of four years. The Senate have 81 Senators, who are elected for a term of six years, while one third of Senators is elected every two years.

Both chambers have a different position in the legislative process. Bills have to be introduced to the Chamber of Deputies at first. A bill passed by the Chamber of Deputies is referred by it to the Senate. The Senate has the possibility to approve the bill in the same version as that one of the Chamber of Deputies, or possibly not to consider the bill, or eventually to express explicitly their resolve not to consider the bill. In all of these cases stands, that the bill is approved in the version given by the Chamber of Deputies. However, the Senate has the possibility to return the bill to the Chamber of Deputies with comments or to defeat the bill. In both of these cases, the bill is returned to the Chamber of Deputies and

the Chamber of Deputies takes a second vote thereon. To approve the Act that was not defeated by the Senate or to which the Senate had no amendatory proposals, simple majority – it means absolute majority of attendant Deputies, while quorum is constituted if at least one third of their members are present - in the Chamber of Deputies is sufficient. In case of a must to outvote disapproval or amendatory proposals of the Senate, it is necessary to have an absolute majority, it means absolute majority of all the Deputies.

After approval by the Senate, the President of the Republic, who can apply a presidential veto, signs laws. A consequence of presidential veto is necessity to take a new vote on the returned law in the Chamber of Deputies, where the requirement of absolute majority is applied again. The Senate does not consider the Act returned by the President again.

The Senate cannot be defeated in case of electoral law, the law defining principles of transactions and contacts internally between the two chambers, as well as externally, and the law on the rules of procedure of the Senate. However, the Senate may not adopt legal measures regarding the State Budget.

Constitutional Acts are considered differently. They are required to be approved always by a three-fifths majority of all Deputies and of three-fifths majority of Senators in attendance. The Chambers of Deputies cannot outvote a disapproval of the Senate in this case. In case of a Constitutional Act cannot be applied a presidential veto as well.

The Chamber of Deputies can be dissolved by the President of the Republic in cases explicitly specified by the Constitution of the Czech Republic. If the Chamber of Deputies is dissolved, the legislative competence is transferred to the Senate till the elections to the Chamber of Deputies. The Senate adopts legal measures under this situation. Legal measures cannot replace Constitutional Acts, the State Budget, the electoral law and international treaties under Article 10 of the Constitution of the Czech Republic. Legal measures of the Senate have to be approved by the Chamber of Deputies at its first meeting, otherwise their continued validity ceases. In hitherto existing constitutional practice the dissolution has not been applied.

Bills are considered in the Chamber of Deputies according to the rules of procedure (the Act No. 90/1995 Coll., on Rules of Procedure of the Chamber of Deputies, as amended) in three readings. The first reading is designed for expression of basic acceptance or rejection of the submitted draft. In case, that the bill is not rejected in the first reading, it processes to the second reading. In the second reading are submitted amendatory proposals and the submitted bill is considered not only as a whole, but as well in details. As soon as the bill is approved in the second reading, the third reading follows. In the third reading, new amendatory proposals are not allowed. These proposals can be only approved in the third reading. The third reading shall eliminate possible legislative mistakes of a technical character of the bill approved in the second reading.

Bills may be introduced by a Deputy, a group of Deputies, the Senate, the Government, or the representative body of a higher self-governing territorial unit (region). The most frequent introducer of the bills is the Government that has the most qualified apparatus for their preparation as well. For preparation of laws in the state administration are binding the Legislative Rules of the Government of the Czech Republic, which are not a legal regulation though.

Process of approval of laws is concluded by their promulgation (publication) in the Collection of Laws, which is a condition of their validity. The Act comes into force on the fifteenth day after its publication, if validity is not explicitly specified on the later date. If

required by the urgent public interest, it is exceptionally possible to specify earlier validity however not before the date of promulgation.

The Chamber of Deputies deals in plenary sessions and in committees. A plenary session of the Chamber of Deputies is realised in the framework of its session, which is permanent. In committees are discussed particularly bills and other matters before their consideration in a plenary session. A special position among all the committees has the Organisational Committee that proposes assignment of bills to other committees of the Chamber of Deputies for consideration and organises performance of competencies of the Chamber of Deputies. In addition to committees, the Chamber of Deputies can establish permanent or temporary commissions. A special type of commissions is an investigation commission. Investigation commissions do not substitute law enforcement authorities. In the lead of the Chamber of Deputies is the Chairman, who can be deputized by the Vice-Chairmen of the Chamber of Deputies. Deputies Clubs are considered as bodies of the Chamber of Deputies. Deputies' Club may be established by a political party with representation of at least 10 Deputies in the Chamber of Deputies. The same condition is valid for a Club of independent Deputies. Organisation of the Senate is based on similar principles as the Chamber of Deputies.

2.3 The Electoral system

At present, the electoral system is regulated by special Acts for single types of elections, it means for parliamentary elections (the Act No. 247/1995 Coll., on the Elections in the Parliament of the Czech Republic and on the Amendments of Some Other Acts, as amended), for elections to Regional Councils (the Act No. 130/2000 Coll., on Elections to Regional Councils and on Amendment of Some Other Acts, as amended) and for elections to Municipal Councils (the Act No. 152/1994 Coll., on Elections to Municipal Councils and on Amendment of Some Other Acts, as amended). A draft of the electoral code is under preparation that should include regulation of all types of elections.

Bar elections to the Senate, the electoral system of the Czech Republic is based on the principle of proportional representation. In electoral districts with more mandates, these mandates are divided among political parties proportionally, in accordance with a number of votes gained by their lists of candidates. At elections to the Chamber of Deputies and Regional Councils, apportionment is conducted according to the method of the electoral divider, while division by numbers 1, 2, 3 and further always by a number increased by 1 is applied. For participation on apportionment of mandates a closing clause (a threshold) is applied, which means that on the apportionment can participate only such a political party that gained at least 5 percent of cast valid votes in the whole State, resp. in the whole region at elections to Regional Councils.

Political parties and political movements can stand as candidates in parliamentary elections and in elections to Regional Councils. The voter has the right to express their preference by marking the ballot prior to inserting it into the Formal Envelope so that he/she encircles the candidate's ballot position number. No more than four candidates listed on one ballot form may be indicated, and no other ballot editing can be accepted.

In elections to the Municipal Councils, the closing clause is not applied. Except of candidacy of political parties and movements, a candidacy of independent candidates, of independent candidates associations and of associations of a political party and independent candidates is allowed. As concerns independent candidates, who are not associated with a political party, if they want their candidacy to be accepted, they have to demonstrate that

citizens support them by a document with a certain number of signatures - the number is given by law. The Senate is elected according to the system of absolute majority. In electoral districts with one mandate is elected such a candidate, who gained the absolute majority of cast valid votes. In case that no candidate fulfilled this requirement, there shall be established the second round of elections, to which progress two candidates with the highest number of votes.

Correctness of all the elections is legally examinable.

2.4 The Head of State

The Head of State is pursuant to the Constitution of the Czech Republic the President of the Republic. The President of the Republic is elected by both of the Chambers of the Parliament at their joint meeting. The Presidential election can be realised in three rounds. In the first round, the absolute majority of Deputies and the absolute majority of Senators are necessary for being elected. In the second round is sufficient the simple majority gained in both of the Chambers. In the third round is sufficient simple majority of the Deputies and the Senators altogether.

The Constitutional position of the President is given by the fact, that the Czech Republic is a parliamentary republic. Competencies of the President can be divided into two groups. To the first group belong competencies that are performed individually – it means that his act does not require countersign by the Prime Minister or a member of the Government authorised by him. Among such competencies belong particularly to appoint and recall members of the Government, convene sessions and dissolve the Chamber of Deputies, appoint judges of the Supreme Court or pardon and mitigate penalties imposed by a court. Countersign is not required for application of the presidential veto in legislative process.

Countersign is required e.g. by Acts related to representation of the State externally, to negotiations and ratification of international treaties, to performance of the supreme commander of the armed forces, to appointment of generals and to granting amnesty.

The President of the Republic may not be detained, subjected to criminal prosecution or charged with a transgression or a different administrative offence, with exception of high treason; in this case, the penalty may be loss of his presidential office and of his eligibility to regain it.

If the office of the President of the Republic is vacated or if the President of the Republic is unable to perform his official duties for serious reasons, and if the Chamber of Deputies and the Senate so decide, the performance of presidential duties appertains to the Prime Minister or to the Chairman of the Chamber of Deputies; if the office of the President of the Republic is vacated in a period of time when the Chamber of Deputies is dissolved, the performance of these duties appertains to the Chairman of the Senate.

2.5 The Executive Power

The supreme body of the executive power of the Czech Republic is the Government that stands in the lead of the state administration system. It consists of the Prime Minister, Deputy Prime Ministers and Ministers. It is accountable to the Chamber of Deputies from its activities; the Government is not accountable to the Senate. The Government has to have confidence of the Chamber of Deputies for the whole term of its duration. After being appointed, it is obliged to present itself to the Chamber of Deputies and ask it for a vote of confidence. If a thus appointed Government fails repeatedly to win the confidence of the

Chamber of Deputies, the President of the Republic appoints a Prime Minister on the proposal of the Chairman of the Chamber of Deputies. If neither the thus constituted Government wins the confidence, the President of the Republic can dissolve the Chamber of Deputies. The Chamber of Deputies may express no confidence in the Government anytime later by the absolute majority of the Deputies. The Government may ask the Chamber of Deputies for a vote of confidence as well, potentially it may bind such a proposal with approval of a certain bill.

By appointment of the Government, the President of the Republic appoints the Prime Minister at first and subsequently the other members of the Government are appointed on the Prime Minister's proposal. On the Prime Minister's proposal, the appointed members of the Government are entrusted with the direction of individual ministries or other authorities. Similarly, the President of the Republic recalls a member of the Government if the Prime Minister so proposes.

The Government makes its decisions as a body in accordance with the principle of the absolute majority. The Prime Minister organises the work of the Government, presides its meetings, acts in its name and pursues other activities entrusted to him by the Constitution or other laws.

The Government may issue regulations for the implementation and within the scope of laws. The Government cannot lay down the entirely new duties by regulations. Explicit authorisation in a particular law is not necessary to issue a regulation.

The Government controls activities of Ministries and other central administrative authorities and is responsible for quality of approved laws and Government regulations. By its activities, the Government takes full advantage of collegiate advisory bodies (councils, commissions and committees) e.g. of the Legislative Council, the Government Council for Research and Development, etc.

The Ministries and other central administrative authorities exercise their competencies in individual areas of state administration. The Ministries and other central administrative authorities control state administration performance in the relevant area. The Ministries and all of the other administrative authorities can be established and their competencies determined only by law. The Ministries and other administrative authorities can issue Decrees for the implementation and within the scope of the Act. Explicit authorisation in a particular law is necessary to issue such a Decree.

In the lead of the Ministry stands a Minister, who is a Member of the Government and a Constitutional agent. In the lead of other central administrative authorities stand their executives. Appellation of the executive differs according to individual authorities (President, Director, etc.). Similarly, the method of appointment of the executives of central administrative authorities is different (appointment by the President of the Republic, appointment by the Government, etc.). Executives of central administrative authorities are no members of the Government, with the exception of the Ministries. The collegiate principle applies only exceptionally as determining in control of central authorities (the Czech Securities Commission, the Council for Radio and Television Broadcasting). However, position of such collegiate bodies has specific characteristics.

Activities of the Government, Ministries and other central administrative authorities in legislative process are regulated by the Legislative Rules of the Government. The Legislative Rules include general requirements on creation of laws and their form on the one hand, on the other hand provisions regulating process of preparation of legal regulation in the Government and central administrative authorities.

Preparation of such a legal regulation is preceded by a detailed analysis of legal state and state of facts. A part of this preparation is an evaluation of necessity of a change as well, possibly of extension of legal regulation.

If the existing Act shall be replaced by a new conception legal amendment or if so far not regulated matters shall be regulated, then elaboration of a substantial intent of the Act has to be included into a plan of legislative tasks of the Government. A substantial intent shall include besides an analysis of existing state a proposal of substantial solution and a way of its projection into the legal order and supposed economic and financial consequences of the proposed substantial solution. Accord of the proposed solution with commitments resulting for the Czech Republic from the Europe Agreement and from international Treaties has to be evaluated as well.

A substantial intent of an Act is submitted to commenting authorities given by the Legislative Rules of the Government. Among these commenting authorities belong particularly Ministries and other central administrative authorities. In case, that the proposal affects own powers of regions, it is submitted to them in the comment procedure.

The Government approves a substantial intent adapted according to the results of the comment procedure, and then the relevant Ministry or the other central administrative authority elaborates a draft act. This draft goes through the comment procedure again. A part of a draft is a reasoned report. After the comment procedure and possible adaptation, the Legislative Council of the Government considers the draft. Members of this Council are leading experts both academic and from practice. The Legislative Council may establish commissions for individual branch of law. As the Legislative Council considers the draft, the Government discusses it, and after the Government approves it, the bill is submitted to the Chamber of Deputies.

2.6 The Judicial Power

The independent courts exercise judicial power in the Czech Republic. A judge is independent in the performance of his office, only law binds him and his office is incompatible with the office of the President of the Republic, Member of the parliament, or any office in public administration.

The courts shall first and foremost provide in a manner defined by law protection of rights. A court alone decides about guilt and penalty for criminal offences.

The President of the Republic appoints a judge for life. Any citizen with full integrity, who is the graduate of a university law school and complies with all the other prerequisites given by law, may be appointed judge. A judge may be held liable or dismissed only on the basis of a decision of a disciplinary senate that is composed only of judges again. The law specifies the cases when judges decide in bench and the composition of a bench, in other cases judges decide as single judges. The law may define in what cases and in what manner other citizens participate in addition to judges in judicial decision-making.

Judiciary can be divided in general, administrative and constitutional. In the framework of general judiciary is decided on civil and criminal affairs. This system is formed by district, regional and superior courts and by the Supreme Court.

Regional courts and the Supreme Administrative Court perform the administrative judiciary. In the framework of administrative judiciary are inspected decisions, possibly other acts of public administration from the viewpoint of its conformity with law. Most of decisions

made in public administration are judicially examinable. A decision concerning of the fundamental rights and freedoms is always judicially examinable. In the framework of administrative judiciary, it is possible to bring an action against inactivity of public administration bodies. There is a specialised senate in the framework of regional court that deals with administrative judiciary. However, performance of administrative judiciary is organisationally bound with performance of general judiciary. Legal process is determined by a single Act No.150/2002 Coll., on Administrative Procedure Rules, as amended. The Supreme Administrative Court has largely character of causation court; its function is to confirm, possibly to cancel sentences of regional courts as concerns administrative judiciary. At renegotiation, regional court is bound by a legal opinion of the Supreme Administrative Court. Exceptionally the Supreme Administrative Court decides in further matters defined by law.

The Supreme Court and the Supreme Administrative Court issue opinions to ensure uniform judicial decision-making.

The Constitutional Court performs the constitutional judiciary. This Court decides on conformity of laws with the Constitution and with other components of the Constitutional Order and on conformity of by-law legal regulations with laws. Application of by-law legal regulation that is inconsistent with law, every judge can refuse in definite case.

The Constitutional Court rules further on constitutional complaints of citizens on breaks of their fundamental rights on constitutional complaints of territorial self-government bodies against illegal intervention by the State. A constitutional complaint of a citizen is acceptable only if all of the other means of remedy were expended.

The Constitutional Court has in addition to these fundamental competencies as well other competencies, e.g. rules disputes regarding the scope of the jurisdiction of state authorities and territorial self-government authorities, unless such disputes are under jurisdiction of a different body.

The Constitutional Court consists of fifteen judges appointed for a term of ten years. Judges of the Constitutional Court are appointed by the President of the Republic and are confirmed by the Senate. Besides general prerequisites for performance of the office of judge, by the judge of the Constitutional Court is required a passive voting right for the Senate, it means namely attainment of the age of 40 years, and further at least 10 years of activity in law practice.

Activity of the Constitutional Court is regulated except of the Constitution by the Act No. 182/1993 Coll., on the Constitutional Court, as amended.

2.7 The Ombudsman

The Ombudsman participates significantly in the public administration control. He affects towards protection of persons against actions of authorities and other bodies established in accordance with law. The Ombudsman concentrates on conflict with law, with principles of democratic, law-abiding State and good governance. The Ombudsman can assail inactivity of the relevant authorities.

Competency of the Ombudsman relates particularly to administrative authorities, to bodies of territorial self-government at performance of delegated powers, and by the given exceptions to other authorities, especially to the Police of the Czech Republic, the Army of the Czech Republic, the Castle Guard, the Prison Service and public health care companies.

Competency of the Ombudsman does not relate on the contrary to the Parliament, the President of the Republic, the Government, the Supreme Control Office, intelligence services, law enforcement authorities, State Prosecutor's Offices and courts.

The Ombudsman is elected for a term of 6 years by the Chamber of Deputies on the basis of proposals made by the President of the Republic and the Senate. The Ombudsman is accountable for the performance of his office to the Chamber of Deputies.

The Ombudsman acts on the basis of initiative of a natural person or a legal entity or of his own initiative. Similarly, he can act on the basis of initiative submitted by a Deputy, a Senator or by one of the Chambers of the Parliament.

Authorities are entrusted by specific duties in relation to the Ombudsman, e.g. provision of information and explication, submission of records or communication of statement and carrying out of evidence and operation of control. The Ombudsman can - on the basis of results of his examination – invite authority to express itself to the results of his examination. He can propose as well to launch proceeding, if it is possible to launch it *ex officio*, carrying out of operation towards assail of inactivity, launch of a disciplinary or similar proceeding, launch prosecution for a criminal offence or administrative tort and provision of compensation for damage or draw of claim on this compensation.

If the relevant authority does not make a sufficient atonement, the Ombudsman informs a superordinate authority, resp. the Government (if there is no other superordinate authority). He can inform the public as well. The Ombudsman submits an annual report on his activity to the Chamber of Deputies.

2.8 Coordination of the Central State Administration

Central state administration occupies a decisive role in management of public sector. This role consists in creation of strategies and establishment of a general framework for functioning of individual areas of the society. These conception materials are later on brought into practice by the means of legislative mechanisms and coordination and control activities.

The most important actor in this process represents the Government that is pursuant to the Constitution of the Czech Republic the supreme body of executive power and makes its decision as a body and pursuant to the Act No. 2/1969 Coll., on Establishment of Ministries and Other Central Authorities of the State Administration of the Czech Republic (the so-called Competency Law), manages, controls and integrates activities of single Ministries. It is responsible for their activity at the same time. But efficiency and quality of functioning of the central state administration system depends not only on decision-making and activity of the Government, but also on activities of individual Ministries and their mutual cohesion.

Therefore the Government represents the most important coordination mechanism at the level of the central state administration. Here it is necessary to mention that this coordination capacity is negatively influenced especially by excessive burden imposed on the Government by tasks and activities of operational character, which can evince much more in connection with the membership of the Czech Republic in the European Union that poses high requirements not only on the Government, but also on the more efficient, coordinated and flexible cooperation of the whole central state administration.

The necessity to improve horizontal coordination and communication within the central state administration is realised even by the Government; that is why the above-mentioned matters have become one of its priorities introduced in the Statement to the

Government Policy. It is necessary to specify that the rules for coordination of the central state administration have been already stipulated. They are introduced in a basic form in the Competency Law, further in the Rules of Procedure of the Government of the Czech Republic and in the rules for the legislative process in the Legislative Rules of the Government.

Establishment of efficient mechanisms and rules for horizontal coordination and communication within the central state administration is one of the aims of the reform and modernisation of the central state administration in the Czech Republic, namely of the project „Efficient horizontal communication and assistance to creation of national strategies “. Concept of the reform and modernisation was approved by the Government Resolution No. 237 of 17th March 2004, when the material „Methods and main directions of the reform and modernisation of central state administration including settlement of responsibility and organisational arrangement“. In the framework of the above mentioned project, the Office of the Government is entrusted by elaboration of a proposal on improvement of central state administration coordination using results of the accomplished analysis of international experience with the interministerial cooperation and with operation of governmental offices or offices of the Prime Minister.

To remove certain deficiencies in coordination of the central state administration can contribute as well the Civil Service Act; it means Act No. 218/2002 Coll., on the Service of Civil Servants in the Authorities and on the Remuneration for the Servants and Other Employees in the Authorities, especially the institute of the State Secretary that shall be established by all the administrative authorities. More details on the Civil Service Act and on amendments following from it are mentioned in other chapter.

Other method how to improve horizontal coordination at the level of the central state administration is introduced by arrangement of operation of the Office of the Government. Concurrently it exercises mainly function of a place, where organisational and technical activities for arrangement of operation of the Government, its advisory and working bodies are conducted, as well as activities for its economic and technical operation. It is obvious that at the Office of the Government will have to be established such departments that will coordinate tasks and activities of cross-sectoral character

One of other tools for improvement of horizontal coordination is application of the project management. Concurrently it is applied on the reform and modernisation of the central state administration, whose process and directions were approved by the Government Resolution No. 237 of 17th March 2004. Realisation of the reform and modernisation process is itemised into several main directions and these ones further into concrete projects. Every of these projects have its own responsible entity or co-responsible entity, the Office of the Government of the Czech Republic fulfils the function of the main coordinator of the whole reform and modernisation.

To get a more compact view on coordination within the central state administration, it is necessary to specify that some coordination mechanisms already exist. In the framework of the reform of the territorial public administration proceeding under responsibility of the Ministry of the Interior, there is functioning for instance the working committee of Deputy Ministers for the public administration reform. In the field of quality have been established *the Council of the Czech Republic for Quality* and its *Working Group on Assistance to the Public Administration Quality* for example.

2.9 Coordination of the European Matters (the Euroagenda)

Coordination of the Euroagenda within the state administration aims at arrangement of preparation of positions on behalf of the Czech Republic, especially by provision of necessary instructions and supporting information at all levels of the European Union's operation.

The current system of coordination of the European matters within the Czech Republic in the framework of the European Union went in the past period through a number of changes in accordance with requirements resulting from a must to arrange optimal operation of relevant capacities. These requirements were formulated in a number of Resolutions of the Government of the Czech Republic since 1993 (No. 97 of 3rd March 1993, No. 580 of 20th October 1993, No. 237 of 4th May 1994, No. 631 of 9th November 1994, No. 151 of 15th March 1995 etc.).

As the Czech Republic signed the *Accession Treaty* on 16th April 2003, it gained a statute of the active observer in the European Union, which meant in practice that its representatives might participate in meetings of the European Union bodies, till 1st May 2004 without the voting right of course. Making effort to accommodate the institutional structure to conditions arisen after signature of the Accession Treaty, the Government of the Czech Republic adopted Resolution No. 427 of 28th April 2003 on the *Draft Institutional Arrangement of the Czech Republic's Membership in the European Union and of Coordination of the Decision-Making Process*. The Government of the Czech Republic established by this Resolution a system, by which participation of the Czech Republic's representatives in bodies of the European Union was arranged, and confirmed thus the overall coordination role of the Ministry of Foreign Affairs in this area. Furthermore, the Government established the *Committee for the European Union* as a main coordination body of the state administration of the Czech Republic towards the European Union and entrusted all the Members of the Government and Heads of other central state administration authorities to establish the *Ministerial Coordination Group* as a basic level of coordination of the decision-making process. (On the basis of the above-mentioned material, the operation of the *Government Council for European Integration* and the *Working Committee for Integration of the Czech Republic into the European Union* was terminated as of 30th April 2003.)

In the area of executive power, the *Government of the Czech Republic* is responsible for definition of priority areas in relation to the European Union and for decision-making in matters of substantial importance. Currently, the *Ministry of the Foreign Affairs* is entrusted by a permanent coordination role in terms of the European Union's matters. In the framework of its coordination role, the Ministry of Foreign Affairs convokes and manages the Council for the European Union and professionally manages the *Permanent Representation of the Czech Republic to the European Union*. This organisational element of the Ministry is entrusted by representation of the Czech Republic in the European Union and by keeping of permanent contacts with the European Union's bodies; it secures distribution of documents of the Council to bodies and authorities of the central state administration. New *European Union Section* has been established at the Ministry of Foreign Affairs for arrangement of these tasks.

The *Compatibility with Law of the European Communities Department of the Office of the Government* is a coordination place in terms of harmonisation of legislation of the European Communities/ European Union.

Process of national coordination of the Euroagenda can be defined on the basis of the above mentioned facts as a process that is concentrated on authorisation of the national negotiation line (expressed in the form of mandate, instruction or position), which is widely

shared from the viewpoint of all participant bodies. The individual Ministries have the main responsibility for following of the European Union's policies and for preparation and definition of national positions to it. Three main actors as regards the coordination of the Euroagenda exist in all the Member States of the European Union: relevant Ministries that maintain ministerial/ professional interests, Ministries of coordination (or departments on the level of the Office of the Government of the Czech Republic) and finally permanent representations in Brussels.

In principle it can be summarised that deciding on positions and of the Czech Republic to the matters of the European Union proceeds currently in the framework of the below mentioned levels of the given institutional structure:

- **Ministerial Coordination Groups**
- **The Committee for the European Union**
- **The Government of the Czech Republic**

The Ministerial Coordination Group

The basic element of arrangement of the European matters is the Ministerial Coordination Group consisting of experts on individual "European" activities. Each of individual Ministries and other authorities of the central state administration establish its own Ministerial Coordination Group. One representative of the Ministry of Foreign Affairs and other one of the Compatibility with Law of European Communities Department of the Office of the Government are in each of the Groups. The task of the Ministerial Coordination Group is to elaborate and assist to argumentation of the Czech positions in individual policies of the European Union, while the responsibility for these possibilities is divided among Ministries in accordance with the given assignment. The Ministerial Coordination Group submits its proposal to the Committee for the European Union via its secretariat, which is the role carried by the Ministry of the Foreign Affairs. Under subordination of the Ministerial Coordination Group, subgroups dealing with individual specific issues of the negotiated agenda can be established; further experts can be invited to a meeting of the Ministerial Coordination Group. The Ministerial Coordination Group concentrates on a substance of legislative proposals of the European Union, which are submitted by the European Commission to the Council; another important task is to ensure participation of the Czech Republic's representatives in working committees of the European Commission, where these proposals are formulated. As the proposal of the European Commission is submitted to the Council of the European Union, the Ministerial Coordination Group elaborate so called framework position that is a base for negotiation of the Czech Republic in working bodies of the Council of the European Union.

The Committee for the European Union

Higher (and concurrently the highest at the working level) component of organisation is the Committee for the European Union. Members of the Committee control work of *Ministerial Coordination Groups* at the same time; they have the main responsibility for implementation of the European policy in the Czech Republic. A Chairman of the Committee for the European Union is the Minister of Foreign Affairs; legitimate members are senior representatives of the state administration (Deputy Ministers), who are responsible for coordination of the European matters at individual Ministries. Representatives of three Sections of the Office of the Government (including legislative Section, to which belongs the Compatibility with Law of the European Communities Department) participate in the Committee as well. The Committee for the European Union is responsible for coordination of policy of the Czech Republic towards the European Union, especially as concerns matters

negotiated under Committee of Permanent Representatives of Member States in the European Union (COREPER I/II). The Committee for the European Union approves instructions for meetings of COREPER I/II and discusses mandates for meetings of the Council of the European Union. Furthermore, it cooperates on formulation (on proposal of every Member of the Committee) of framework positions and opinions on actions of the European Union for the Parliament of the Czech Republic (in accordance with the Act No. 90/1995 Coll., on Rules of Procedure of the Chamber of Deputies, as amended, and with the Act No. 107/1999 Coll., on Rules of Procedure of the Senate). Its aim is to solve possible interministerial disputes and disputes concerning responsibility in case that agreement is not found at the level of the Ministerial Coordination Committee. It discusses matters concerning the main political orientation of the Czech Republic towards the European Union as well.

The Government of the Czech Republic

As regards the matters of the European Union, the Government concentrates especially on definition of matters of national interest, respectively on analysis of its national or external political dimension, it defines priorities and assistance to the relevant initiatives of the Czech Republic in the European Union and exercises the overall coordination and monitoring functions of the decision-making process in matters of the European Union and approves mandates for negotiation of representatives of the Czech Republic on meetings of the Council and the European Council.

Cooperation of the Government of the Czech Republic with the Parliament of the Czech Republic

Cooperation of the Government of the Czech Republic with the Parliament of the Czech Republic is anchored in general features in Article 10 (b) of the Constitution of the Czech Republic (the so-called Euro-amendment)¹. The Government informs the *Committees for European Integration* of the Chamber of Deputies and the Senate on contemporary issues of the European Union on the regular basis, as results from its Resolution No. 427/2003.

Contemporarily, methodical guidelines on cooperation of the Government, resp. Members of the Government with the Chamber of Deputies and the Senate of the Czech Republic are under preparation in accordance with the Government Resolution No. 445 of 12th May 2004 and in accordance with material the *Evaluation of the Institutional Arrangement of the Czech Republic's Membership in the European Union and of Coordination of Decision-making Process in Term after Signature of the Accession Treaty*. Methodical guidelines are elaborated in accordance with the Act No. 107/1999 Coll., on Rules of Procedure of the Senate (as amended by the Act No. 172/1994 Coll.) and with the Act No. 90/1995 Coll., on Rules of Procedure of the Chamber of Deputies (as amended by the Act No. 282/2004 Coll.).

Cooperation with social partners

Concurrently with this, there is being created and strengthened systemically a space for a social dialogue, which is as regards the European matters regularly ensured by the *Working*

¹ Article No. 10 (b) of the Constitution of the Czech Republic defines that the Government shall inform the Parliament Regularly and in advance on issues related to obligation arising for the Czech Republic from its membership in an international organisation or institution, and the Chambers of the Parliament express their opinions on the decisions of such an international organisation or institution in a form provided by their Rules of Procedure. The role of national Parliaments in the legislation process of the European Union is based on Protocol on the European Union Treaty and on the Treaty Establishing the European Community and on Roles of National Parliaments in the European Union. The Government is obliged to submit all the proposals of legislative acts to the national Parliament.

Team on Integration of the Czech Republic to the European Union, which is one of expert bodies of the *Council of Economic and Social Agreement of the Czech Republic*. Social partners have possibility to participate actively in the process of preparation of national opinions through participation in operation of the Ministerial Coordination Groups.

Coordination of the Euroagenda within the Ministry of the Interior

Within the Ministry of the Interior, the session of the Minister of the Interior approved the *Draft Implementation of the Material “Draft Institutional Arrangement of Membership of the Czech Republic in the European Union and of Coordination of the Decision-Making Process” of the Ministry of the Interior of the Czech Republic* in succession to the above mentioned Government material (the Resolution No. 427 of 28th April 2003). This material introduced principles that were approved by the Government on the conditions of the Ministry of the Interior. *The Ministerial Coordination Group* was established; it has its Statute and Rules of Procedure. For the officials dealing with the European matters, the International Relations and European Integration Department elaborated the *Methodology on Procedure of the Ministry of the Interior of the Czech Republic by Coordination of the “Euroagenda” - a wider coherence of this issue, description of the existing state (with a special focus on elaboration of materials for dealings of representatives of the Ministry of the Interior of the Czech Republic on the ground of the European Union) including its interim evaluation* (January 2004).

It can be noted that the Czech Republic has established such a functioning coordination structure that enables promotion of not only national requirements in Brussels but also the subsequent arrangement of implementation of rules that are approved in the framework of the European Union.

The Government entrusted the Ministry of the Foreign Affairs by continuous monitoring of functioning of the capacities that were established for coordination of the Euroagenda to enable eliminate deficiencies in advance or possibly to provide space to modify the existing structures already established in the Czech Republic. In connection with this, the Ministry of Foreign Affairs provides information on the operation of the Committee for the European Union.

2.10 Modernisation of the Central State Administration

As already mentioned, the public administration in the Czech Republic went in the past years through profound transformation. The first stage of the reform of the territorial public administration resulted in establishment of regions and in the relating transfer of a number of competencies from the central state administration. Implementation of the second stage of the reform of territorial public administration resulted in abolishment of district offices and in transfer of competencies to regions and municipalities. A number of significant systemic changes were thus accomplished at the level of the territorial public administration.

As the central state administration transferred some of its competencies to regions, possibly to municipalities, it has to go through the similar systemic transformation. The Government, aware of importance of this process, authorised itself in the Statement to the Government Policy of August 2002 to start modernisation of the central state administration. Aim of this process was to increase efficiency and rationalise central state administration, increase horizontal coordination, support implementation of management techniques and of modern technologies and achieve thanks to it the overall improvement of quality of performance of the public administration as a service for citizens.

Implementation of this aim would enable the Government not only to accomplish its Statement of the Government Policy and follow up with the reform of territorial public administration, it means to rationalise the central state administration in connection with transfer of a number of competencies to regions and municipalities, but also to accomplish its further intentions – the central state administration shall be prepared for validity of the Civil Service Act, which is a form of stabilisation of the central state administration, for use of structural funds of the European Union, and last but not least it shall be able to use economic potential of the public-private partnership.

Modernisation is a successive and long-term and practically never-ending process. As a primary document concerning the modernisation of the central state administration can be understood the Resolution of the Government of the Czech Republic No. 619 of 20 June 2001, taking note of a document *Draft Strategy for the Modernisation of the Central State Administration*. The improvement of the quality and efficiency of performance of the central state administration is possible – according to the above mentioned strategy – by strengthening of orientation of authorities at the central level of the public administration on activities of conceptual, legislative, coordination and control character and by an adequate change of their inner organisation and operation.

Unification of organisational arrangement of the central administrative authorities contributes as well to improvement of efficiency of the central state administration. Cohesive principles of systematisation and organisational arrangement of the central administrative authorities were elaborated for this purpose.

Improvement of performance and efficiency of the central state administration was one of the aims of the Phare 1998 project *Strengthening of Institutional and Administrative Capacities for Implementation of acquis communautaire*. In the framework of the project were compared and analysed the so-called secondary activities of Ministries of the Czech Republic and of Member States of the European Union; gained knowledge was afterwards summarized into the expert report the *General Model of Organisation of Ministries in the Czech Republic and the Action Plan of its Implementation on Three Ministries*. Outputs of the project were used by elaboration of the above-mentioned strategy.

To create prerequisites for commencement of the modernisation of the central state administration – it was aim of other project supported by the financial resources of the European Phare fund; it was the twinning Phare 2000 project *Modernisation of the Central State Administration in the Czech Republic*. As concerns the Czech side, the Ministry of the Interior (the Section for Public Administration Reform) in cooperation with the Office of the Government of the Czech Republic (the Section of Organisation, Human Resources and Education in Administrative authorities) and the Ministry of Informatics were responsible for its implementation. External partners were the Ministry of Finance of Finland and the Ministry for Public Administration of France.

The general aim of the project was to increase efficiency and performance of the central state administration. The project contributed to its accomplishment especially by assistance provided to improvement of the inner organisation and structure of the central state administration, by assistance to human resources management in the central state administration, by technical assistance to introduction of the Civil Service Act and by administration of information in the framework of the central state administration. Within eighteen months - within a period of lasting of this project – the transfer of the know-how of external experts were realised, awareness of possibilities and methods, by which efficiency of

the central state administration in the Czech Republic could be increased, was enhanced, the horizontal cooperation at the level of the central state administration was deepened, and – as was already mentioned – conditions for launching of the modernisation of the central state administration in the Czech Republic were prepared.

For purpose of strengthening of horizontal coordination and cooperation at the level of the central state administration were created working groups on modernisation of the central state administration. During lasting of the project were these groups trained in modern approaches that are applied at the level of the central state administration in the European Union's countries. Working groups together with Working Committee of Deputy Ministers for the Public Administration Reform created the main coordination mechanism for accomplishment of the Statement to the Government Policy of the Czech Republic of August 2002 in the area of modernisation of the central state administration.

A number of seminars concentrating on issues of performance management, strategic management, project budgeting, human resources management, managerial skills or implementation of modern management methods, including quality methods took place during implementation of the project. Training of trainers was realised as well, this time in the area of strategic management and quality management, whose aim was to create a net of Czech experts on these matters.

A number of pilot initiatives were implemented in the framework of the project. One of them took place in cooperation with the Ministry of Industry and Trade, the Agency for Business Assistance, the Ministry of Finance and the Ministry of the Interior and concentrated on simulation of the agency model. It proved that transfer of operative activities from the central level of the state administration to agencies is one of the possibilities how to strengthen the control, coordination and conceptual role of the central state administration. In cooperation with the Ministry of Labour and Social Affairs was realised a pilot initiative on the topic of *Strategic Management*, in the framework of which was defined a vision and mission of the Ministry of Labour and Social Affairs. The pilot initiative *Measurement of the Employees' Satisfaction* was launched as well. Index of the measurement of the employees' satisfaction is a significant tool of human resources management with valuable feedback from the employees. On the basis of its implementation was elaborated a methodology for preparation and implementation of measurement of the employees' satisfaction on the central state administration authorities comprising both Czech and Finnish experience.

Evaluation and results of the project reflected in its Final Report comprising a number of recommendations and suggestions how to contribute to the process of modernisation at the level of the central state administration. These recommendations were further included into a material the *Methods of Accomplishment of the Statement to the Government Policy in the Area of Modernisation of the Central State Administration*. Material concentrates on identification and search of methods leading to implementation of short-term and medium-term tasks resulting in modernisation of the central state administration, as strengthening of conceptual role of the central state administration, quality of its performance, implementation of managerial methods, quality of regulation and e-Government.

In both of the above-mentioned documents is expressed a necessary prerequisite for realisation of modernisation of the central state administration – expression of a political commitment, without which commencement of the reform is absolutely inconceivable. The importance of modernisation of the central state administration has been already declared, as

mentioned above, in the Statement to the Government Policy of the Czech Republic of August 2002.

In Addition to the commitment of the Government, the basis for the modernisation of the central state administration is represented by a more systemic approach to the whole modernisation process; it means to devote higher attention to areas, which are the most problematic and not enough developed at most of the Ministries. On the basis of discussion and examinations in the framework of the above mentioned Phare 2000 project, five main areas were identified as problematic – use of tools of strategic management, systemic planning, determination of goals and performance indicators, performance evaluation and management process.

Possibilities of solution of the above mentioned areas, realisation of which enables to move the central state administration towards increase of its efficiency and performance, are specified in the strategy *Process and the Main Directions of the Modernisation and Reform of the Central State Administration, including Settlement of Responsibility and Organisational Arrangement* that was adopted by the Government Resolution No. 237 of 17th March 2004. The material was elaborated and submitted to the Government for approval by the Office of the Government on the basis of the Government Resolution No. 97 of 28th January 2004, concerning report on accomplishment of tasks imposed by the Government with deadline from 1st December to 31st December 2003.

On the basis of the adopted Resolution No. 237, the implementation and coordination of the process of reform and modernisation of the central state administration shall proceed on the Office of the Government, in accordance with the principles included in the approved document. There is declared that the document enables the Government to modernise the system of central state administration, so that it meets requirements on management and reflects modern development trends in developed countries of the European Union. Process of the reform and modernisation of the central state administration is composed into five main directions, through which the reform shall proceed. In the framework of each are proposed factual projects with a view on implementation till 2010. Below are specified all the directions and in brackets are mentioned examples of projects: rationalisation of processes in the central state administration (projects – Identification of mission of the central administrative authorities, Description and analysis of processes in the central administrative authorities), improvement of management in the central state administration (projects – Modern managerial techniques in the central administrative authorities or Better coordination of central state administration towards territorial public administration), Increase of quality of the central state administration (projects – Implementation and development of quality management in the central state administration or Reform of regulation in the central state administration), Implementation and improvement of civil service in the central administrative authorities (project - Implementation of the Civil Service Act) and Rationalisation of financing of the central state administration (projects Development of financial and performance management or use of private resources for public investments).

3. Public Administration in the Czech Republic

3.1 Territorial Arrangement of the Czech Republic

In the Czech Republic exists a two-tier system of territorial administration. In the Constitution of the Czech Republic is anchored the territorial division into fundamental and higher self-governing units. Municipalities are fundamental self-governing territorial units, while regions are higher self-governing units. As concerns territorial self-government, it is not vertically hierarchical, resp. there is no superiority or inferiority because every territorial self-governing unit has its own competencies, which cannot be interfered by other territorial self-governing unit.

In the Czech Republic is applied the so-called join model of public administration; it means that municipalities and regions exercise in addition to their own competencies also the state administration in delegated competence.

Fundamental Territorial Self-Governing Units (municipalities)

Municipal self-government was re-established in the Czech Republic in 1990 by the Act on Municipalities (the Act No. 367/1990 Coll.). The territory of the municipality is formed by one or more cadastral districts. The municipality can be further divided into parts. Each part of the territory of the Czech Republic is a part of the territory of certain municipality, unless the special law stipulates otherwise (the Act No. 222/1999 Coll., on Provision of Defence of the Czech Republic, as amended by the Act No. 320/2002 Coll.).

As of 1st January 2003, there existed 6 244 municipalities and 5 military domains (Boletice, Brdy, Březina, Hradiště, Libavá) in the territory of the Czech Republic.

Municipalities differ to each other by the scope of performance of the state administration in delegated competence. According to the scope of performance of the state administration in delegated competence, municipalities with the scope of delegated competence (into this category belong all the municipalities) and municipalities with extended scope of delegated power can be distinguished. These municipalities perform the state administration in delegated power in the territory of other municipalities as well, it means for municipalities, which belong to their administrative district. Into this category of municipalities belong authorised municipal offices (388) and offices with extended powers (205) that are specified by the Act No. 314/2002 Coll., on Determination of Municipalities with Authorised Municipal Office and Municipalities with Extended Powers.

Higher Territorial Self-Governing Units (regions)

Higher territorial self-governing units are specified by the Constitutional Act No. 347/1997 Coll., which came into force as of 1st January 2000. In the territory of the Czech Republic were delimited fourteen higher territorial self-governing units. The Constitutional Act delimits territory of individual regions by the territory of districts and it comes out from the state of territorial division of the State given by the Act No. 36/1960 Coll., on Territorial Division of the State. However, the new established regions differ territorially from regions, in which operated the regional National Committees till 1990, and which so far represent territorial districts for a number of specialized authorities of the state administration. From the territorial point of view, regions established by the Constitutional Act No. 347/1997 Coll.

approximate to regions, which existed in 1949-1960, and thus generally respect all the regional centres at the medium level.

Due to accession of the Czech Republic to the European Union, it is appropriate to mention the position of self-governing regions in the NUTS classification, which is used for statistic monitoring and analysis. The self-governing regions of the Czech Republic do not represent NUTS II at the same time. The average size of regions (territorial self-governing units) in comparison with average NUTS 2 in the European Union is smaller in terms of the number of inhabitants 2,5 times, and in terms of the surface area 4 times. Therefore, the self-governing regions are classified as the NUTS 3 level. For purposes of the European Union was necessary to create joint regions, the so-called areas at level of NUTS 2. Creation of the NUTS 2 level in conditions of the Czech Republic has strictly statistic character.

A decisive factor for joining regions into areas (NUTS 2) was its size measured in the number of inhabitants to ensure comparability of data for areas NUTS 2 in the Czech Republic with areas of the same level NUTS in the European Union. In the Czech Republic it shall be a territorial unit, whose number of inhabitants is higher than 1 million. At the same time it was useful – for purposes of national comparison - to monitor also a relatively even allocation of inhabitants in the NUTS 2 areas, specifically:

- the NUTS 1 level is represented by one territorial unit, NUTS 2 by eight territorial units and at the NUTS 3 level are fourteen territorial units - regions. The level NUTS 4 represents the territory of district and the level NUTS 5 the territory of every municipality.

Basic characteristics of territorial self-governments (state as of 1st January 2003)

Region	Number of Inhabitants	Municipalities
Capital City of Prague	1161938	Basic characteristics: In total 6 244 municipalities Largest: 496 km ² , 1 186 855 inhabitants (Prague) Smallest: 0.42 km ² , 20 inhabitants (Vlkov) Average: 12.7 km ² , 1,644 inhabitants Rate (%) representation of municipalities in size categories: Less than 1,000 inhabitants: 79.56 % 1,001 – 5,000 inhabitants: 16.21 % 5,001 – 10,000 inhabitants: 2.14 % 10,001 – 50,000 inhabitants: 1.74 % 50,001 – 100,000 inhabitants: 0.27 % more than 100,000 inhabitants 0.07 %
Central Bohemia	1128674	
South Bohemia	625097	
Píseň	549374	
Karlovy Vary	304220	
Ústí	819712	
Liberec	427321	
Hradec Králové	548437	
Pardubice	506534	
Vysočina	517630	
South Moravia	1121792	
Olomouc	636750	
Zlín	593130	
Moravian-Silesian	1262660	
The Czech Republic		
In total	10 203 269	

Territorially Administrative Division

Besides the territorial self-governments, there operate a number of state bodies (e.g. cadastral offices) at different levels in the territory. Their territorial competence does not often correspond with the territory of territorial self-governing units. This fact evokes problems in cooperation of public administration authorities and in orientation of citizens. Intention of the Ministry of the Interior is to eliminate this deficiency by means of harmonisation that shall lead to creation of conditions for a stabilised, transparent and unified administrative arrangement of public administration, which enables to citizens and institutions the much

easier orientation. In connection with the above-mentioned fact, there is a new law on the territorially administrative arrangement of the State under preparation.

Municipality and Its Competencies

A municipality is a basic territorial self-governing community of citizens; it forms a territorial unit, which is defined by the borders of the territory of the municipality. The municipality is a public corporation, which has its own property. The municipality acts in legislative relations in its own name and bears responsibility arising from these relations.

A municipality can bear an appellation “town” if it meets the given criteria. The Act on Municipalities specifies a special category of towns called as statutory cities (19). They are entitled to issue their own statute, which provides that the territory of a statutory city may be divided into city wards or city parts.

Structure and organisation of the administrative authorities of the Capital City of Prague and the division of their powers are determined by the Act on the Capital City of Prague.

Bodies of the Municipality

A body that independently manages the municipality is a Council. The Council elects from among its members the municipal board, the mayor, who represents the municipality externally, and the deputy mayor (or deputy mayors) who deputises the mayor during his absence. The executive body of the municipality is a municipal Board. The municipal council from among its members elects the Board. It consists of the mayor, the deputy mayor (or deputy mayors) and other board members. The Mayor stands in the lead of the municipal office. The municipal office consists of the deputy mayor (or deputy mayors), of the secretary (if this function is established, otherwise it is performed by the mayor) and of employees of the municipal office. The municipal office fulfils its tasks, by which it was entrusted by the municipal Council or the municipal Board under its independent competence, and it performs delegated power.

The Council can establish committees as its initiative and control bodies. Every municipality has to have its financial and control committees. The municipal board is authorised to establish committees as its initiative and advisory bodies. A committee can be established as well for performance of delegated power of the municipality.

Competence of the Municipality

The municipality administrates its matters independently – in the independent competence. The municipal bodies perform as well state administration in cases specified by law. In these cases, it is spoken about performance of delegated powers – performance of state administration delegated on bodies of fundamental territorial self-governing units by the State on the basis of special laws.

Law through exemplary enumeration defines independent competence of municipalities and further in accordance with the local conditions and local customs, the municipality attends also to the fostering of conditions for the development of social care and to satisfaction of needs of its citizens. This includes, in particular, meeting the needs for housing, protection and development of health care, transport and communications, information, education and training, general cultural development, and protection of public order.

The independent competence includes according to the Act on municipalities

- management of the municipality,
- the municipal budget and final account of the municipality,
- monetary funds of the municipality,
- legal persons of the municipality and organisational bodies of the municipality and participation of the municipality in legal persons,
- personal and material expenses on operation of the municipal office and special bodies of the municipality, organisation, management, personnel and material arrangement of the municipal office,
- publishing of generally binding regulations of the municipality,
- local referendum,
- municipal police force,
- imposing penalties for administrative offences,
- programme of development of the municipal cadastral district,
- municipal cadastral plan and regulation plan and declaration of its binding part by generally binding regulation,
- cooperation with other municipalities, etc.

Furthermore, in accordance with special laws the municipal independent competence includes:

- local fees,
- establishment of a unit of voluntary firemen and performance of tasks of fire prevention in the municipality,
- performance of the municipality readiness on emergency situations and participation in conduct of rescue and liquidation works and in protection of population,
- establishment and administration of preschool institutions, elementary schools, elementary artistic schools and organisations assisting to them,
- establishment of healthcare institutions and protection of public health,
- prevention of alcoholism and the other addictions.

Within the independent competence of a municipality are matters which are for the benefit of the municipality and its citizens, unless they are bestowed on regions under the law, or unless they are part of the delegated competence of bodies of the municipality or part of the competence conferred on administrative authorities in accordance with special law, and matters which belong to the scope of the independent competence of the municipality in accordance with special law. Where the special law regulates the competence of municipalities and does not specify that a certain competence is the delegated competence of a municipality, such competence shall be considered for the independent competence. This differentiation is necessary also from procedural and financial reasons.

Delegated Powers and Categorisation of Municipalities

For performance of delegated powers are concurrently distinguished following categories of municipalities according to the scope of delegated state administration:

- municipality,
- municipality with registry office,
- municipality with building authority,
- municipality with authorised municipal office and
- municipality with delegated powers.

Bodies of all municipalities perform delegated power in matters that are stipulated by special laws, in the fundamental scope and for its administrative district, which is the same as the territorial district of the municipality. Bodies of municipality with authorised municipal

office and municipalities with extended powers perform delegated power in the fundamental scope that is delegated to municipalities and besides this delegated powers they perform as well in the given administrative district delegated powers, which are delegated to them by special laws. The municipality with extended powers is a municipality with authorised municipal office.

Municipalities whose bodies carry out delegated competence in the same administrative district of the municipality with extended competence may conclude a public-law agreement whereby the bodies of one municipality shall carry out delegated competence or part of the delegated competence for the bodies of another municipality. The same possibility have municipalities with extended powers, which perform delegated competence in the administrative district of one regional office.

If the municipality fails to ensure legitimate performance of delegated competence in the fundamental scope by its municipal office, the regional authority is entitled to decide that the delegated competence or part of the delegated competence shall be carried out for this municipality by the authorised municipal authority, to which administrative district belongs the municipality.

Similarly, if municipal office of the municipality with extended powers does not perform delegated state administration, the Ministry of the Interior decides that the delegated competence or part of the delegated competence shall be carried out for this municipal authority by another municipal authority of a municipality with extended competence.

Pursuant to a proposal from the municipality with authorised municipal office, and on the recommendation of the regional authority, and after discussion with the relevant municipality with extended competence, the Ministry of the Interior may decide to delegate a certain scope of the performance of state administration of the municipality with extended competence to the municipality with authorised municipal office.

Authorities of the municipality in delegated competence

- issue municipal ordinances,
- decide on local and special-purpose roads,
- discuss offences,
- are water-management authorities and administer small streams,
- are flood-management authorities,
- are authorities for protection of nature and air, etc.

Authorities of the municipality with authorised municipal office in delegated power

- are entitled to decide at the first level of administrative proceeding on law, legally protected interests and duties of persons, if a special law does not stipulate other relevant authority,
- decide on provision of financial or material allowances or loans,
- arrange elections into the Parliament of the Czech Republic, regional Councils, municipal Councils and the European Parliament,
- are water-management authorities and permit water supplies and treatment,
- are authorities for protection of nature,
- are authorities for protection of agricultural land resources etc.

Authorities of the municipality with extended powers in delegated power

- issue driving licences
- lead registers of motor vehicles,
- are administrative authorities for management of the 2nd and 3rd category roads,
- ensure protection of historical monuments in their territorial district,

- ensure social-legal protection of children and decide on provision of material and financial allowances and services,
- issue identity cards and travel documents,
- lead registers of inhabitants,
- perform state administration of forests,
- decide in the area of fishing and hunting management,
- are water-management authorities and issue permissions for water buildings,
- are flood-management authorities and manage flood prevention,
- participate in waste management, elaborate waste register, issue permissions for waste treatment,
- are authorities for protection of nature and air,
- are authorities for protection of agricultural land resources,
- are trade licensing offices etc.

3.2 Regions and Their Competencies

A region is a geographically defined community of citizens, which has the right to self-government. It owns assets and has incomes stipulated by law and manages resources in terms stipulated by law. The region acts in its own name in legal relations and bears the responsibility, which results from the said relations. The region attends to the general development of its territory and the needs of its citizens.

Bodies of the Region

The region is administered independently by the Regional Council. The Council elects from among its members the Chief Executive, who represents the region externally, and the Deputy Chief Executive (or Deputy Chief Executives) who deputises the Chief Executive during his absence and both of them are accountable to the Regional Council. The Regional Board is the executive body of the region; it consists of the Chief Executive, the Deputy Chief Executive (or Deputy Chief Executives) and other persons elected from among members of the Regional Council.

The Chief Executive establishes special bodies for performance of delegated power, if so stipulated by a special law. The Regional Council can establish Committees as its initiative and control bodies. However, the Council shall always establish a financial committee, a monitoring committee and a committee for education and employment.

Other body of the region is the Regional Office that fulfils activities assigned by the Council and shall assist in the activities of committees and commissions and further perform the delegated activities with the exception of matters, which the law assigns to the Council, the Board or a special body. In the lead of the Regional Office stands a director, who is accountable to the Chief Executive.

Competence of the Region

The region administers its matters independently. In case that the region is entrusted by performance of state administration, regional bodies perform it as their delegated power. A region is obliged to ensure performance of delegated power in its administrative district. If a special law defines powers of regions and does not indicate the powers are delegated powers

of region, the activities in question are always to be considered as a part of the independent competence of the region.

As concerns relation between a municipality (a fundamental self-governing unit) and a region (a higher self-governing unit), there is no superiority or inferiority in this relation. As concerns territorial self-government, a municipality has a general competence. It means that if something is under competence of territorial self-government and it is not explicitly stipulated that it is under competence of a region, it is always under competence of a municipality.

The region is not subordinated to the governmental authorities in the area of independent competence. In carrying out its self-government, the region is bound only by the legal order, not by internal acts of the State. The State interference is possible only in case of break of constitutionality and legality.

In implementing the state administration, the bodies of the region are subordinate to the relevant ministry and have to respect even internal normative acts of these superordinate bodies.

Independent competence of the region is stipulated by the Act on Regions, which arranges into this sphere such matters, which are in interest of the region and its citizens, if it is not delegated competence of the region. Into independent competence belong pursuant to the Act:

- management of region,
- budget and final account of the region,
- monetary funds of the region,
- legal entities of the region and organisational bodies of the region and participation of a region in legal entities,
- personnel and material expenses on operation of the regional office and special bodies of region, organisation, management, personnel and material arrangement of a regional office,
- issuing generally binding regulations,
- submitting Bills to the Chamber of Deputies in compliance with law,
- submitting proposals to the Constitutional Court for the repeal of legislation if it is believed that such legislation is in contrary to the law,
- programme of regional development,
- approval of planning and zoning documents for the territory of the region and publishing the binding parts thereof as regional legislation,
- cooperation with other regions, participation in cohesion regions,
- stipulation of the extent of basic transport services in the region,
- strategy of development of tourism industry,
- imposition of penalties in independent competence etc.

On the basis of special laws belong to independent competence of a region:

- strategy of care for historical monuments, operating plans for reservation and reconstruction of historical monuments,
- arrangement of preparation for emergency situations, participation in conduct of rescue and liquidation works and in protection of population,
- secondary schools, technical training institutions, special primary schools, conservatories,
- regional institutions of social care, institutions for social-educational activities, institutions for professional consultancy for children, institutions for performance of foster care,
- establishment of healthcare institutions, ambulances, institutions for treatment of alcohol abusers,

- prevention of alcoholism and of other addictions,
- strategy of waste management of the region,
- participation in proceedings and evaluation of influences on the environment, elaboration of strategies for protection of nature, strategy for protection of air, etc.

On the basis of special laws belong to delegated competence of the region:

- appellate proceeding in the first instance,
- control of performance of the state administration by municipal bodies and methodical assistance to municipalities,
- review of management of municipalities, if the municipality requires it,
- performance of supervision over legality in the state administration and self-government of municipalities,
- authorisation to decide in cases of inactivity of municipal offices in delegated competence on its performance by other municipal office,
- permissions to special use of roads of IInd and IIIrd category,
- performance of state care for historical monuments,
- brokering of adoptions and foster care,
- decision-making on categorisation of forests,
- decision-making in the area of hunting, e.g. permissions to hunting,
- decision-making in the area of fishing, e.g. creation of fishing districts,
- leading and elaboration of waste register, approving of treatment with hazardous substances,
- management of prevention to serious breakdowns,
- performance in the area of protection of nature, air and agricultural land resources,
- performance of the agenda of regional trade licensing offices etc.

3.3 System of Interconnection and Coordination of the Central and Territorial Public Administration

The above-mentioned chapters describe arrangement of the central state administration and also territorial arrangement of authorities performing public administration in the specific arrangement – in the so-called join model. In such cases, the self-governing unit performs state administration in delegated competence through its bodies and concurrently it performs activities related to its independent competence.

The state administration in delegated competence is performed for the whole territorial district, which is delimited by law (regions, municipalities with extended powers, municipalities with authorised municipal office and municipalities), the self-government is on the contrary performed only within the territorial unit, which is delimited by law (region, municipality).

A substantial characteristic of state administration is unified arrangement of performance in the whole territory of the State, which is given by law. A bearer of administration is the State in this case and executors are the state authorities and in case of a join model also the self-government authorities (regions and municipalities).

With respect to this relatively controversial form of performance of public administration – especially in the territory – it is indispensable to secure the transmission of necessary information and the mutual information flows both from the side of the State towards territorial self-governing authorities, and also by return to gain information from

municipal and regional authorities for the central level, where final information is analysed and interpreted; consequently this information exchange results in corrections and amendments of legal and by-law regulations, which are re-implemented in the territory.

This way of methodological management can be determined as a **vertical method of coordination of performance of state administration**. Practical coordination mechanisms have following forms:

- **meetings of representatives of the central state administration with Chief Executives of regions;**

These meetings are not held on a regular basis, but they are evoked by a necessity to discuss contemporary problems concerning matters related to performance of the state administration in delegated competence at the level of regions. Meetings are organised independently by the Prime Minister, as well by the individual Ministers independently, or cooperatively for certain Ministries. Whereas the responsibility for performance of the state administration in delegated competence of the territorial self-governing units has the Ministry of the Interior, most often meetings with Chief Executives are organised at the level of the Ministry of the Interior.

- **regular consultations of representatives of the central state administration with Directors of regional offices;**

Meetings at this level are organised regularly on a monthly basis, or possible every two months by the Deputy Minister of the Ministry of the Interior for the Public Administration Reform. There are discussed questions concerning performance of the state administration in delegated competence from the expert point of view. Employees of individual Ministries as the responsible experts are invited to participate in these meetings.

- **regular consultations of representatives of the central state administration with Mayors and Secretaries of municipalities with extended powers;**

Consultations at this level are organised regularly. Meetings with Mayors are held once a year, usually at the beginning of the year. There is evaluated accomplishment of the relevant tasks in this area in the past year, as well as there are presented new questions and problems to be dealt with in the following year.

Consultations with Secretaries are organised on biannual basis - at the beginning of year and after its first half. Consultations are usually divided into two parts to allow provide a necessary capacity of the appropriate environment. Meetings are held in Benešov for the Czech regions (in a building of the Ministry of the Interior) and in Brno for the Moravian regions.

Representatives and experts of individual Ministries participate in these meetings and discuss with Secretaries factual arrangement of performance of the state administration in delegated competence at the level of municipalities with extended powers.

- **Performing the function of a coordinator of the state administration in the territory of regions;**

The coordinator of performance of the state administration in the territory of regions is a specific function that was established by the Ministry of the Interior especially to secure fast transmission of information and monitoring of accomplishment of tasks, which are related to the reform of territorial public administration in the territory of regions and municipalities. Vertical coordination between the state administration and the self-government is implemented at the level of coordinator by means of the so-called **regional staffs**. The regional staffs are regular meetings of the coordinators with Directors of the regional office (or with their Deputies, eventually with heads of departments) together with Secretaries of municipalities with extended powers from the territory of the relevant region. As well representatives of the Office for Representation of the State in Property Affairs, representatives of supervision of the Ministry of the Interior – territorial workplaces, and possibly other experts are invited to participate in these meetings and to inform of their tasks; their manifestations are thematically concentrated on solution of some particularly complicated problems related to the implementation of legal regulations, which have impacts in the territory. Such an expert can be for example a representative of the Fire Rescue Brigades, administrative judiciary, the Czech Statistical Office, the Police of the Czech Republic, the Headquarters of Roads and Highways, and of other organisational bodies of the State, which have their territorial workplaces.

The regional staffs are usually organised in close cooperation with the Director of regional office; however, there are regions, where the Director has conditioned to organise such meetings individually. In such a case, regional staffs are organised independently by the coordinator.

The regional staffs take place generally on a bimonthly basis. They do not take place during July and August and also in time, when the meeting of Secretaries of municipalities with extended powers with the Deputy Minister of the Ministry of the Interior for the Public Administration Reform is planned.

- **Regular consultations of Directors of regional offices with Secretaries of municipalities with extended powers;**

These consultations are independent meetings of the above-mentioned levels of management of regional and municipal authorities. There are regularly discussed problems of performance of the state administration in delegated competence and firstly there are specified requirements on implementation of certain measures from both sides, it means from the regional level, as well as from the level of municipal office with extended powers.

- **consultations of Chief Executives of regions with Mayors of municipalities in the territory of regions or in the territory of municipalities with extended powers;**

This method of vertical coordination between regional and municipal level is not a rule and not all the Chief Executives of all regions conduct it. It is a specific form, when discussion on political, it means self-governing activities, is mingled with tasks related to performance of the state administration in delegated competence. In the first place, there are discussed legislative matters, which are fundamentals for legislative activities of regions.

- **consultations of Mayors of municipalities with extended powers with Mayors and Secretaries of their administrative districts;**

This method of coordination of activities and methodical management is not implemented in the whole territory of the Czech Republic uniformly. There exist administrative districts of municipalities with extended powers, where Mayors of these municipalities followed in tradition established by district offices, when communication in the form of the so-called Assemblies of Mayors has proved in these territories. There exist also such territories, in which all the municipalities of the whole administrative territory of the former district office are meeting this way, even if there were established certain administrative districts of municipalities with extended powers.

In addition to these general meetings, there exist another forms as well, which deal at this vertical level with professional problems of performance of the state administration in delegated competence. These meetings serve as an instrument for methodical management. These consultations are following:

- **professional meetings of area specialist of the central state administration with their counterparts at regional level**, which are extended in some particularly complicated agendas till the level of experts of municipalities with extended powers;
- **professional meetings of Heads of departments of regional offices with their counterparts of municipalities with extended powers**, which are extended in some special agendas (birth registers, elections etc.) till the level of a fundamental municipality;

Representatives of individual Ministries are invited to participate also in these meetings and they discuss professional problems in the area of arrangement of performance of the state administration by regions and municipalities.

Horizontal coordination of performance of the state administration

Even at this level, a number of formalised meetings, which aims at handling with problems of performance of the state administration at all the levels, take place in the Czech Republic. Meetings are held at the level of central state administration and also at the levels of lower authorities, it means at the level of regions and municipalities with extended powers, and also at the level of less or more professional associations of these authorities. Primarily it is:

- **The Working Committee of Deputy Ministers for the Public Administration Reform;**

Activity of this formalised working body has proved to be effective especially in the course of the first and second stage of the territorial public administration, it means at the establishment of regions and its regional offices and further at the delimitation of activities of abolished district offices to regions and municipalities with extended powers. It is in fact the highest possible level of authorities of the central state administration, except of the Summits of the Government, where are discussed questions that were not solved at the lower levels. The Deputy Minister of the Ministry of the Interior manages this working body, which meets usually once in three months.

- **The Operational Staff of Managers for the Public Administration Reform;**

The Operational Staff is a lower level of horizontal coordination. At its level, the individual Ministries as well as the other central state administration authorities are

represented by so called managers for the public administration reform, who are nominated by the individual Deputy Ministers from the Working Committee of Deputy Ministers for the Public Administration Reform. The Deputy Minister of the Ministry of the Interior entrusts the Head of Department for Territorial Public Administration Reform to manage this body. The Operational Staff were meeting in the course of implementation of the individual steps of the first and second stage of the reform on a weekly, or possibly biweekly basis. As soon as the municipalities had performed state administration in delegated competence already for one year, the frequency of meetings was prolonged for three weeks up to one month. The coordinators of performance of the state administration in the territory of regions participate as well in meetings of the Operational Staffs on grounds of their function; they subsequently transmit tasks and information in the territory, to meetings of the Regional Staffs and to the working sessions with Secretaries of municipalities with extended powers.

- **activity of the Association of Regions of the Czech Republic;**

The Association of Regions of the Czech Republic is an interest, non-party and non-government organisation. The individual regions of the Czech Republic are regular members of it. The primary goal of the Association is to maintain and promote common interests of regions, it means to contribute to the overall development of the territory and take care for needs of its citizens in terms of principles on which is based the European Charter of the Local Self-Government.

- **activity of the Association of Towns and Municipalities of the Czech Republic;**

A similar platform to the Association of Regions exists also at the level of municipalities – the Association of Towns and Municipalities of the Czech Republic is a voluntary, non-politic and non-government organisation, whose members are municipalities of the Czech Republic. The main goal of the Association is to maintain interests and rights of municipalities and to ensure necessary integrity, coordinated approach and legitimate lobbying for enforcement of changes to benefit of municipalities.

- **activity of the Association of Secretaries;**

- **activity of the interest associations in the form of micro-regions, which are founded either for solution of a certain factual problem or which have a general and long-term activity, that is often concentrated on performance of the state administration in certain specific areas as well;**

- **activity of working groups, which are either professionally concentrated or which are concentrated on a certain problem;**

In this case, it is the working group established to find a new method of calculation of the contribution towards performance of state administration for municipalities. However, there are many others that are established pursuant to the actual need, e.g. the Working Group on Quality in the Public Sector, which aims at increasing quality at the level of the state and territorial public administration.

With respect to the above-mentioned facts, it is obvious that the described system of coordination of the central state administration and territorial public administration is effective at present. However, it is important to deal with this issue in future as well,

especially in connection with accession of the Czech Republic to the European Union. Finding an optimal coordination mechanism is the aim of the project *Better Coordination of the Central State Administration towards the Territorial Public Administration*, which was approved by the Government Resolution No. 237 of 17th March 2004. The Government adopted the material establishing procedures and main directions of the whole reform and modernisation of the central state administration by this Resolution. Output of the above mentioned project, for which is responsible the Ministry of the Interior, shall be an analysis of coordination mechanisms of the central state administration towards the territorial public administration and draft solution of coordination approach of the central state administration towards the territorial public administration.

4. System of Financing of the Territorial Public Administration and Public Sector

The system of financing of the territorial public administration and public sector is going through a number of changes at present. Substantial changes in the area of financial flows in the framework of public budgets arose especially in connection with the public administration reform. The proceeding reform of public finance has a fundamental influence on this area as well.

Concurrently **the structure of income of municipalities and regions** is following:

1. own revenues
 - 1.1. tax revenues
 - 1.1.1. shared tax revenues
 - 1.1.2. exclusive tax revenues
 - 1.2. non-tax revenues
 - 1.3. capital revenues
2. other resources
 - 2.1. subsidies
 - 2.1.1. capital
 - 2.1.2. non-capital

The scheme of financing of both levels of the territorial public administration is the same in principle. However, a difference consists in the proportion of the individual types of incomes on the total budget. While among main resources of municipalities belong tax revenues (44 %), regions gain the biggest part of budgetary resources by means of the subsidies from the State budget (86 %). In the framework of the proceeding reform steps, the tendency towards strengthening of own revenues of self-governments to the detriment of financing by means of the subsidies is clearly obvious.

4.1 Own Resources of the Territorial Self-Government

Tax revenues of municipalities pursuant to the Act No. 243/2000 Coll., on Budgetary Allocation of Taxes

Shared tax revenues of municipalities are pursuant to the Act No. 243/2000 Coll., on Budgetary Allocation of Taxes, created by 20.59 % share of revenues:

- value added taxes,
- corporate income tax (except of the case, when the taxpayer is a municipality or a region),
- natural persons income tax from depending activities and benefits of office,
- natural persons income tax deducted by special rate,
- 60 % of natural persons income tax from entrepreneurship.

The share of the certain municipality on shared taxes is determined by the following rate:

The number of inhabitants of a certain municipality as of 1st January of the given year multiplied by the coefficient of the size category of this municipality (given in Annex No. 2 to the Act No. 243/2000 Coll.), divided by a sum of these multiples for all the municipalities in the Czech Republic

Exclusive tax revenues of municipalities are pursuant to this Act:

- immobility taxes,
- corporate income tax in cases, when the taxpayer is a municipality,
- 30 % share on natural persons income tax from entrepreneurship distributed according to the place of residence of the entrepreneur,
- 1.5 % share on natural persons income tax from depending activities and benefits of office distributed according to the rate between the number of employees in the municipality as of 1st December of the previous year and the sum of employees of all the municipalities of the Czech Republic

Shares of the individual municipalities on shared taxes and on the 1.5 % share on natural persons income tax from depending activities and benefits of office is annually determined by the Ministry of Finance by a Decree. The number of inhabitants in individual municipalities is determined by the review of number of inhabitants as of 1st January of the year concerned, which is published by the Czech Statistical Office. Data on number of employees in the individual municipalities are gained from the Annex to statement on natural persons income tax from depending activities and benefits of office, which is submitted to the employer.

Tax revenues of regions pursuant to the Act No. 243/2000 Coll., on Budgetary Allocation of Taxes

Regions are beneficiaries of tax revenues since 2002, when the amendment to the Act No. 243/2000 Coll., on Budgetary Allocation of Taxes, given by the Act No. 483/2001 Coll. came into effect. Regions gain according to existing legal regulation **shared tax revenues**, which consist of following types of taxes:

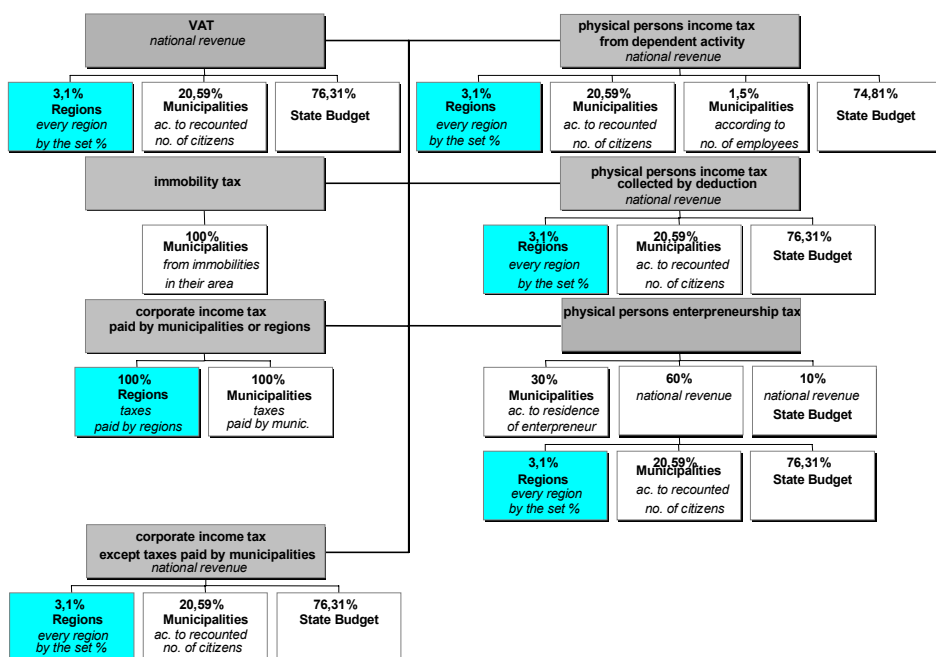
- value added tax,
- natural persons income tax from depending activities and benefits of office,
- natural persons income tax deducted by special rate,
- corporate income tax (except of the case, when the taxpayer is a municipality or a region),
- 60 % of revenue of natural persons income tax from entrepreneurship.

To regions belong 3.1 % of the national rough revenues of the above-mentioned taxes. Every region participates in this volume by the specified percentage, which is introduced in the Annex No. 1 to the Act No. 243/2000 Coll.

The structure of shared taxes of regions is identical to the structure of shared taxes, which are appointed to municipalities.

The exclusive tax revenue of regions is represented by revenues of corporate income tax in case, when the taxpayer is a region.

Scheme of Budgetary Allocation of Taxes of Regions and Municipalities



Annex No. 1 to the Act No. 243/2000 Coll.

Percentage, by which regions participate in 3.1% share on shared taxes

Region	Percentage
Prague	5.026663
Central Bohemia	11.836032
South Bohemia	8.386498
Plzeň	7.256508
Karlovy Vary	3.729188
Ústí nad Labem	8.530216
Liberec	5.022286
Hradec Králové	6.230239
Pardubice	5.311547
Vysočina	7.099474
South Moravia	10.005734
Olomouc	6.606500
Zlín	5.302314
Moravian-Silesian	9.656801
CR in total	100.000000

**Annex No. 2 to the Act No.243/2000 Coll.
Coefficients of size categories
of municipalities**

Municipalities with number of inhabitants from - to	Coefficients of size categories of municipalitis
to 100	0.4213
101 - 200	0.5370
201 - 300	0.5630
301 - 1 500	0.5881
1 501 - 5 000	0.5977
5 001 - 10 000	0.6150
10 001 - 20 000	0.7016
20 001 - 30 000	0.7102
30 001 - 40 000	0.7449
40 001 - 50 000	0.8142
50 001 - 100 000	0.8487
100 001 - 150 000	1.0393
150 001 a výše	1.6715
Capital City of Prague	2.7611

Local fees are sometimes considered as a certain analogy to local taxes.

Only municipalities are authorised to collect **local fees**, it is on the basis of the Act on local fees, which stipulates nine types of local fees in total. It is a fee on dogs, a fee on spa or recreational stay, a fee on use of public space, a fee on admission charge, a fee on accommodation capacities, a fee on permission to entry by a motor vehicle into selected areas and parts of towns, a fee on operation of gaming and betting machines, a fee on operation of the system of gathering, collection, transport, sorting, use and removal of domestic waste and a fee on increase of value of building land by a possibility of its connecting to a distribution system of water or to a sewerage. The State sets the maximal level of each of the fees, which cannot be exceeded, and it is up to decision of a municipality, in which level (in the framework of the given limit) or if ever, it will collect this fee.

Other resources of revenues of self-governmental units are **administrative fees**, which are collected for operations related to the activity of administrative authorities (e.g. for issuing of a building permission). Administrative fees can be collected apart from the territorial self-governing units, also by the state administration authorities of course.

Non-tax revenues create the noticeably smaller part of revenues of territorial self-governing units. In case of municipalities, it makes approximately 9% of the total budget, however in case of regions it makes only 1.5%. Non-tax revenues consist of revenues of

business activities of established institutions, revenues from outcomes of own business activities, from rental of property, from gifts, from collected penalties etc.

Capital revenues create the even smaller part of the budget; it means revenues gained by means of a sale of property, by a credit or in case of municipalities by an emission of communal obligations.

4.2 Other Financial Resources of Territorial Self-government

As already mentioned above, other financial resources of municipalities consist of investment and non-investment subsidies and they constantly create the substantial part of budgets of territorial self-governing units. A number of subsidies – e.g. subsidies to the social care institutions or contributions to the school system - are bounded by a certain purpose.

A special type of subsidy is the so-called **contribution towards performance of the state administration**.

Contribution towards performance of the state administration – municipalities

The Act on Municipalities implies that „municipalities receive a contribution towards performance of tasks in delegated competence from the State budget “. This contribution can be understood as a subsidy from the State budget, by which is not prescribed a purpose of use, although it shall be used in connection with performance of tasks in delegated competence. With respect to the fact that the contribution represents a part of current incomes of the municipal budget, the municipality can treat with these financial resources according to its consideration.

The contribution towards performance of the state administration is mostly understood as a partial compensation of personnel and material expenditures that arose to the territorial self-governing units in the course of performance of the state administration. According to the scope of delegated powers of municipalities, individual levels of a contribution were differentiated in the Act on the State Budget, which is annually prepared by the Ministry of Finance. A sum is stipulated per each 100 of inhabitants of administrative district of the municipality, in which the municipal office performs state administration, it means for municipalities, municipalities with competence of the registry office, building office, municipalities with authorised municipal office and the Capital City of Prague. An overview of the amount of the contribution towards performance of the state administration is mentioned in the chart and graph at the end of this chapter.

Somewhat different situation is by municipalities with extended powers, because on the one hand they are financed in the same way as other municipalities and they gain the contribution towards performance of the state administration according to the scope of performed competencies; while on the other hand they are financed according to the number of functional posts.

Functional posts were transferred from district offices to municipalities with extended powers, regions and some other state authorities in connection with the abolishment of district offices as of 31 December 2002. A number of transferred functional posts was dependent mainly on the size of administrative district of the municipality with extended powers, while there were transferred 27 functional posts to the smallest municipal offices and the biggest municipal office gained 197 functional posts. The Ministry of Finance evaluated consequently one functional post by the total sum of 333 995.69 CZK for 2003 (for 2004 the sum was

increased by 5 %) and the amount of financial resources corresponding with the mentioned sum and functional posts was transferred to municipalities.

From perspective of the future development, a change in mechanism for calculation of contribution towards performance of the state administration is supposed. On the one hand, a review of sums of contributions towards performance of the state administration shall be made on the basis of the collected data, while on the other hand a new formula based on two criteria shall be prepared. The first criterion is the number of inhabitants of administrative district of the municipality and the other is the rate between the number of inhabitants of the municipality, which performs state administration, and of administrative district, for which it ensures performance of administration.

Contribution towards performance of the state administration – regions

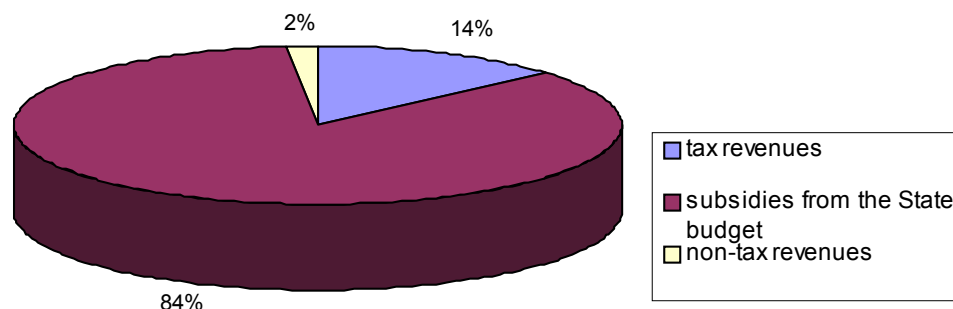
The Structure of Revenues of Regions

The current method of financing of regions can be still considered as a transition period. Financing of regions is by now ensured mainly by means of subsidies from the State budget, which is on the contrary to financing of municipalities. In spite of the fact, that the regions have a share on the national tax revenues since 2002. This year, the Ministry of Finance is preparing an amendment to the Act No. 243/2000 Coll., on Budgetary Allocation of Some Taxes to Territorial Self-governing Units and Some State Funds, which should change in a substantial way the structure of revenues of regions in favour of increase of own revenues (shared taxes). If the amendment to the Act on Budgetary Allocation of Taxes is approved, the volume of subsidies from the State budget to the budgets of regions will be decreased noticeably. Subsidies would be directed only at the contribution towards performance of the state administration in delegated competence and at institutions in the area of social care, which are for instance the old people's homes and social care institutions.

Revenues of regions in 2004 make 93.6 billions CZK (prediction) and they have the following structure:

- subsidies from the State budget 79.4 billions CZK
- tax revenues 12.7 billions CZK
- non-tax revenues 1.5 billions CZK

Structure of revenues of regions in 2004 (prediction)



The Structure of Subsidies

As mentioned above, the most important part of revenues of regions is created by subsidies. The subsidies can be divided into subsidies, which are a part of Annexes to the Act on the State budget in the relevant year, and to other subsidies, which are assigned to regions in the course of the year from the chapter General Fiscal Administration and from chapters of the individual central administrative authorities. These subsidies represent the biggest part.

⇒ Financial relation of the State budget to budgets of regions (Annex No. 6 to the Act on the State Budget) in the amount of **16 025.052 millions CZK** encompasses the following subsidies and contributions in 2004:

- *Contribution towards performance of the state administration* 399.073 mil. CZK
- *from which units of Voluntary Firemen Force* 52.500 mil. CZK
- *Contribution to the traffic service in railway transport* 2 246.920 mil. CZK
- *Contribution to the traffic service in bus transport* 2 785.400 mil. CZK
- *Subsidies to performance of the founder's functions and activities transferred from district offices, municipalities. event. Ministries to regions incl. budgetary provisions, which concern balancing of transfers of functions and activities in the framework of the 2nd stage of the territorial public administration reform* 9 093.659 mil. CZK
- *Subsidies to financing of reproduction of property of territorial self-governing units* 1 500.000 mil. CZK

⇒ Other subsidies from the chapter General Fiscal Administration of the State budget **256.724 mil. CZK**

⇒ Subsidies from the other chapters of the central administrative authorities of the State budget **63 115.600 mil. CZK**

Contribution towards Performance of the State Administration in Delegated Competence

The Act No. 129/2000 Coll., on Regions, Article 29 (2) quotes, similarly as in case of municipalities, that regions receive the contribution towards performance of the state administration in delegated competence from the State budget. The Ministry of Finance determines the amount of the contribution after negotiations with the Ministry of the Interior. It is the region that decides how this contribution (this subsidy) shall be used. It is listed among the special-purpose subsidies in the Act on the State Budget, because it should serve for financing of performance of the state administration. Applying the principle of unity of revenues and expenditures in a budget, it is very difficult to monitor, possibly to control this special-purpose use. That is why the allocated part of the subsidy to a certain region is not henceforth purposely determined in terms of use.

Financing of regions in 2001, in the first year of their functioning, was absolutely exceptional. Regions were financed by the special-purpose non-investment subsidy from the State budget, which was determined to compensate the current expenditures of employees including salaries („contribution towards performance of the state administration”) and the current expenditures of councillors including remunerations. To determine a volume of special-purpose non-investment subsidies to regional offices following criteria were used: a) as concerns employees who were delimited as of 1st January 2001– average annual expenditures on one transferred employee given by individual Ministries, and b) for new hired employees – average annual expenditures on one employee in the amount of 444 thousands CZK given by the Ministry of the Interior.

In 2002, the criterion for determination of the contribution towards performance of the state administration in delegated competence according to the Annex No. 6 to the Act No. 490/2001 Coll., on the State Budget for 2002, was the 2001 limit of the number of employees of regional offices, who performed delegated power of state administration; this limit was given in the Annex No. 1 to the Government Resolution No. 85/2001 and for purpose of the 2002 calculations was adjusted by impacts of the Government Resolution No. 62/2001. This limit of number of employees was 1062. Each employee was evaluated by 70 % of volume of expenditures in the amount of 444 thousands CZK (average expenditures calculated on one new-hired employee of a regional office), it means 310.8 thousands CZK for one employee and the total amount was 330.069 millions CZK. The above-mentioned volume includes resources on financing of performance of delegated competence, which resulted from the 1st stage of the territorial public administration reform.

The criteria for determination of the contribution towards performance of the state administration in delegated competence (the 1st stage of territorial public administration reform) did not change in 2003 and neither the volume of financial resources was increased. With respect to the termination of activity of district offices, a subsidy on performance of the founder's functions and activities transferred from district offices, municipalities, or Ministries to regions became a part of the financial relation towards regional budgets. This subsidy includes contribution on one functional post transferred since 1st January 2003 from district offices to regions for performance of independent (248 functional posts) and delegated competence (1828 functional posts). One functional post was evaluated by the average current expenditures in the amount of 334 thousands CZK. It included as well the contribution on one functional post (21 functional posts in total), which was transferred by the Ministry of Education, Youth and Sports to regions pursuant to the Government Resolution No. 1359/2001 in the amount 304 thousands CZK.

This year, the volume of resources for the contribution towards performance of the state administration in delegated competence has been increased (the 1st stage of territorial public administration reform) by 5 %. Criteria have not been changed over the past year. In the framework of subsidy on performance of the founder's functions and activities transferred from district offices, municipalities, or Ministries to regions, the volume of resources transferred from the Ministry of Education, Youth and Sports was increased by 5 % on the basis of the Government Resolution No. 1359/2001. Functional posts were strengthened in the framework of the 2nd stage of the territorial public administration reform (the Government Resolution No. 1085/2002) in total by 373.5 functional posts (it makes 310.8 thousands CZK for 1 functional post). The contribution towards performance of the state administration to regions was increased as well to secure activities of secretariats of the regional Councils pursuant to the Government Resolution No. 810/2003. In total, it counts 53 functional posts, which makes 369.9 thousands CZK for 1 functional post.

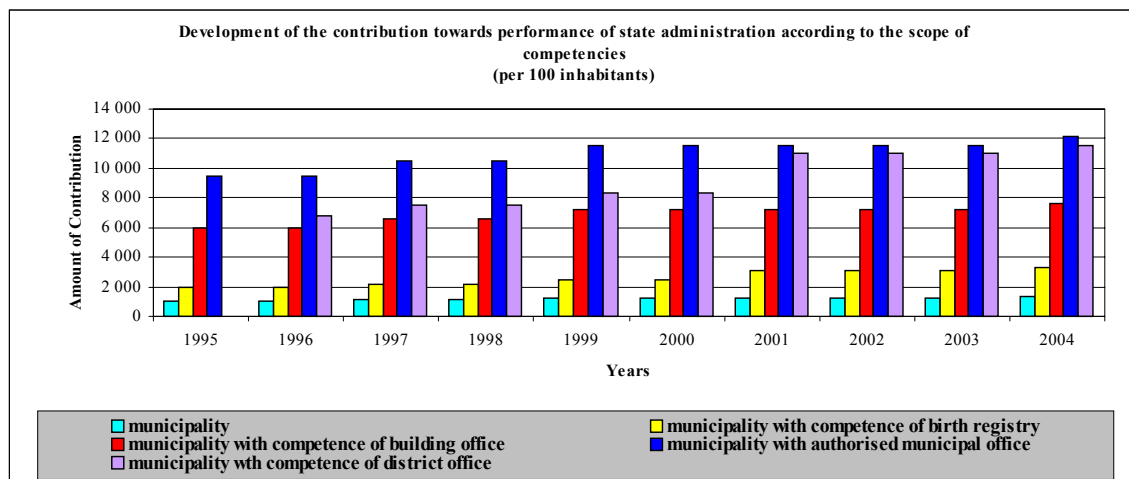
The Method of Transferring Financial Resources to Budgets of Regions

Subsidies, which are included in the financial relation of the State budget (the contribution towards performance of the state administration, among others) towards budgets of regions, are sent by the Ministry of Finance on the accounts of regions on a monthly basis by twelfths, till the end of the first decade of the relevant month. This solution respects also possibilities of the State budget, on the income account of which are coming the revenues, especially tax revenues, successively in the course of the budgetary period.

Contribution towards Performance of the State Administration (Amount in CZK)										
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
municipality	1 000	1 000	1 100	1 100	1 210	1 230	1 230	1 230	1 230	1 292
municipality with competence of registry office	2 000	2 000	2 200	2 200	2 420	2 420	3 120	3 120	3 120	3 276
municipality with competence with building office	5 950	5 950	6 550	6 550	7 205	7 210	7 210	7 210	7 210	7 571
municipality with authorised municipal office	9 500	9 500	10 500	10 500	11 550	11 550	11 550	11 550	11 550	12 128
municipality with competence of a district office		6 800	7 550	7 550	8 305	8 305	11 010	11 010	11 010	11 561

* the amount is recalculated for 1 functional post, a number of functional posts for individual municipalities with extended powers is given by the Government Resolution
Resource: the Acts on the State Budget for individual years

At the end of this chapter is necessary to mention that the Government of the Czech Republic approved by its Resolution of January 2004 the **Policy of the Government of the Czech Republic in the Area of Public – Private Partnership**, by which was made a significant step towards support of the partnership between the public and the private sector by financing of public services and public infrastructure. In principle, it is a support to application and implementation of the model of financing that has been already used abroad in a very effective way.



5. Control Mechanisms in the Public Administration

Financial control pursuant to provisions of the Act No. 320/2001 Coll., on Financial Control in Public Administration and on Amendments to Some Other Acts (Act on Financial Audit), and of the Decree No. 64/2002 Coll. is performed in connection with management of financial resources of the State. The financial control concentrates mainly on financial flows among public administration authorities, between public administration authorities on the one side and beneficiaries of public financial subsidies on the other, and within public administration authorities. There are specified following control mechanisms:

5.1. Public Administration Control

Public administration control concentrates on management of public resources and can be performed before provision of public resources (the preliminary control), in the course of their use (the concurrent control) and after their use (the follow-up control). Public administration control is performed by the Ministry of Finance, by territorial authorities, by administrators of Chapters to the State budget, providers of public financial subsidies and territorial self-governing units.

5.2. Financial Control in Accordance with International Treaties

Financial control in accordance with international treaties enables an independent control performed by control bodies of international organisations. According to the Framework Agreement between the Government of the Czech Republic and the European Commission, the European Commission is authorised to dispatch its own representatives or plenipotentiaries to execute technical or financial control or audit, which the European Union considers to be essential for monitoring of implementation of measures.

5.3. Internal Control System

The executive of the public administration authority is obliged in the framework of his competence to establish and maintain in this authority the internal control system, which creates preconditions for efficient, effective and functional performance of public administration. The internal control system includes the **supervisory control** and function of the **internal audit**.

The supervisory control is composed as a three-phase proceeding, which is created by a preliminary, a concurrent and a follow-up control of relevant operations.

The internal audit is an independent and objective review and evaluation of operations and of internal control system of a public administration authority, which is performed by a functionally independent unit, possibly an employee, who is authorised to it and who is independent from managing executive parts of organisation. The internal audit includes mainly the *financial audit* (the control of property and resources of its financing), *audit of systems* (evaluation of systems ensuring revenues of a controlled public administration authority), *audit of performance* (the control of economy, efficiency and purposefulness of the internal control system).

An essential premise of the successful audit is independence from activities, which are audited, exclusion of competence and responsibility for audited area, and last but not least also securing that the internal audit is not entrusted by tasks, which are in contradiction with performance of this function.

The annual plan of audit comes out from the medium-term plan (for 3 – 5 years) and is composed on the basis of evaluation of risk factors. The output is the annual report, which includes evaluation of quality of the internal control system, its adequacy and efficiency. Furthermore it analyses deficiencies that influence activity of the audited public administration authority.

Great importance is attributed to the common procedure of regional offices by implementation of methods of internal control mechanisms. A project is being realised for this purpose – the project under Phare 2003 programme „Strengthening of Internal Financial Control Mechanisms (PIFC) at the Regional Level“, in which participate all the regional offices (internal audit units) and whose coordinator is the Region of the Central Bohemia. Also the Ministry of Finance, the Ministry of the Interior and the Ministry for the Regional Development participate in preparation and implementation of this project. In connection with these activities, other employees of the territorial public administration authorities shall be trained in the area of internal financial control mechanisms as well.

5.4 Review of Management of Territorial Self-governing Units and Voluntary Associations of Municipalities

The legal basis for provision of review of management of territorial self-governing units and voluntary associations of municipalities is included in the Act on Budgetary Rules for Regional Budgets (and in a Decree to this Act), in the Act on Municipalities, in the Act on Regions and in the Act on the Capital City of Prague.

The management review is performed every year.

Regions are obliged to let their management review by an auditor and they cover costs for the performed review from their own budget. As concerns management review of **municipalities**, there is defined a different approach to municipalities in the Act – according to their size. Review of management of municipalities, which have more than 5000 inhabitants, is performed by an auditor, while costs are covered from their budget. Municipalities, which have less than 5000 inhabitants can decide, if they let review their management for the past year by an auditor (costs are covered from their budget) or by a regional office in delegated power (costs are covered by the region).

Review of management of **voluntary associations of municipalities** is performed by an auditor (costs are covered by the association).

However, it can be expected that the above mentioned state would be changed substantially in the forthcoming period, because a **Government Bill** is under discussion, which shall define this type of control. Draft legal regulation should unify performance of review, specify proceedings, widen significantly the sphere of review, namely by a review of management of the own property of territorial self-governing units etc.

If the above-mentioned draft legal regulation is adopted, the subjects performing control will be changed as well. Municipalities will be able to choose, if they let review their management by a region or by an auditor. The Ministry of Finance shall perform the review

of management of regions. Same possibilities of choice shall have the Capital City of Prague as well. However, a different situation shall be in case of its municipal parts – the Municipal Authority of the Capital City of Prague or an auditor shall review their management on the basis of their choice.

The Ministry of Finance in accordance with the above-mentioned Act shall perform the supervision over management.

6. Topical Intentions Supporting Higher Effectiveness of the Territorial Public Administration

6.1 Topical Intentions Supporting Higher Effectiveness of the Territorial Public Administration from a Perspective of Its Arrangement

In the Statement to the Government Policy of the Czech Republic in the subchapter 3.5. *Public Administration* is determined besides others that in the framework of accomplishment of territorial public administration reform shall be set up favourable legal and economic environment for development of small municipalities and concurrently a review of administrative agendas shall be executed to reduce administrative burden of citizens. Establishment of three working parties – for Analysis of Competencies of Territorial Self-governing Units, for Solution of Problems of Small Municipalities, and for Contribution towards Performance of State Administration by Bodies of Territorial Self-governing Units - was agreed consequently, on the basis of negotiations between JUDr. Stanislav Gross, the Minister of the Interior, and Ing. Oldřich Vlasák, the President of the Association of Towns and Municipalities.

The Working Group for Solution of Problems of Small Municipalities commenced its activities in July 2003. Its members are representatives of the Association of Towns and Municipalities, the Association for Countryside Reconstruction, regions, and professional public, the Ministry of the Interior etc. The Working Group meets regularly once a month. Its main task is gathering materials concerning problems of small municipalities and consideration of its solutions.

In this Working Group was also assessed a proposal of the „Procedure of Optimisation of Legal and Economic Environment for Public Administration Performance by Bodies of Territorial Self-governing Units“, which was approved by the Government Resolution No. 238 of 17th March 2004. On the basis of this Resolution, analyses of the scope of all the competencies performed by bodies of territorial self-governing units and of financial costs of performance of public administration shall be elaborated.

On the basis of evaluation of these analyses, individual materials solving tasks resulting from the Statement to the Government Policy shall be consecutively submitted to the Government in the course of the year 2005 to be discussed later on.

6.2 Topical Intentions Supporting Higher Effectiveness of the Territorial Public Administration from a Perspective of Instruments and Quality Methods

In the last a few years, the requirements on quality improvement of public administration performance, making its processes transparent, improvement of provided services and more substantial approaching of public administration to a citizen are being arisen more and more often. From a viewpoint of territorial public administration, these requirements are much more significant. Under influence of the mentioned facts, the trend of acceptance of modern management methods can be met in public administration in much larger extent; these methods were originally developed for needs of a private sector.

A legal support for implementation of instruments and methods of quality management in public administration exists already in conditions of the Czech public administration. A significant act in this respect was the adoption of **the National Quality Policy Programme** by the Government of the Czech Republic under the Resolution No. 458 of 10th May 2000 and the establishment of the Czech Republic Quality Council affiliated to the Ministry of Industry and Trade.

Activity of **the Czech Republic Quality Council** consists apart from other things in the annual announcement of Programmes of the National Quality Support Policy, which are approved by the Government of the Czech Republic in the form of the Resolution. In addition to the intentions of the individual Ministries in the area of quality, plans and activities of non-profit non-government organisations are mentioned here. The executive body of the Council is the **National Information Centre for Quality Promotion**, which was established by the Government Resolution No. 458 as well. One of the main goals is to provide qualified information from the area of quality to the public. There was constructed an information system for this purpose, which is accessible to the public free of charge on the Internet pages.

In the framework of the Czech Republic Quality Council were established three working groups – for international cooperation, for media promotion and for quality in the public sector. The last mentioned group, established on the basis of the Ministry of the Interior of the Czech Republic's initiative, concentrates mainly on support to application of methods of quality management and on search of possibilities of quality improvement in the state administration and territorial public administration. The working group is divided into two committees – the Committee for Quality at the State Administration Level, which consists of representatives of the individual Ministries and the Office of the Government of the Czech Republic, members of the Committee for Quality at the Territorial Public Administration Level are representatives of bodies of the self-government, who are experienced in implementation of certain quality methods.

To increase quality of public administration authorities management, to compare quality of management between comparable domestic and external organisations, and to contribute to implementation of more effective and efficient rules for organisation functioning – these are the aims of quality methods, which are to be described in the following text.

Particularly on assessment of organisation's performance, sharing of experience and best practices examples is based the method of **benchmarking**. The essence of this method is an analysis and comparison of processes with the assistance of the precisely determined performance indicators for the purpose of determination of the best procedures. By mutual comparison, the organisation can realise its strengths and weaknesses, learn from the best and search possibilities, how to anchor possible improvements within its organisation. For these reasons, the method of benchmarking is generally used for comparisons of services provided by public administration organisations. The aim is to find out, how they perform their duties with reference to a combination of efficiency, performance and effectiveness.

The method of benchmarking was used so far two times in the Czech Republic. For the first time the method was tested in a pilot project „*Price and Performance*“, which concentrated on cooperation of statutory cities by comparing quality of public services and costs of their provision in the area of collection and liquidation of domestic waste. Realisation of the project proceeded from April till the end of the year 2000. The project was prepared in the framework of cooperation of the Centre for Education in Public Administration of the Czech Republic, o.p.s., the Association of Towns and Municipalities of the Czech Republic, the Municipal Authority of Ostrava and the British Know-How Fund. Six statutory cities - Plzeň, Ostrava, Jihlava, Pardubice, Havířov and Ústí nad Labem - participated in the project.

Experience of this project was followed by the current Czech-Canadian project „*Benchmarking in the Area of Extended Powers of Municipalities of the 3rd Type*“. A bearer of this project is the Centre for Education in Public Administration of the Czech Republic, o.p.s. Partners of the project are the Association of Towns and Municipalities, the Ministry of the Interior of the Czech Republic and the Statutory City of Ostrava. Financial resources for the project were provided by the Canadian Governmental Agency for International Development in the framework of assistance to the Visegrád countries.

The project aimed at assistance to municipalities of the 3rd type (it means to municipalities with extended powers); the procedure was following - by the means of the method of benchmarking analyse contemporary performance of delegated powers, compare it among selected municipalities and find the optimal method of its provision. The project was commenced in the first half of the year 2003 and it is to last till the end of the year 2004. 49 municipalities have entered for the project; they were divided according to the size of their administrative territory into five working groups. Each group devote themselves to two agendas of performance of delegated competence, ten areas are about to be treated in total, among them e.g. issuing of identity cards, driving offences, registry of motor vehicles, building and trade licensing office. Results and outputs of the project shall be presented on the national quality conference in the autumn 2004.

Reengineering – another modern management method, which contributes to increase of performance of public administration. It is grounded on a basis of process analyses and models, by means of which it is possible to optimise processes of the given office, its structure and to unify its working procedures. For example recommendations to changes in the organisational structure or in the number and competencies of employees can result from the outcomes of process analyses. It influences positively the efficiency of the office's functioning and quality of the provided services.

The starting point for application of the reengineering in the Czech Republic was the adoption of a sub-programme *the Action Plan on Realisation of the State Information Policy Reengineering of Public Administration and Information Systems of Public Administration* in 2001. The aim was to enforce and create conditions for implementation of modern information systems in public administration authorities. A prerequisite for this was creation of methodology of reengineering in public administration.

The above-mentioned project has the form of a pilot and is implemented on three offices of territorial self-government. Namely it is the Regional Office of the Region of Olomouc, the Municipal Authority of Ostrava and the Regional Office of the Region of Plzeň. In all of the above-mentioned cases, nine selected processes are analysed.

Groups of the **ISO** standards concentrate on evaluation of internal processes and activities of the organisation as well. The most widespread are the standards ISO 9000, the standards on quality management, and ISO 14000, the standards on management of processes with regard to environmental impacts. Both of the groups deal with the organisation, not with the results of activities, in other words, the standards ISO do not concentrate on a product or a service, which is the output of the organisation or the office, but on internal processes, which lead to these outputs. In the framework of territorial public administration of the Czech Republic were the standards ISO applied for example on the Municipal Office of Vsetín and the Municipal Office of Česká Lípa.

One of a number of the quality methods' instruments can be used for evaluation of a contemporary situation in the organisation and of quality of its functioning. It is the so-called Speyer's Model in Germany, the Malcolm Baldrige's Model in the USA, the Deming's Model is applied in Japan; while the Excellence Model is the most widespread in the

European Union (the EFQM Excellence Model); on the basis of this Model is granted the European Quality Award. Similarly, it is a basis for the Czech Republic National Quality Award.

The EFQM Excellence Model (or as well the Model of Successfulness) was created by the European Foundation on Quality Management. The Model represents a system of self-assessment, by means of which is possible to determine organisations with the best results, it means that the given organisation can be labelled as the „model of excellence“, and results of this process can be used for comparison with another organisations.

The Model is based on nine criteria, by means of which can be shown, how the results (four criteria of results – satisfaction of clients, employees, impact on the society and key results of performance) correspond with preconditions of the organisation (five criteria of preconditions – leadership, policies and strategies of the organisation, human resources, partnership and resources, processes). Thus these criteria of preconditions deal with it, how the organisation performs its key activities, and the criteria of results on the contrary with it, what are the results of these activities.

The EFQM Model was applied in the Czech Republic for example at the District Directory of the Police of the Czech Republic in Jindřichův Hradec in the framework of the Phare project *The Complex System of Human Resources Management for the Czech Police – a Programme of Professional Education for Policemen and Employees of the Ministry of the Interior*. In 2002 has been launched the other project *Implementation of the EFQM Model into Practice of the Police of the Czech Republic*, a partner of which is the Police of the Netherlands. This project aims at accomplishment of the Government Resolution No. 458 on the National Quality Policy Programme and at implementation of the EFQM Model into all units of the Police of the Czech Republic.

From the essence of the EFQM Model comes the **CAF Model** (the Common Assessment Framework Model). It is a simple self-assessing instrument enabling organisations of public administration to identify their strengths and weaknesses and areas for improvement. An advantage of the CAF Model in comparison with the Excellence Model is just its simplicity and lower cost on its implementation. Moreover, such an assessment of organisation can be carried out by own employees, respectively a group of employees selected from the whole organisation or the office.

Already a few offices of territorial public administration have gained experience with application of the CAF Model in the Czech Republic – for instance the Regional Office of the Region of Olomouc, the Regional Office of the Region of Liberec, and the Municipal Office of Vsetín. In 2004 a project *Implementation of the CAF Models into Organisations of Territorial Public Administration*, which is intended for regional offices, Municipal Authorities of statutory cities and municipal offices with extended powers. The project is about to run in the following three years – in the first year, there will be a training of the so-called quality managers selected from each office, a training of the project team and subsequent application of the CAF Model. Following years will be devoted to demonstration of measurable improvements in activities of offices and at the end of the triennial cycle, the given offices will have the possibility to participate in the competition for the National Award according to the CAF model. One of the outputs is also formulation of the Methodology of Appreciation of Organisations Participating in the Project.

In connection with quality in the public administration, it is necessary to mention a project, which aims at support of health and quality of life in towns. The **Project Healthy Town** has its foundations in Europe and it runs under auspices of the World Health Organisation. Its tradition dates back to the beginning of 90th in the Czech Republic. A real

blossoming it has in a few last years. The project consists in a systematic support to health and sustainable development and solving problems on the basis of the Local Agenda 21. The towns, which follow these principles, can become a member of the National Network of Healthy Towns of the Czech Republic. About 800 towns are guided by this network at present, it comprises 1,6 millions inhabitants of the Czech Republic. The contribution of the National Network consists particularly in the methodical support in the area of strategic planning and development of towns or in the assistance by raising financial resources in the form of various grants and subsidies. Most of participating municipalities take principles of the health and sustainable development into consideration at formulating of long-term strategies. The fact is that also regions start participating in the project in addition to municipalities; this will have a positive influence on development of territorial self-government as such in the future.

With respect to the above-mentioned facts, it is necessary to mention the issue of **sustainable development** as well. By the sustainable development is understood such a development, which ensures balance among three basic dimensions – social, economic and environmental. The basic issue is how to maintain and develop a quality of life and not to exceed the given environmental limits at the same time, which - among other things - requires a new perspective on economy and economic development that has to take into consideration social and environmental impacts. In the Czech Republic, **The Government Council for the Sustainable Development** (hereinafter referred only as „the Council“) deals with problems of the sustainable development systematically; it was established on the basis of the Government Resolution No. 778, effective since 1st August 2003. One of the tasks, which were assigned to the Council, is to submit to the Government by 30th June 2004 a draft Strategy of Sustainable Development of the Czech Republic. The Institute for Eco-policy is entrusted by elaboration of the above-mentioned strategy in cooperation with representatives of state administration and self-government, non-profit organisations and civil societies.

6.3 Problems of Local Public Services

Public services are services produced, organised or regulated by a public administration body for a purpose of provision of a service in a way, which is considered to be necessary for satisfaction of the society's needs, while respecting the principle of subsidiarity. Public services are both material public services (provided in a material form), and financial support and administrative activities as well in a wider sense.

The main issue is concurrently **the arrangement of pertinent accessibility and quality of each individual public service to a citizen**. In this context, it is logical that the biggest attention is devoted to the material public services. All the levels of public administration and even social partners agree on a necessity of solution of this issue and on arrangement of the even development of public services in the whole territory of the Czech Republic. **The Government of the Czech Republic** claimed necessity of solution of this issue in its Statement to the Government Policy of August 2002. At the level of certain **Ministries** are adopted strategies on development of public services and also the so-called White Books – e.g. the White Book on Social Services, the White Book on Education etc. Also **self-governments** (regions and municipalities) contribute to solution of this issue by means of their development documents e.g. in the area of education, the environment or social services. It is obvious that the above mentioned documents should not be adopted randomly and in a non-coordinated way, but they should come out from a cohesive strategy and head towards and contribute to accomplishment of a clearly defined goal. The function of a

coordinator of the above-mentioned activities has been devoted to **the Ministry of the Interior**.

It is necessary to say that recently there are being used in a wider extent the so-called soft methods in addition to the so-called hard methods (determination of parameters of accessibility and quality in a legal regulation) in the Czech Republic. These soft-methods can be used both by arrangement of accessibility and quality of public services. It is application of the benchmarking method for instance, or communal planning or assignment of the recommendation in Ministerial strategies.

One of the main impulses for solution of this issue was **the second stage of public administration reform**. District offices (territorial bodies of state administration with general competence) were abolished within this reform as of 31st December 2002 and their individual competencies were transferred do regions and municipalities. In the framework of transmission of competencies, the individual founder's functions in the area of public services were transferred as well. The founder's function to e.g. secondary schools and training institutions, special primary schools by the health institutions, basic artistic schools, children's homes, language schools and institutes of social care, which perform the diagnostic service, were transferred **to the independent competence of region**. The founder's function to e.g. kindergartens and primary schools or public nurseries **belong to the independent competence of municipalities** as well as the possibility to determine by a generally binding regulation the system of gathering, collecting, transport, sorting, use and disposal of domestic waste rising in its cadastral territory, including a system of disposal with building waste. Guarantee for arrangement of most of public services was entrusted to territorial self-governments under their independent competence.

In this connection it is necessary to mention briefly as well **the legal framework of public services in connection with position of territorial self-government**. On the basis of the Constitution of the Czech Republic, the State can intervene in the activities of territorial self-governing units (it means municipalities and regions), only if such intervention is required by protection of law and only in a manner defined by law. Municipalities and regions are bound at performance of the independent competence only by law and by legal regulations that were issued for their implementation. The other legal acts (Regulations, Directives, etc.) have only a recommending character for them. Regions are rather obliged to cooperate with municipalities at performance of their independent competence, however they must not intervene in their independent competence. From the above mentioned facts results definitely that the position of regions and municipalities is very strong in the Czech Republic and this is the reason why it is very hard to find an adequate solution of the public services issue, which would not contradict the contemporary legal arrangement and accommodate all the interested subjects at the same time.

To map a situation in the area of public services in the Czech Republic, **the public services analysis** on the individual Ministries was carried out in 2003 under coordination of the Ministry of the Interior and on the basis of information learned, the Ministry of the Interior worked out consequently a collected material *The Analysis of Public Services* (the Government took cognisance of it in September 2003). The aim was to find out what public offices are provided in the Czech Republic, who is responsible for their provision, how is arranged their accessibility, quality and financing and also, if after abolishment of district services no problems appeared with their arrangement. Since the Analysis provided information particularly from the Ministerial point of view, it was decided to supplement it with some data gained directly in the territory. **A territorial inquiry** was carried out in all

regions and in all municipalities of one selected region (the Region of Vysočina) in autumn 2003. The acquired data together with supplementing information from individual Ministries shall serve as groundwork for the Strategy for Promotion of Accessibility and Quality of Public Services. The Ministry of the Interior is entrusted by formulation of this strategy.

No less important issue, which shall be solved in this connection, is **a method of financing** of the each individual service. At present, a number of different methods of financing of public services can be identified. Some of these services are financed *directly from the State budget*, namely if they are guaranteed or directly provided by one of the Ministries or other central administrative authority. *Grants* are allocated from the State budget for some services. *Budgets of territorial self-governing units* are an important resource of financing. Territorial self-governing units are financing public services from their own revenues (from budgetary allocation of taxes) or from other resources (particularly from special-purpose subsidies from the State budget). A number of public services is paid in certain way and *a user* participate in their financing as well. The so-called *reimbursement of demonstrable loss* is used at arrangement of public transport or universal telecommunication service. In this case, the end user pays the service, but since it does not cover completely all the costs, the difference (a demonstrable loss) is covered by the third subject (e.g. by the State). Public services can be financed by means of *sponsorship* or by resources from abroad of course (e.g. from the following funds - Phare, ISPA and SAPARD or structural funds of the European Union). Multi-resource financing is applied by most of services; it means that a combination of the above-mentioned methods is used.

The accomplished Analysis identified many problems in the area of financing, which have something in common – insufficient resolution of arrangement of the system of financial flows, which was set within transformation of public administration. An example is the unlike method of financing of the social services institutions at the level of region and municipality, which practically makes its transfer impossible.

Problems of financing are closely connected with **problems of arrangement of public services by small municipalities**. The Act on the one hand does not make a difference among municipalities as concerns their size in the area of the imposed responsibilities, but on the other hand it distinguishes at allocation of tax revenues by means of budgetary allocation of taxes. All municipalities, regardless their size, have the same responsibilities, however the bigger municipalities receive for its fulfilment relatively bigger part of shared taxes than small municipalities. Small municipalities get so in a situation, when the Act imposes a number of responsibilities on them, but allocated financial resources for its fulfilment are not sufficient. The above-mentioned statement concerns only responsibilities, which the municipalities have in their independent competence.

7. Status of Employees and System of Their Education

7.1 Status of Employees of Territorial Self-Governing Units

As of 1st January 2003 the Act No. 312/2002 Coll., on Official of Territorial Self-Governing Units and on Amendments to Some Other Acts (hereinafter “the Act on Officials“), which regulates the employment of officials of territorial self-governing units and their education, entered into force.

Within the legal order of the Czech Republic, the Act on Officials presents a completely new legal regulation of status of employees of self-governing units, for the labour-law relations followed general labour-law regulations before it came into effect, particularly by the Act No. 65/1965 Coll., the Labour Code.

Necessity of this new legal regulation resulted from deficiencies of the actual legal arrangement, but also from the changing environment, which put higher requirements on employees of territorial self-governing units.

A criticised consequence of legal arrangement, which was valid before the Act on Officials came into effect, was particularly the not always satisfactory professional level of employees of territorial self-governing units, who execute activities in the area of public administration. The main reasons for this situation were following – a subjective selection of employees, their relatively high fluctuation, an incomplete system of education of employees and in some cases also excessive interventions of the elected bodies of territorial self-governing units into personnel decisions concerning employees of these units.

The aim of the Act on Officials is therefore to improve performance of the office of a territorial self-governing unit, which is possible only if performance of officials improves. However, the precondition is higher professionalisation of officials of territorial self-governing units, since satisfaction of citizens with the public administration performance depends on them. One possibility how to improve performance of officials is stabilisation of their jobs and strengthening of their independence from elected bodies.

As examples from practice show, the Act on Officials meant a really significant shift in stabilisation of officials and senior officials. The Act on Officials strengthened competencies of the Head of the office, who shall manage the office of a territorial self-governing unit as concerns the labour-law matters in addition to other things.

1. Who is an official

The Act on Officials concerns only those employees of territorial self-governing unit, who come under category of an official. Under category of an official will come employees of a territorial self-governing unit, who participate in performance of administrative activities and who are assigned to the office of the given territorial self-governing unit at the same time.

2. Who is not an official

The Act on Officials does not concern employees assigned to organisational sections of a territorial self-governing unit, employees assigned only to its special bodies and employees,

who execute entirely the so-called service activities or who manage execution of such activities. The Act on Officials does not concern of course members of elected bodies of territorial self-governing units and such persons, who have based their labour-law relations to the given territorial self-governing unit on a contract for work or on a contract for working activity, even though these persons execute or participate in performance of administrative activities.

Labour-law relations of those employees of territorial self-governing units, who are not officials according to the Act on Officials, shall further follow only the Labour Code and other labour-law regulations, while provisions of the Act on Officials do not concern them.

3. Force of the Labour Code

The Act on Officials is in relation of speciality to the Labour Code, which means that labour-law relations of territorial self-government officials are governed by the Labour Code, except where otherwise provided in the Act on Officials. The Act on Officials governs only specific differences of labour relations of territorial self-government officials from general regime given by the Labour Code.

4. Conditions for Establishment of Employment of an Official

The Act on Officials prescribes conditions for establishment of employment of an official beyond the terms of the Labour Code. An official must be a natural person, a national of the Czech Republic, possibly a natural person, a foreign national with the permanent residence in the Czech Republic, aged 18 or more, qualified to carry out legal acts, and a person of ability speaking the Czech language who meets other prerequisites for execution of the administration activities laid down by a special legal regulation.

5. Public Call and Tender Procedure

One provision of the Act on Officials, which is not regulated by the Labour Code, is the requirement of public call and tender procedure at hiring of officials in labour relation. Public call or tender procedure is a condition for establishment of labour relation for the indefinite period of an official assigned to the given office. Tender procedure is also a condition for any appointments of a head or a senior official of an authority.

6. Duration of Employment

One of advantages, which are introduced for an official by the Act on Officials, is duration of its Employment. It is a significant and for an official advantageous difference to regulation of duration of employment by the Labour Code (e.g. the Act on Officials excludes a possibility, with **exception of two enumeratively defined reasons**, to contract an official only for a fixed period, even in the case that an official explicitly demands a contract for the fixed period. Officials shall be employed only for the indefinite period.

7. Transfers

The Act on Officials beyond the terms of the Labour Code widens also reasons, for which a territorial self-governing unit is responsible for transferring such an official to other position. The Act on Officials obliges a territorial self-governing unit to transfer the official,

who is under criminal prosecution for charges in a criminal offence which, if confirmed by the final and conclusive decision of the court, would amount to that official's failure to comply with the integrity requirements, to a non-administrative position. In that case (at transfer to other activity, which is not an administrative activity), an official shall receive 60 per cent of their average monthly wage for a maximum period of 12 months.

Among prerequisites, which have to be fulfilled by an official to enable their performance of administrative activities given by special legal regulation, belongs the special professional competence. The Act on Officials imposes to territorial self-governing unit to transfer the official, who does not prove the special professional competence in a term given by law, to other activity, for which the official fulfils the given prerequisites. In case, there is no activity within the office, for which the official is eligible, the official can be dismissed for a reason referred to in the Labour Code, Section 46 (1) (e).

8. Additional Severance Pay at Termination of Employment

Other advantage, which is introduced by the Act on Officials, is enhancement of the additional severance pay beyond the legitimate claim referred to in the Labour Code. The amount of additional severance pay, which an official at termination of their labour relation by a notice for organisational reasons or by agreement for the same reasons receives in addition to additional severance pay to that which is due under the Labour Code (twice the average monthly salary), shall depend on length of the labour relation of the official to the concerned territorial self-governing unit (also to other than that one, where their labour relation is being terminated) or to the administrative authority. However, the Act stipulates that it has to be such a labour relation, which involved mainly administrative activities. For the purpose of determination of length of labour relation, only period of existence of labour relation after entrance into effect of the Act No. 367/1990 Coll., on Municipalities (Municipal Arrangement), is taken into account, it means after 24 November 1990. However, labour relation carried out within an extra employment is not taken into account

9. Increased Protection of an Official in a View of Tasks Fulfilment

The Act on Officials extends responsibility of an employer as well, it means of the concerned territorial self-governing unit, for damage on property of an official, which was caused to this official for accomplishment of their tasks (e.g. the concerned official decides on removal of non-permitted building and a proprietor of this building damages their personal car). However, the official has to prove, that damage on their property incurred in connection with accomplishment of their working tasks (therefore the official should - in his own interest - announce possible threats to their superior, eventually to law enforcement authorities). Sense of this legal provision is to provide protection to the official, since at performance of their office, the official is exposed to some risks and dangers connected with character of their office.

10. Essential Duties of Officials

Legal regulation of duties of an official highlights his duty to proceed in accordance with public interest, to act and decide impartially, observe the constitutional order, laws and the other legal regulations etc. Among essential duties of an official belongs not only his common labour-law duties, which are imposed to an official only for a period of performance of their job, but also duties, which relate to behaviour of an official out of performance of

their job (e.g. an official has to refrain from any actions that might damage the creditworthiness of the territorial self-governing unit). An official is forbidden to perform any other activity without receiving prior written consent from the territorial self-governing unit as their employer. But there is an exception from the above-mentioned restriction of performance of other gainful activity pursuant to the Act on Officials. The restriction does not apply to academic, teaching, media, literary, artistic, expert or interpreter activities performed under a special legal regulation for courts or administrative agencies, nor to any activity on advisory bodies of the Government, nor to management of the officials own property.

11. Status of Senior Official

The senior official is understood to mean an official serving as a manager pursuant to the Labour Code. By employer's managers are understood pursuant to the Labour Code its statutory bodies, other employees, particularly heads of organisational sections, whose function results from organisational regulations, as well as other employees, who are entrusted by leadership at individual levels of management at the employer. These persons are authorised to determine and impose working tasks to subordinated employees (they have to have at least one subordinated employee), organise, manage, control their work and give them binding instruction for this purpose.

The Act on Officials prescribes for senior officials enumeratively the reasons, for which they can be dismissed. These reasons are exclusive, it means that dismissal for other reasons or without giving a reason is excluded.

7.2 Educational System of Officials of Territorial Self-Governing Units

A territorial self-governing (region or municipality) unit provides education by means of accredited educational institutions, if it has not established its own "educational department" (an educational institution) within its organisational structure, which was accredited. A territorial self-governing unit formulates "a schedule of qualification enhancement of an official". The plan has to be formulated not later than within 1 year from the establishment of employment. The plan contains education in the scope of at least 18 days in a period of 3 years in sequence. This plan is evolved according to the methodology issued usually by a personnel department, a personnel manager or a superior of an official (head of unit, head of department, of expert department – in accordance with organisational division of an office). The plan should take into consideration the needs of the office on the one hand, while on the other hand also the interest of the official to increase their qualification in area of their competence. The plan of education is approved both by the employer and by the official and its accomplishment is under control, possibly topical changes are agreed (e.g. at change of content of work etc.). The Act prescribes as well deadline for evaluation of a plan (at least once in three years), since educational institutions publish their educational programmes generally for the following yearlong period, which coincides with the school system, it is suitable to discharge up-dating once a year.

The official is obliged to enhance its qualification by participation in initial and continuous training and at preparation and testing of the special professional competence. More extensive duties in the area of education concern senior officials and heads of authorities, which are obliged to participate in a relevant training for senior officials and heads of authorities.

Initial training, continuous training and training of senior officials and head of authorities is not terminated by a test pursuant to the Act. However, the **special professional competence is terminated by a test. Special professional competence and education of senior officials are qualification prerequisites for performance of prescribed administrative activities and for performance of the office of a senior official.**

In the Act No. 312/2002 Coll., on Officials of Territorial Self-Governing Units, obligatory education is intended for officials, it means to employees of territorial self-governing units, who execute administrative activities. That is why also **continuous training**, i.e. participation of an official **in deepening, updating and specialisation** educational activities (training, seminars, conferences, educational courses etc.) **concentrates on performance of administrative activities**. Also **deepening of language skills** belong to this process, however, it is concentrated again on performance of administrative activities (e.g. education of terminology of administrative law in a relevant language, a specialisation study of language for knowledge of terminology for a relevant competence etc.).

Special professional competence includes a summary of knowledge and skills, which are necessary for performance of activities stipulated by operating legal regulation (Decree No. 512/2002 Coll., on Special Professional Competence of Officials of Territorial Self-governing Units).

*Special professional competence has two parts – a general and a special part. The Act specifies content of both of these parts – **the general part** consists of knowledge of the fundamentals of public administration, and particularly the general principles of public administration structure and work; knowledge of the laws governing local authorities, regional authorities and the Capital City of Prague; knowledge of the administrative procedure law. **The special part** covers the knowledge required to perform the tasks listed in the implementing regulation, and particularly knowledge of the competencies of territorial self-government units and agencies that are relevant to the said tasks, and the ability to apply such knowledge.*

Educational programme for **training of senior officials and heads of authorities** covers two parts in accordance with the Act: **the general part**, which covers knowledge and skills related to staff management (management skills) and **the special part**, which reflects information on individual areas (competencies) and their management. The Ministry of the Interior issued the basic sample educational programme. The Act enables to spread this education into two years, to prevent negative consequences resulting from a long-term absence of a senior official.

The Act newly encompasses responsibilities of the Ministry of the Interior. The Ministry

- coordinates the qualification enhancement of officials,
- stipulates the content of general part of the special professional competence and staff management competence tests,
- sets the test questions on general issues, including the content and assessment criteria for special professional competence and tests,
- decides on the entry of natural persons in the expert list for the general part of tests,
- annually, publishes the list of experts and nominate Testing Commission members from it,
- issues the certificates and keep a register of them,
- carries out mutual recognition of diplomas,
- establishes the Accreditation commission and appoint and withdraw its members,
- financially and materially provides for the work of accreditation commissions,

- controls activities carried out by educational institutions,
- decides on the accreditation of educational institutions and training programmes,
- publishes annually a list of educational institutions and programmes,
- publishes reports on accredited educational institutions,
- prepares and publishes annual reports on the situation in educational institutions,
- cooperates with the other central administration bodies and the regions, municipalities

As concerns accreditation procedure, the Act stipulates:

- Education in public administration can be provided only by educational institutions, which were accredited;
- The Ministry accredits both educational institutions and educational programmes;
- Accreditation is granted for a period of 3 years, an accreditation holder may apply for a renewal before the lapse of that period;
- Accreditation granted to an educational institution is non-transferrable and does not pass to legal successors either;
- The Act stipulates conditions of an inspections including possibility of removal of accreditation and method of provision of substitutive education;
- A fine of up to 200,000 CZK can be imposed to a natural person or a legal entity, which failed to meet conditions of a granted accreditation.

A precondition of opening an accreditation procedure is an application including no less than one proposal of educational programme.

The Ministry of the Interior decides on granting accreditation; the Ministry concurrently publishes a list of institutions with a valid accreditation (in the Bulletin of the Government of the Czech Republic for Regional and Municipal Authorities and on the Internet Pages of the Ministry).

7.3 Equal Opportunities for Men and Women

One of the basic principles of the European union is equal treatment for women and men. Relevant rules are anchored in the Community regulations. In accordance with these rules, it is necessary to eliminate all forms of discrimination in this area with the aim to reach such a level of gender equality, which enables that women and men would have the same opportunities, rights and duties in all the important aspects of life.

In the Czech Republic the principle of non-discrimination pursuant to gender has been included in legislation already for many years, however this does not guarantee its consistent advancement in everyday practice. The Czech Government approved in 1998 a basic programme document **Priorities and Procedures of the Government at Advancement of Equality of Men and Women** in a view of acceleration of a change of this situation. The Government priorities concentrate on:

- Encouragement of continuous **heightening of general consciousness** about substance and content of the principle of equal treatment for women and men,
- Improvement of **legal protection** of equal treatment for women and men,
- Enforcement of the principle of equal treatment for men and women in all areas of practical politics – **gender mainstreaming**.

General consciousness in the society about substance and content of the principle of equal treatment for men and women is relatively low for the time being. Until recently, only

non-government organisations have participated in breaching of the above-mentioned attitude. Enforcement of the principal of equal opportunities for men and women is contemporarily a part of the Government policy.

Institutional mechanism for enforcement of equal opportunities for men and women is made by **the Ministry of Labour and Social Affairs**, within which the Unit for Equality of Men and Women is established, and **the Government Council for Equal Opportunities for Men and Women**. Problems concerning equality of men and women are covered by other institutions as well – The Council for Elimination of All Forms of Discrimination of Women at the Government Council for Human Rights, the Permanent Committee for Family and Equal Opportunities within the Chamber of Deputies of the Parliament of the Czech Republic and the Council for Economic and Social Agreement of the Czech Republic.

In the Government Council for Equal Opportunities for Men and Women, which is a permanent advisory body of the Government, are represented all the Ministries. The Ministry of the Interior is represented by the Managing Director of the Office of the Ministry and the Deputy Minister of the Ministry of the Interior for the Public Administration Reform. Factual procedures at accomplishment of measures prescribed by the Government priorities and at implementation of the principle of equal opportunities for men and women from a viewpoint of specific conditions of the Ministry of the Interior are under competence of the Managing Director of the Office of the Ministry. In the framework of this responsibility are specified factual priorities in this area, the methodology of application of the gender mainstreaming principle in conditions of the Ministry is formulated, and accomplishment of prescribed goals is monitored and evaluated.

The Ministry of the Interior has some specifics in comparison with other central authorities, which has to be taken into account at application of a principle of equal opportunities for men and women. This workplace has to not only apply the principle of equal opportunities for men and women inside the Ministry in the framework of employment, resp. service of its employees, but also it has to enforce this principle in the whole society, e.g. at crime prevention, in the framework of fight against trade in women etc. Not less important is the activity of the Ministry of the Interior at establishment of public institutional mechanisms for application of the principle of equal opportunities at regional, self-governing level.

Legal protection of equal treatment of men and women is based on fundamental legal documents as the Constitution of the Czech Republic, resp. the Charter of Fundamental Rights and Freedoms. Further it is the UN Treaty on Elimination of All Forms of Discrimination of Women, which is a part of the legal order of the Czech Republic. At enforcement of the principle of equality of men and women in the legal order Application of the principle of equality of men and women into the legal order is made via revision of individual legal regulations, while requirement of harmonisation with the European legislation is taken into account as well.

Gender Mainstreaming presents a methodical instrument for enforcement of the principle of equality into all areas of practical life, namely both at the level of state authorities dealing with formulation of professional strategies, and at the level of public administration. It requires taking into account the principle of equality of men and women in all phases of life cycle of the given process - from its conceptual preparation to its realisation. Application of this method is used e.g. at formulation of an employment strategy, when the importance of the principle of equality of men and women was recognised as a natural criterion, accomplishment of which contributes to achievement of goals of this strategy.

A number of non-governmental organisations operate coincidentally with the Governmental initiatives in the area of enforcement of the principle of equality of men and women. Most of these organisations concentrate on partial, specific areas of public interests, mainly of charitable character. Only a few of them assign a task to them to improve status of women, resp. to enforce a policy of equal opportunities for men and women.

Even though a number of steps to enforcement the principle of equal opportunities for men and women were undertaken, there still remain inequalities in practice, particularly as concerns women. The main obstacle in this sense is ignorance or a low level of understanding of a substance of this issue and also a certain disparagement of necessity to enforce the principle of equality of men and women. Full enforcement of the principle of equality of men and women in the society depends on many factors. The most important of them is understanding of its significance within the whole society. It is necessary to use experience and results of foreign partial activities and activities of international and supranational communities in this context. Possibilities of cooperation with the European union and its member states, which result from the membership in the European Union, are practically used at present. The Czech Republic requested possibility to participate in the 4th Medium-term Programme of Equal Opportunities for Men and Women and supposes to enforce the principle of equal opportunities in the framework of its participation in use of the European structural funds. Orientation on the European Community provides with significant guarantees in terms of appropriateness, adequacy and easy accessibility to motivation resources, as well as in terms of acceptability of provided models from a viewpoint of traditional cultural, historical and territorial affinity.

7.4 Corruption from the Point of View of the Public Administration²

The anticorruption policy has been one of the priorities of the Government of the Czech Republic since 1998. In its Decree No. 125, of 17th February 1999, the Government acknowledged the Government Programme for Fight against Corruption and assigned to the members of the Government and directors of the central administration bodies certain tasks whose fulfilment should prevent corrupt behaviour in the society from spreading further. Accomplishment of the Government Programme is evaluated continuously.

On the basis of the Resolution of the Government of the Czech Republic No. 9 of 8th January 2003, on the Plan of Non-legislative Tasks of the Government for the 1st half-year 2003 and perspective on the 2nd half-year 2003, the Report on Corruption in the Czech Republic in 2002 and on Meeting the Schedule of Measures Adopted by the Government Programme for Fight against Corruption was submitted to the Government in April of the past year. The Government adopted the Resolution No. 473 of 19th May 2003, on the Report on Corruption in the Czech Republic in 2002 and on Meeting the Schedule of Measures Adopted by the Government Programme for Fight against Corruption. The members of the Government and Heads of other central state administration authorities, as well as the Director of the Security Intelligence Service are charged by this Government Resolution to fulfil the Updated Government Programme for Fight against Corruption attached as an appendix to this Resolution, and further to the 1st Deputy Prime Minister and the Minister of Interior to co-ordinate the preparation of anti-corruption measures in the Czech Republic and

² More information on fight against corruption, on international experience, international agreements, the Government policy as well as the content of the Government Programme for Fight against Corruption can be found on the Internet pages of the Ministry of the Interior of the Czech Republic: www.mvcr.cz

to submit to the Government by 30th April 2004 the Report on Corruption in the Czech Republic in 2003.

The Updated Government Programme for Fight against Corruption encompasses factual tasks in legislative area, organisational measures (newly it is e.g. issue of public procurement, trade judiciary or activities of cadastral offices) and tasks in the area of international cooperation, which correspond with conditions in the Czech Republic.

Anti-corruption Activities of the Council of Europe /Group of States against Corruption - GRECO/

The Council of Europe was established on 5th May 1949 by ten countries (Belgium, Denmark, Ireland, Italy, Luxembourg, the Netherlands, Norway, Sweden, Great Britain). In August of the same year, Greece and Turkey became other member states.

Priority of the Council of Europe is protection of human rights and plural democracy, promotion of consciousness of the European cultural identity and diversity and assistance to their development, finding solutions to problems, which are faced by the European society (minorities, xenophobia, intolerance, protection of environment, AIDS, drugs, organised crime etc.) and aid at consolidation of democratic stability in Europe by means of support to political, legislative and Constitutional reforms.

GRECO is an institution operating in the framework of the Council of Europe. The Convention on Establishment of the GRECO was accepted by the Committee of Ministers on the 5th May 1998 and the group itself started its activities in May 1999, when a sufficient number of states joined the Convention on establishing GRECO. So far 35 states became members of this group. The purpose of the existence of GRECO is creating a mechanism that monitors through mutual evaluation the implementation of obligation arising from anticorruption conventions of the Council of Europe. The mutual evaluation of the GRECO member states ensures exchange of key information on anticorruption efforts in the individual countries, which helps to make the international cooperation in law enforcement more effective.

The Czech Republic became a regular member of GRECO on the 8th February 2002. The Czech Republic is represented in GRECO by two permanent representatives; one from the Ministry of Justice and one from the Ministry of Interior. For second round of examination (2003-2006) is among delegated experts one worker of the Modernisation of Public Administration Department of the Ministry of the Interior.

A number of recommendations resulted from the cooperation with the Council of Europe and from its examination of anti-corruption measures in the Czech Republic; these recommendations were incorporated into the Government Programme. Among the most significant recommendations, which were included by the Council of Europe in its report, which was approved on 13th Plenary Session (24 – 28 March 2003), belong: to provide proper education on the use of operative means in detection and investigation of corruption for the relevant authorities, including creation of methodical guidelines; to provide training in investigation to those parts of the Police that deal with the fight against corruption; To strengthen the role of the Ombudsman in the prevention and combat of corruption and to increase the awareness of this role of the Ombudsman among the general public; to reconsider the system of immunity of the members of the Parliament of the Czech Republic in the sense of application of concrete and objective criteria for depriving the members of the Parliament of their immunities; to reconsider the current system, which excludes prosecution of a member of the Parliament of the Czech Republic even after the end of the term of his office.

Anti-corruption Activities of the OECD

OECD is a typical intergovernmental, exclusive and prestige organisation. It was established in 1961 on the basis of Agreements among the Governments of industrially developed democratic countries and since its establishment has played a significant role in coordination of economic and social policy. Member states of the OECD respect certain identical principles, which are market economy, plural democracy and respecting human rights.

The original OECD member states are Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, Great Britain and the USA. The core of the original member states has expanded to include (the day of accession in brackets) Japan (28th April 1964), Finland (28th January 1969), Australia (7th June 1971), New Zealand (2nd May 1973), Mexico (18th May 1994), the Czech Republic (21st December 1995), Hungary (7th May 1996), Poland (22nd November 1996), Korea (12th December 1996) and the Slovak republic (14th December 2000). The European Commission participates in activities of the OECD as well (Article 13 of Convention on the OECD).

OECD creates - with respect to coordination of economic and social policy - for its member states certain "rules of game" or "rules of behaviour", as for example rules for liberalisation of investments, capital flows, workforces, protection of environment etc. There exist basically three types of regulations within OECD: (i) decisions, which are binding for all the member states, (ii) recommendations, which are adopted by voting and they do not concern those countries, which voted against or refrained from voting and (iii) declarations, which are as concerns bindingness the most unrestricted. As concerns the area of corruption, bribery and anti-corruption policy, there are significant following Recommendation and Convention. It is:

- *The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*, which was signed in Paris on 17th December 1997, declared by the Communication of the Ministry of Foreign Affairs No. 25/2000 Collection of International Treaties, and for the Czech Republic came into effect on 21st March 2000. The Ministry of Justice prepared the amendment to the Act No. 96/1999 Coll., the Criminal Code, to implement the Convention and to fulfil obligations resulting from it to the Czech Republic, further the Act No. 586/1992 Coll., on Income Taxes, was amended by the Act No. 492/2000 Coll., and last but not least the requirements of the Convention in the area of auditor services were fulfilled by adoption of the Act No. 254/2000 Coll., on Auditors.
- *Recommendation of the OECD Council on Guidelines on Managing Conflict of Interest in the Public Service* (see Chapter 7.5 for details).

Corruption is within OECD solved at several levels:

- Within the Directorate for the Financial, Fiscal and Enterprise Affairs (DAF), where the OECD Anti-corruption Squad is established
- Within the Business and Industry Advisory Committee (BIAC)
- Within the Public Governance Committee (PGC)
- Within the Trade Union Advisory Committee (TUAC)
- And at level of a number of working groups, which operate under the above mentioned committees (e.g. the Expert Group on Managing of Conflict of

Interest in Public Administration, the Working Group on Combating Bribery in International Business Transactions)

However, the scope of OECD is much more wider than activities in the framework of member states. Within its relations with non-members, a number of anti-corruption initiatives are held – e.g. for Asia and Pacific, for Africa and Middle East, for Latin America, for counties with economy in transition, for counties of the Stability Pact.

7.5 Ethics and Public Administration

Issue of corruption is closely connected with an issue of ethics. It is just the ethics issue, what is in connection with public administration widely discussed and what is considered to be a sensitive problem. This approach is also the one taken by the Czech Republic, which feels the necessity of ensuring a transparent exercise of public administration through set rules for the conduct of public administration officials in relation to the private sector. In connection with the above mentioned, the Government of the Czech Republic approved in March 2001 Resolution No. 270 on the Ethical Code of Public Administration Employees, in which it approved the Code of Ethics as an Enclosure of this Resolution and further on it entrusted the heads of district offices with the obligation to introduce the Resolution to the mayors of municipalities in their district. Furthermore it recommended to the presidents of regions, to the Lord Mayor of the Capital City of Prague and the Lord Mayors of the cities of Kladno, České Budějovice, Plzeň, Karlovy Vary, Ústí nad Labem, Liberec, Hradec Králové, Pardubice, Jihlava, Brno, Zlín, Olomouc, Ostrava, Opava, Havířov and Most and the mayors of city districts to acquaint the staff of their offices with the Code, act in accordance with the Code and if needed issue for their offices their own Code of Ethics drawing on the Code.

Another tool for adhering to the ethical principals in public administration is also Act No. 312/2002 Coll., on the Officials of Territorial Self-Governing Units, as Amended.

There are also principles anchored which support or are in accordance with the general principles of ethics in the legal regulations under preparation, for example, in the new Rules of Administrative Procedure prepared at the Ministry of the Interior.

The principles of ethics can be understood, naturally, in a much more wider sense, than established in the legal norms, but at variance with the legal norms, which are legally binding and enforceable by the state power, the ethical norms lack this aspect and cannot be enforced. The adherence to ethical principles is important in the struggle against corruption, however, the adherence to ethical principles is not a guarantee of adherence to legal regulations, especially in such a situation, when the concrete person is not acquainted with the regulations or does not adhere to them. A necessary prerequisite for a good quality execution of public administration is a competence, it means good knowledge of legal regulations, i.e. the quality of legal consciousness of individuals, who carry out public administration as public service.

Such an approach is supported also by various international organisations, as e.g., the OECD (Organisation for Economic Cooperation and Development) or the Council of Europe, which focus mainly on the creation of a legal frame for combating corruption and the quality of public administration and competence in its exercise.

Ethics in OECD activities /Public Governance Committee - PGC/

All the activities of the OECD in the field of ethics and prevention of corruption draw on the premises that the basic task of governments and public institutions is to serve public interest. Public ethics is a prerequisite for maintaining public confidence and is a founding stone of good public administration.

The activity of the PGC Committee (in the past known as the PUMA Committee) in the field of ethics and prevention of corruption helps the member states in their efforts for achieving a better system of administration and management of the public sector. This activity is concretely aimed at the monitoring of a wider area in which public administration is exercised to ensure the creation of efficient political frame, which would ensure integrity and the environment of non-corruption.

Lately especially the activities in the field of the conflict of interest management are considered important. An expert group of the OECD PGC Committee for the Management of the Conflict of Interest in Public Administration was founded in 2002. The Czech Republic has been involved in the activities of this group since the beginning of 2003. The first significant output of this group is the Guideline for Conflict of Interest Management in Public Administration, which was approved by the OECD Council in June 2003 in the form of a Recommendation of the OECD Council.

The conflict of interest is defined by the above mentioned Recommendation as a situation, in which the private interests of a civil servant (and these are not limited merely by financial interests) and his position are at loggerheads and in conflict (effective conflict of interest) or could be in conflict or could look as a conflict of interest (potential conflict of interest). This phenomenon deserves attention especially because its existence in itself puts in doubt the idea of equality and impartiality in public decision-making, creates a conflict in the division of public resources and in a negative way touches the functioning of the democratic government and legal state by decreasing citizens' confidence in public authority.

In the framework of cooperation with the OECD, an OECD Conference has been held in Prague within the Stability Pact – Anti-corruption activity: High Level Forum on Conflict of Interest. Some 60 delegates from countries of the South Eastern Europe, representatives of inter-governmental organisations and experts participated in that significant event. The candidate countries were represented as well as Turkey and Rumania. Unfortunately, Bulgaria was the only one of the invited countries, which failed to arrive despite confirmed participation. Furthermore, there were countries of the so called Western Balkans – Croatia, Bosnia and Herzegovina, Montenegro, Macedonia, Albania as well as the new participant in the activities of Stability Pact, Moldova, that is a county which has been striving to enter the EU only recently. Apart from these countries, experts from Slovakia and Poland had accepted an invitation. The Czech Republic was represented, besides independent experts, mainly by experts from the Security Policy Department and representatives of the Modernisation of Public Administration Department of the Ministry of the Interior, delegates of the External Economic Relations and International Organisations Department of the Ministry of Foreign Affairs and representatives of the Government Office, the General Directorate for State Service. Also representatives of the non-government organisation Transparency International and the UN Development Fund took an active part in the meeting.

Ethics in the Council of Europe activities / Steering Committee for Local and Regional Democracy – CDLR/

The Council of Europe, too, considers the issues connected with ethics to be of priority and that is the reason why a number of documents have been issued concerning the topic.

Within the CDLR the issue of ethics is dealt with, unlike the OECD PGC Committee, more on that local and regional level. On March 11th, 2000 the Council of Ministers approved Recommendation No. R (2000) 10, on the principles of public administration officials conduct, the Congress of Local and Regional Administrations of Europe has approved Recommendation 60 (1999) including the principles of conduct concerning the political integrity of local and regional elected representatives and Recommendation 86 (2000) on financial transparency of political parties and their democratic function at the regional level.

Also the Steering Committee for Local and Regional Democracy (CDLR) deals with the issue of ethics even though it is not directly involved in the struggle against corruption. The project on the Public Administration Ethics at the Local Level: strategy for combating corruption and other forms of financial crime in local administration authorities. The project was entrusted to the Expert Group for the Issues of Public Administration Ethics on the Local Level (LR – PE).

A handbook of good practice - Public Administration Ethics at the Local Level – a collection of model initiatives, was compiled in the framework of activities of this group. The Steering Committee for Local and Regional Democracy of the Council of Europe at its session in November 2002 decided about the start of the stage of the so-called National Consultations in the sphere of public administration ethics at the local level. The member states were called on to pay the greatest possible attention to the issue and involve experts and institutions which deal with the issue in question, organise topical seminars, international conferences and working meetings, training courses and in other ways support the promotion and distribution of the Handbook.

In connection with the opening of the national consultations, the Handbook was translated into the Czech language with the kind support of the Council of Europe which sent a contribution for the Czech project “Handbook of Good Practise into Every Municipality” to the tune of 3.600 €. The contribution covered part of the costs connected with the printing of the publication under the auspices of the Institute for Local Administration and its ensuing distribution. The Czech translation of the document was published also on the Ministry of the Interior web site.

A part of the publication was also an evaluation questionnaire. On the basis of remarks and comments, which the Ministry of the Interior received from representatives of local self-governing authorities, central state authorities as well as training institutions a proposal has been worked out on the modification of the Handbook. This proposal, the same as the response of other states, was handed over to the Council of Europe. In March 2004 the final version of the Handbook was approved at the International Conference on Ethics in Public Administration held in Noordwijkerhout, the Netherlands.

Ethics in the European Union activities /Human Resources Working Group – HRWG/

The Irish presidency has proposed that during its term (1 – 6/2004) increased attention should be paid to the issue of ethics so that tangible progress in the field would be achieved. That was the reason ethics was established as a priority for the Human Rights Working Group activity. A research carried out by the Irish Presidency in cooperation with the Netherlands will form a part of those activities.

8. Implementation of Modern Technologies

The main competence as concerns the information systems of public administration, and consequently the electronic public administration (eGovernment) has the Ministry of Informatics of the Czech Republic, which was established in 2002 from the Office for Public Information System then. The Ministry of Informatics formulates the main directions and strategies of development; however, in the principle issues, it is the Government that decides. The Ministry of the Interior is responsible for coordination of development of information systems of territorial public administration authorities.

eGovernment encompasses various issues of electronisation of public administration. Most of these issues are about bringing public administration closer to a citizen, both by providing required public information of public administration, and by a two-way flow of information, it means by solving cases, when a citizen requires a particular act from the public administration authority, or when a citizen becomes by means of electronic communication a participant in the administrative procedure.

8.1 Informatisation of the Territorial Public Administration

One of the main tasks of the Ministry of the Interior in the area of eGovernment is coordination of development of informatisation of regional offices and – in accordance with the public administration reform in the Czech Republic – also informatisation of municipalities with extended powers in terms of performance of public administration.

Implementation is realised in a way approved by the Government, the Government is regularly informed on progress of implementation as well, and decides in the principle progress steps by means of its Resolutions.

In 2001, the 1st stage of implementation, which covers the so-called *basic informatisation of regional offices*, was realised. A sample project was elaborated, as well as the particular realisation projects for the individual regions, and according to them – in the framework of system integration - the regional offices were supplied by specific technical, technological and programme instruments in the course of 2001 and 2002. By termination of the project of basic informatisation, a technical, technological and data base was founded for possible further development of information systems of regional offices, as well as for implementation of information support to all the functions of regional bodies in a complex form, which covers systemically the information needs of realisation of all the administrative, managerial, decision-making and other activities of regional bodies. That is why the following stage of project implementation is called the *complex informatisation of regions*. This stage was launched in 2002, when the Government approved the draft complex informatisation of regions.

To make a process of realisation of the *complex informatisation of regions* project more effective and efficient in terms of use of the invested resources, implementation is composed on the basis of an extensive analysis of conditions and needs of development of information system. Content of its partial projects, schedule of implementation, as well as draft method of optimal financing of its individual parts come out from this analysis. The aim is consecutive provision of the full functionality of information instruments and communication technologies for provision of information support to operation and functions of all the regional bodies in overall scope of regional competencies after implementation of

the 2nd stage of public administration reform, including service and necessary upgrades of relevant technical, technological and programme systems. Project implementation shall be adapted gradually – in accordance with legislative, organisational, technical, financial and other conditions - to the eGovernment principles, it means to a global solution of electronisation of public administration as understood in countries of the European Communities.

A feasibility study of complex informatisation of regions was carried out in 2003 and the project of the so-called small integration (integration of the project implementation – Electronic Portal of Territorial Self-governments – ePUSA, Administration of Data Resources and Applications – SDZA and Metainformation Search System – MIVS) commenced to be implemented. A further step in informatisation of regions shall be preparation of a project on the complex informatisation of regions and consecutively development of the particular implementation projects.

The electronic portal of territorial self-governments – **ePUSA** is a common project of the Association of Regions of the Czech Republic and the Ministry of the Interior, which resolves contacts to regions, towns and municipalities up to level of contact workers. The necessity of keeping and provision of such data is given by the relevant Acts – on Territorial Division of the State, on Free Access to Information, on Crisis Management, on Municipalities, on Regions and on Capital City of Prague. ePUSA system meets conditions of the above mentioned regulations in terms of publishing of contact data to regional and municipal offices, which can be used by citizens or by other bodies, particularly in case of a crisis situation.

The formulated methodology and used instruments of information and communication technologies represent an effective instrument in terms of saving, updating and searching of contact data concerning self-governments, which can be used in continual operation of the web environment www.epusa.cz. The application enables to distribute even the remote control over necessary information. Responsibilities can be agreed with different levels of self-government in the territory. The system operation is ensured as a continual service of unified method of keeping information on contacts to the appointed workers of public administration; thanks to cooperation with the General Headquarters of Fire Rescue Brigade, it represents also a part of information system of the crisis management and is available to the Police of the Czech Republic and health services as well. In this sense are the realised web services for cooperation with other projects, e.g. the already tested functions of web services of the Portal of Public Administration (under cooperation with the Ministry of Informatics).

The system Administration of Data Resources and Applications – **SDZA** is intended for information saving on data resources and agendas, which are solved by bodies of territorial self-government according to responsibilities stipulated by the relevant legal regulations. The system operates with individual legal provisions, assigns to them the implementing agendas and workers of offices. In its consequence, it enables by means of the system ePUSA a connection to execution of delegated competence in administrative territory so, that also the public can gain this information via web application.

The application Metainformation Search System – **MIVS** serves for creation of descriptive data on information from public administration in accordance with the Recommendations of the W3C (DCMI - ISO Standard 15836-2003). These descriptive data are used for storing and subsequent searching of necessary information stored at different locations of public administration. The system is composed for description and subsequent multi-source searching according to various criteria. According to the entered conditions for search, the inquiry order for searching is constructed. Searching is determined for a laic

approach to searching and there is created a number of searching mechanisms. In the framework of multilanguage searching was implemented a unique method of application of vocabulary of the European Union – the Eurovoc. This application enables to search in the official languages of the European Union. A unique system includes a section of entry, searching mechanisms and a robot controlling validity of access to the registered data resources. It is a high-performance system managed by data, which has to be filled according to strict criteria.

As concerns other projects, the project Regional Register Information System – KEVIS can be mentioned. This system serves to creation of unified registers for individual regions in accordance with provisions of the relevant legal regulations, if this legal responsibility is not solved by other information system, e.g. Ministerial. The system is – in the framework of integration of projects - prepared e.g. for register of contracts with public administration authorities on provision of upgrades in the ePUSA system according to the approved methodology. The project is designed as the central one and all the regions in the Czech Republic can use its services.

The **RAMIS** project represents information support to decision-making processes of a region and to executive activities of the relevant public administration bodies on the basis of data, which are gained both at the level of relevant areas as such, and at the level of organisations that operate in the administered area. Data and information outputs are transmitted to users via Internet in the form of predefined standard table, graphic and cartographic outputs and outputs of territorial analyses.

The basic decomposition RAMIS comes out from the fact, that it is an information support to provision of territorial development of regions (regional development and territorial planning), where basic sorting comes out from the social and economic sphere, services and environmental sphere. It is also an information support in the area of management of individual sectors, which belong to the competence of region, and an information support to analyses of meeting budgets of the contributory organisations established by the region, analyses of municipal budgets and voluntary associations of municipalities, including use of methods of financial analysis for evaluation of economic efficiency of the contributory organisations established by the region.

Serviceability and overall contribution of RAMIS depend on the quality of data filling into the RAMIS database and on their topicality. Possible sources of information are the central state administration authorities, resp. their specialised workplaces. Provision of central data is realised by means of the Ministry of the Interior and data are concurrently used for needs of crisis management of the Fire Rescue Brigade. It is suitable to feed the system by data, which are not at the disposal of central state administration bodies. It means data, which are recorded or originate at the level of municipalities or regions. These data are generally administrative, gained at performance of operative activities both in the framework of delegated state administration or self-governing activities (particularly at cadastral and building proceeding, activities in the area of protection of the environment, trade licensing, management of school or health or other institutions etc.) and data gained for preparation of important strategic documents, negotiations and decision-making on them and output data of these documents (programmes of regional development, cadastral planning documentations, the Regional Systems of Environment Stability - ÚSES, technical maps etc.), which consequently can serve as data for preparation of programming documents.

8.2 The Process Approach to Realisation of Optimisation of Activities of the Territorial Public Administration Authorities

One of preconditions of effective implementation of information systems in territorial bodies of public administration is realisation of organisational and process changes, which were implemented on the basis of reengineering methods and models (BPR, resp. BPI). Reengineering can be – with a slight simplification – defined generally on the one hand as a use of a complex of methods and instruments in the area of process and organisational analyses, on the other hand as a permanent method and mode of work, which aims at improvement and rationalisation of all the activities of a relevant subject. While in the area of business sphere and particularly in banking, the significant positive results are already known in the Czech Republic, in the area of public administration authorities the results are only partial and it can be said that a role of the process approach and process management are underrated very often. The project of optimisation of processes of territorial public administration bodies is composed as a working method consisting in itemisation, description, analysis and subsequent restructuring of processes, which are under way in these bodies. The goal is to remove redundant and non-effective steps at processes, which are executed in public administration and to create conditions for efficient and rational use of information systems supporting performance of public administration and activities serving for operation of offices.

Outputs of project of the process optimisation within territorial bodies of public administration shall be similar to results of process and organisational analyses using the modern methods and programme instruments of these analyses, modifications of organisational structures of territorial bodies of public administration, processes of public administration and information and document flows towards its optimisation. It is such a change in processes, which shall lead to increase of efficiency and performance of public administration, it means to increase quality of activities of a relevant public administration body in the area of primary (statutory) functions and secondary (provision) functions, particularly to higher adaptability, operativeness, to decrease the rate of mistakes, expenditures and to lower administrative demandingness of services provided for public.

The whole project is very demanding in terms of organisation and time, but its result shall reflect particularly in understanding of public administration as a service to the public.

8.3 Information System of Administrative and Transport-Administrative Registers

One of the most important parts of public administration performance is the area of transport-administrative registers. Administrative registers, where the role of an administrator plays the Ministry of the Interior, are following – the register of inhabitants, the register of identity cards and the register of travel documents. Transport-administrative registers are registers of motor vehicles and trailers, the register of drivers and driving licences. These registers are also lead by the Ministry of the Interior on the basis of an interministerial agreement with the Ministry of Transport, which is the responsible entity for the above-mentioned transport registers pursuant to the Act No. 361/2000 Coll., on Road Traffic and on Amendments of Some Other Acts, as amended).

A citizen meets with these issues most often in their life. Everybody is born, can move several times, gets married, buys a car, etc. Just for your interest – according to the long-term figures, there are 2,5 millions of changes in the Czech Republic in the area of administrative

and transport-administrative registers, it means that a common citizen of the Czech Republic meets the office in these matters approx. 20 times a life.

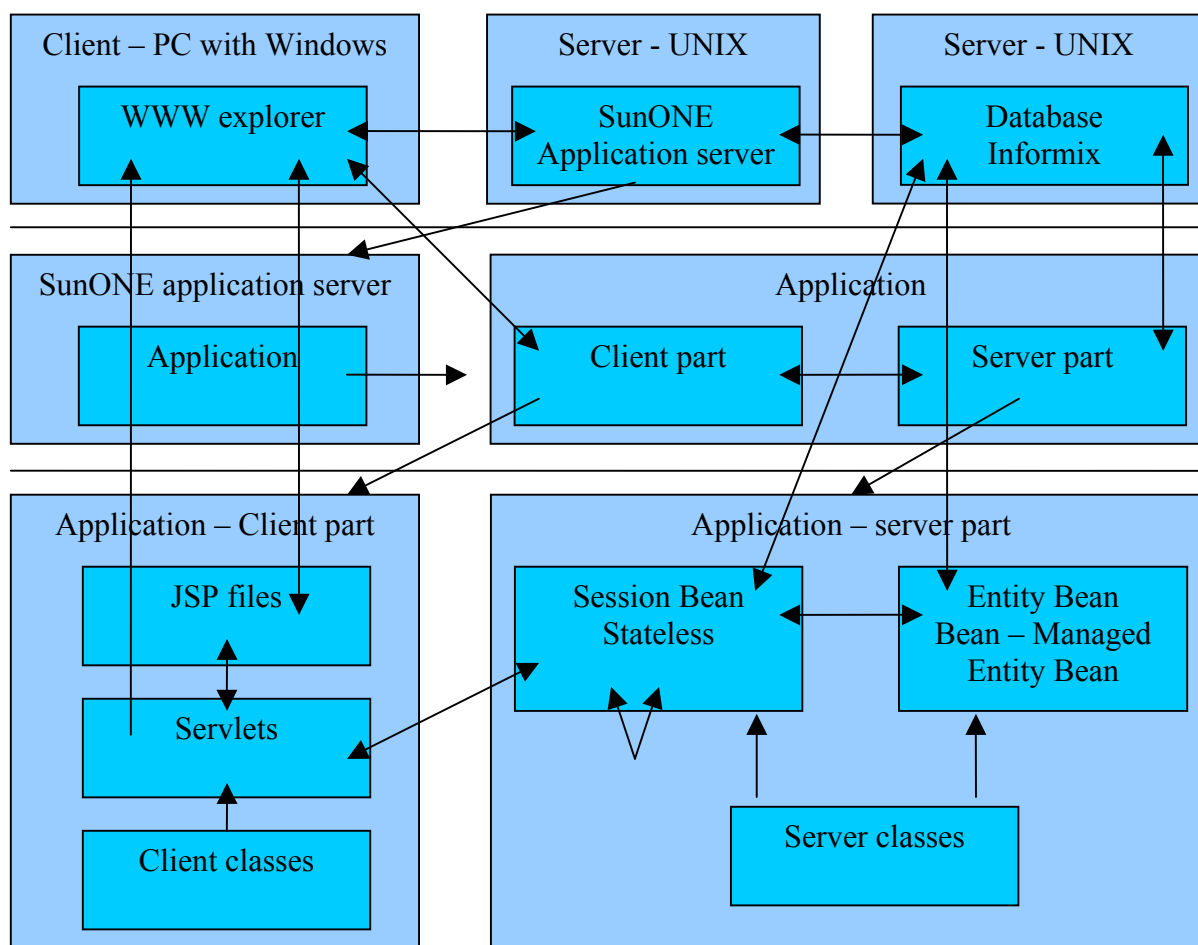
A keeper of these systems is the Ministry of the Interior, which composes these registers with regard to a user and respecting strategy for their development as a unified information system – **integrated information system of administrative and transport-administrative registers (IISSDE)**.

District offices were abolished as of 1st January 2003 and their activities were transferred to municipalities with extended powers. Pursuant to the Act No. 314/2002 Coll., on Determination of Municipalities with Authorised Municipal Office and Municipalities with Extended Powers, The Ministry of the Interior had to ensure performance of state administration in conditions of abolished district offices. In connection with abolishment of these offices, some administrative and transport-administrative agendas were transferred to municipalities with extended powers, which included particularly extension of designated communication infrastructure of the Ministry from 76 buildings in district towns to 205 workplaces of the selected town-halls. Basic data are fed at municipal office of a municipality with extended powers, thereof are transferred to the central computing centre of the Ministry of the Interior

The IISSDE provides data for centralised production of documents (identity cards, passports and driving licenses). A citizen submits his application at a relevant office; this office sends it to a workplace of data digitalisation, where a photograph and a signature of the citizen are scanned from their application. Digitalised data are supplemented by necessary data from IISSDE and are sent to the State Securities Printer, which performs production and printing of documents. These documents are produced by the most modern technology and meet all the requirements of the European Union on their technical and safety parameters.

All remaining municipalities with extended powers shall be connected to IISSDE in 2004. A base for the back up centre shall be created and the system shall be rebuilt on the central (web) variant. Municipalities shall be equipped with end-devices, and to the centre shall be connected other relevant bodies and institutions.

Contemporary state of realisation of web technologies in IISSDE



The central system including the back-up centre shall work in 2005. The moment of realisation depends on replacement of all the terminals in the territory by personal computers in 2004, so that the web technology could be introduced globally. Development of system, realisation of connection to other registries of public administration and accommodation of the system to the requirements of the European Union (integration to the EU structures) is supposed, as well as connection of the other municipalities (not only municipalities with extended powers to the IISSDE system).

Renovation of technologies of the original centre is supposed to be started in 2006 (original hardware equipment is from 1999 – 2000).

8.4 Some Other Selected Projects and Activities of eGovernment

In the framework of activities of other public administration institutions was e.g. implemented the Commercial Registry project, which is freely available as a public document on pages of the Ministry of Justice (www.justice.cz). A project, which aims at improvement information on public administration, is the information system of the state social support assisting citizens by application for social benefits. Within this application is available an on-line instrument for calculation of a living minimum (www.mpsv.cz). A comprehensive application is a web application of the information system with the direct accession to information on any parcel on the territory of the Czech Republic, which was created under responsibility of the Czech Office for Surveying, Mapping and Cadastre (www.cuzk.cz). This information system enables browsing of stored data, but it also includes a tariffication system

for cooperation with other business subjects. For bodies of public administration are data, which are necessary for performance of public administration, provided free of charge. An important project is also the Portal of Public Administration by the Ministry of Informatics, which shall become a primary portal for use of electronic services of public administration for citizens. The project encompasses so far access to valid legal regulations; access for entrepreneurs and a process of elaboration of instructions for solving of the so-called life situations of a citizen has been launched.

The Ministry of the Interior, in the framework of eGovernment activities focused on regions, towns and municipalities, supports actively publication of reached results and discussion in this area. It participates regularly in several programme blocs of the international conference **Internet in State Administration and Self-Government** (in 2004 it was already the 6th conference). The conference makes a platform for promotion of reached results; it is a place of presentation of long-term plans and of discussion for their possible corrections by participants – both professional public, public administration and business subjects. Under the international section of this conference are presented solutions applied by other countries or international organisations.

A part of this conference is also a competition for public administration bodies – the best project within public administration gains the award **Český zavináč** (e.i. the Czech @-sign, e.g., in 2004 it gets the Czech Office for Surveying, Mapping and Cadastre for information system of cadastre of real estates). The Ministry of the Interior gained this award in 2001 for its web-pages for the public. These web-pages contain also freely accessible and regularly used registers:

- non-valid identity cards
- non-valid travel documents
- stolen motor vehicles
- lists of the StB
- registered works of art
- addresses in the Czech Republic
- archive funds and collections
- political parties and movements
- public fund-raising campaigns
- civil societies

It contains also advices for citizens concerning dealing with offices, traffic information, sound news of the Radio of the Interior (accessible exclusively via Internet) and a lot of other information from areas, which are under responsibility of the Ministry of the Interior.

Another part of the above mentioned conference is the competition **Zlatý erb** (The Golden Crest), which is intended for evaluation of quality of web-presentations of towns, municipalities and regions. The competition is held already sixth year and categories were defined for towns, municipalities and the most interesting electronic service. Detailed information are on www.zlatyerb.obce.cz. The Minister of the Interior awards a special price for the best barrier-free access to web-pages. The award is granted in cooperation with the United Organisation for the Blinds and Purlblinds. The purpose is creation and evaluation of criteria for reduction of barriers at accession to web-pages of public administration.

An international fair of information and communication technologies (ICT) is regularly held in Brno, the Czech Republic - **INVEX**. It became a tradition to promote results of use of the ICT in public administration (under responsibility of the Ministry of the Interior) within this fair. In addition to promotion of e.g. the crime prevention in the area of ICT, there are presented results of projects using new technologies. One of the actions is a special

competition for municipalities and towns called **Objev roku** (the Newcomer of the Year). Within publication of examples of good practice concerning new web-presentations of towns and municipalities is evaluated and rewarded effort particularly of small municipalities and towns in presentation and use of the ICT for their citizens. The competition is organised by the magazine of the Ministry of the Interior “Veřejná správa” (Public Administration) and declaration of results takes place in the framework of the above mentioned fair, including relevant promotion in media.

Documents, biometrics

The Ministry of the Interior feels the importance of the future introduction of biometric data into travel documents, however their introduction is conditioned by implementation of a number of specific technologies. The principles for introduction of parameters concerning the biometric identification are prescribed, however a complex standard, which would be approved by the International Organisation for Civil Aviation (ICAO) and adopted by the International Organisation for Standardisation as an ISO Standard, respectively by the European Union, does not exist at present.

Generally can be said, that for introduction of biometric data will be necessary to define particularly their type, scope, method of acquirement, method of encrypting, access rights, scope of use, storing and control, and to adapt concerned legal regulations. As concerns technical solution, it will be probably necessary to change a strategy of current method of acquirement and transfer of data necessary for personification of documents. With use of biometric data is implicitly connected their use at the document itself, their protection, reading at control places etc. Use of plastic materials seems to be very perspective, however according to our presumption, this introduction cannot be expected before the end of 2008.

9. International Cooperation in the Public Administration

After 1989, the international position of the Czech Republic has changed significantly (till the end of 1992 yet in the framework of the Czechoslovakia). In connection with this, the Czech Republic concentrated newly its attention on external relations of bilateral and multilateral character. At the same time with this restructuralisation, international activities in the area of public administration increased significantly, since just this platform has enabled expanding change of experience in the given area particularly among the Candidate Countries and also between the old and new Member States of the European Union, but as well in the framework of activities of international organisations, where the Czech Republic is bound by its membership.

The Ministry of the Interior, the Section for Public Administration Reform, aimed in the past period at creation of a global network of foreign partners on the basis of requirements and needs in accordance with the foreign-political priorities of the Czech Republic. In the last years, international activities were concentrated particularly on the issue of territorial public administration reform, on modernisation of public administration and increase in efficiency of performance of central state administration, on improvement of management quality. Other discussed areas were informatisation of public administration at all the levels, standardisation of public services and their financing, use of structural funds of the European Union, legal regulation of status of public servants and officials and employees of self-government, their training and further education. Other discussed issues were for example, how to provide the public with information about activities of state administration and territorial self-government bodies, how to increase participation of the public in management and strengthening relations among the Government and its citizens. The exchange of experience between the Czech Republic and other countries concerning preparation for accession to the European Union dominated the area of international relations. A very important was also that part of activities, where the Ministry of the Interior had the possibility to participate in formulating of strategies of the foreign policy of the Czech Republic in the area of public administration including interdisciplinary consequences and in preparation and elaboration of documents, which were important for accession of the Czech Republic to the European Union (for details see Chapter 10. 2. Preparation of the Czech Republic for Accession to the European Union in the Area of Public Administration).

An important part of international cooperation remains work of experts in international organisations and bodies and coordination of participation of relevant representatives from the area of public administration agenda (including evaluation of this international experience on the basis of activities in relevant working groups and committees; for details see following subchapters).

9.1 Representation of the Czech Republic in International Organisations Dealing with Systems of Public Administration

Organisation for Economic Cooperation and Development (OECD)

In the long run, Ministry of the Interior of the Czech Republic is actively developing its cooperation primarily with *the Public Governance Committee* (PGC)³. The secretariat of this Committee merged in the autumn of 2002 with the Secretariat for territorial development into a new Directorate – *Directorate for Public management and territorial development*, labelled by abbreviation GOV. The Czech Republic participates regularly in activities of working and expert groups in the framework of expert groups of the PGC Committee. Mentioned could be for example – the Working Party on Regulatory Management and Reform, the eGovernment Expert Group, the working group on strengthening of relations among the Government and citizens, the working group on distributed government. Since January 2003 these activities were extended by participation in the Expert Group on Managing Conflict of Interest in Public Administration.

Cooperation on projects of the PGC consists particularly in elaboration of national reports on situation in the Czech Republic in the examined area. From projects, in which the Czech Republic participated recently, can be mentioned particularly - the ethics in public administration, strengthening of relations among the Government and citizens, use of modern information and communication technologies. The Czech Republic used the special opportunity, when it volunteered to be reviewed in the third round of in-depth examination of regulatory reform in 2000-2001, which was coordinated by the PGC. The result of the process of in-depth examination of regulatory mechanisms of the Czech Republic, for which was responsible the Ministry of the Interior, was The Report on the Regulatory Reform in the Czech Republic. The OECD recommendations for further progress in this area in the Czech Republic resulted from this Report. The Ministry of the Interior in cooperation with other Ministries and other central administrative bodies prepared for the Government of the Czech Republic the document *Analysis of the OECD Recommendations for Further Progress in the Area of Regulatory Reform in the Czech Republic and Draft Measures to Accomplishment of these Recommendations* on the basis of the OECD Report. The Government discussed this material at its session on 25th June 2001, took it into account and decided to pay regard to the OECD recommendations in the long term. Competencies concerning coordination of the regulatory reform in the Czech Republic were transferred by the Government Resolution No. 1091 of 22nd October 2001 from the Ministry of the Interior to the Office of the Government.

Future activities of the above mentioned Committee depend on the mandate and plan of activities for 2005-2006. These materials are under preparation on the basis of priorities of individual member states. The OECD Council shall approve both the mandate and the plan of activities by the end of 2004.

In the framework of cooperation between the Ministry of the Interior and OECD, there was held the High Level Forum on Managing Conflict of Interests in the Public Sector in Prague in November 2003 under Stability Pact Anti-corruption Initiative, which was organised by the Organisation for Economic Cooperation and Development and the Ministry of the Interior of the Czech Republic⁴.

The Ministry of the Interior contributed to elaboration of the OECD's "Territorial Reviews: The Czech Republic in 2003"; this material was published at the session of the Committee for Regional Policy on 28th November 2003. It is a very important material, which

³ Public Governance Committee – earlier known under abbreviation PUMA, it means Public Management Committee – was renamed according to the decision of the OECD Council of 15 January 2004 on Public Governance Committee (PGC).

⁴ More detailed information on this conference can be found in the Chapter No. 7.5 dealing with issue of ethics in public administration.

is intended to serve among others to the European Commission at deciding on allocation of resources from structural funds.

The section for Public Administration Reform of the Ministry of the Interior is responsible for cooperation of the Czech Republic within the SIGMA programme (common programme of the European Commission and OECD, which is composed as the expert assistance to the Candidate Countries at preparation for accession to the European Union). With respect to the accession of the Czech Republic to the European Union as of 1st May 2004, cooperation within the SIGMA programme is nearing its end (expert assistance is directed to “new” Candidate Countries). However, also after accession of the Czech Republic to the European Union it is possible to use the expert services provided by the SIGMA at least till the end of year 2004.

The Ministry of the Interior participates in preparation of *the OECD 2004 Economic Survey of the Czech Republic* in parts dealing with public administration reform, regionalisation, corruption and migration.

The Council of Europe

The cooperation with **the Council of Europe** plays a significant role, particularly in the framework of agenda of individual expert committees focused on issue of local and regional democracy. A key-role in this area plays *the Steering Committee for Local and Regional Democracy (CDLR)*; there are represented all the member states of the Council of Europe in this Committee, its activity concentrates on assistance to local and regional self-government, analysis of administrative and legislative structures and financing of local and regional bodies, assistance to cross-border cooperation etc.

The CDLR establishes its *working groups, groups of experts or subcommittees* to accomplishment of assigned tasks, some of them operate in a long-term (the Committee of Experts for Cross-border Cooperation, the Committee of Experts on Local Finance), while other are created at need in accordance with its programme of work for a relevant year (e.g. the Committee of Experts for Participation of Citizens at Local Public Life, the Committee of Experts for Services in Stricken and Sparsely Inhabited Country Areas, the Committee of Experts on Working Conditions of Employees of Local Authorities, the Committee of Experts on Modernisation of Local Administration, the Committee of Experts on Liability of Local Elected Representatives, the Committee of Experts on Legal Framework and Structure of Local and Regional Democracy, the Committee of Experts on Public Ethics at Local Level, the Working Group for Mountain Regions and Agricultural Areas or Group of Experts on Regionalisation).

Activities concentrated on democratic citizenship and participation of citizens in public life, on public ethics at local level, on legal framework and structure of local and regional administration (particularly preparation of drafts of legal documents to regional self-government), on local finance and services and on cross-border cooperation count among priority activities in the last period.

The CDLR is responsible for preparation of the regularly held *Conference of European Ministers Responsible for Local Administration*, which concentrates always on a specific theme. In last years, these conferences were held in Lisbon (1996, on the theme *Local Finance in Member States of the Council of Europe*), in Istanbul (2000, *Role of Local and*

Regional Authorities and Provision of Local Social Services) and in Helsinki (2002, *Regional Self-government – Different Methods of Implementation*). Next, already the 14th conference shall take place in January 2005 in Budapest with subtitle *Provision of Good Local and Regional Administration*.

The CDLR submits to the *Committee of Ministers* for approval draft documents from the area of local and regional democracy, on which it was decided that it would have been suitable to adopt them in the form of a *recommendation or a convention*. Recommendations represents the so-called soft-law, which means that they are not formally legally binding for member states of the Council of Europe, however they have a political binding character, it means that the states are obliged in fact to behave in accordance with these recommendations, or they shall inform the Committee of Ministers about measures, which they adopted on the basis of the relevant recommendation. The Governments of member states can raise reservations about individual recommendations or their certain provisions; in this case they are not bounded by it. The principle of reservations about individual provisions is applied also in case of agreements, which are binding for member states only if they sign and ratify them.

The CDLR monitors concurrently observance of the following agreements:

- *The European Outline Convention on Transfrontier Cooperation between Territorial Communities or Authorities* (it came into force for the Czech Republic on 21st March 2000) + 2 supplementary protocols, which have not been signed by the Czech Republic so far;
- *The European Charter of Local Self-Government* (described in details later on);
- *The Convention on the Participation of Foreigners in Public Life at Local Level* (The Czech Republic signed the Convention among the first ones in 2000, however it has not ratified it so far);
- *The European Charter for Regional or Minority Languages* (The Czech Republic signed in 2000, however it has not ratified it so far);
- *The Framework Convention for the Protection of National Minorities* (it came into force for the Czech Republic in April 1998).

From a number of Recommendations, which arose from work of the CDLR and the subjects subordinated to it, can be mentioned e.g. R (95) 19 on Implementation of the Principle of Subsidiarity, R (2000) 14 on Local Taxes, Financial Compensations and Subsidies to Local Authorities, or R (2001) 19 on Participation of Citizens in Local Public Life; a number of studies, reports and publications were prepared under auspices of the CDLR in addition to it.

The most important contractual act of the Council of Europe in the area of local democracy is **the European Charter of Local Self-Government** (hereinafter referred as ECLS). This multilateral treaty was opened for signature in 1985, entered into force on 1st September 1988 and for the Czech Republic on 1st September 1999. It is an international treaty, which creates a common European standard for provision and protection of rights of local self-government and binds contractual parties to apply its fundamental principles, which assure political, administrative and financial independence of territorial self-government. The ECLS does not come under such international regime, which would enable to review or sanction its non-observance; the observance of obligations resulting from its ratification is achieved by obligatory notification of legislative changes and relevant measures by signatories, while bodies of the Council of Europe provide expert analyses and monitor situation and development in relevant states. The ECLS have not been signed for different

reasons by only 4 of 45 member states of the Council of Europe (Andorra, San Marino, Serbia and Montenegro and Switzerland).

The Ministry of the Interior cooperates closely with *the Congress of Local and Regional Authorities of Europe (CLRAE)*, e.g. prepares materials, coordinates position of the Czech Republic with the Association of Towns and Municipalities of the Czech Republic and the Association of Regions and particularly provides notification of elected representatives of the Czech Republic to this body. The Czech Republic (together with France) went through detailed monitoring procedure concentrating on operation of local and regional democracy in the Czech Republic in 2000, while evaluation ended up relatively very positively for the Czech Republic.

With more than a ten-year distance from the approval of the ECLS, the Congress came to preparation and elaboration of a similar document for regional self-government – The Congress Recommendation No. 31 (1997), *the Draft European Charter on Regional Self-Government*. The document came out from similar principles, which played a key-role at determination of standards valid for local self-government. Even though opinions of many experts expressed promise that the European Charter of Regional Self-Government would have probably easier way thanks to the more intensive regional policy of the European Union in the last years, practice unfortunately did not prove this promise as a real one. A number of member states expressed relatively serious reservations about the proposed wording of documents and it was extremely hard, nearly impossible to reach a necessary consensus, which meant for now, that the document was not adopted. The CDLR put then this activity among its priorities and established the Committee of Experts for Preparation of Draft Legal Instruments on Regional Self-Government (DC-AU). This Committee – as one of many results of its work – formulated draft principles of legal instrument on regional self-government, which was reviewed in 2002 and discussed by many bodies of the Council of Europe; the whole already mentioned 13th *Conference of the European Ministers Responsible for Local and Regional Administration* in June 2002 in Helsinki dealt with this issue. This Conference should recommend to the Committee of Ministers of the Council of Europe in accordance with its demand a suitable form for this document after considering a number of statements and arguments, so if it should be adopted in the form of a legally binding international treaty (charter, convention) or in the form of a recommendation (soft law). Already long before the Conference, it was obvious that concerning the form of the document there existed two different and intransigent groups in terms of opinion on it. The form of a *convention* was supported namely by Belgium, the Netherlands, Spain, Italy, Austria, Switzerland, Germany and the most of countries of the Central and Eastern Europe, the V4 countries with exception of the Czech Republic, Baltic countries and other countries of former Soviet Union (including Russia) and former Yugoslavia, Albania; in the lead of the opposite side in terms of opinion were the Great Britain and France, which refused the Convention due to their own sovereign Constitutional order as a matter of principle and expressed themselves in favour of a *recommendation*. Small countries, for which regionalisation had no sense (e.g. Malta, Cyprus), were of the same opinion, and with exception of Finland also all the Scandinavian countries, where self-governments had extremely strong position. Some other states stood themselves at the same side, e.g. Ireland, Rumania, Turkey or Ukraine. To reach a compromise at the Conference was very difficult, finally such a declaration was adopted, which contained a support to process of decentralisation in Europe and to further exchange of experience of states in the area of building of regional authorities and recognising the right of states to their own solution of regional arrangement. At the same time, the Conference recommended to the Committee of Ministers to make a new assignment for the CDLR

consisting in elaboration of different forms of documents reflecting statements and proposals of the Helsinki Conference and to clarify relation of these documents to the European Charter of Local Self-Government. The assignment was done at the end of 2002, and the given task was entrusted to the specialised subcommittee; in the course of 2003, material proposals of both types of documents were nearly completed after a complicated discussion. Approval of proposals on the ground of the CDLR is expected in the course of 2004, the planned 14th Conference of Ministers Responsible for Local and Regional Administration in Budapest in February 2005 shall deal with them in the final stage.

The European Union – The Stability Pact

The Stability Pact was established as an initiative of the European Union in the course of Presidency of the Germany, it was declared formally on 10th June 1999 in Cologne on summit of the European Union at the level of Ministers of Foreign Affairs. The main impulse, which moved the European Union to adopt a complex and systematic strategy of policy of relations with the territory of the South-East Europe, were undoubtedly the events connected with sharpening of the so-called Kosovo crisis.

The Czech Republic together with Poland and Slovakia were unanimously adopted as new members of the Stability Pact (SP) on 5th June 2002 on a special session of the Regional Table of the Stability Pact in Bucharest. The special coordinator of the Stability Pact Mr. Busek evaluated positively the fact, that a group of states under transformation, which were concurrently the Candidate Countries for membership in the European Union, were adopted in the Stability Pact. Their experience would be very valuable at realisation of tasks and projects. The Czech Republic participated actively in the Stability Pact already before 2002, as a State with the status of observer.

The Czech Republic is trying in the context of its priorities, which its foreign policy assigns to the region of the South-East Europe, to contribute to achievement of the main goals of the Stability Pact, it means to facilitate political, economic and social stabilisation of states in this territory, which shall lead to provision of permanent peace, prosperity and long-term sustainable economic development. The Government of the Czech Republic adopted on 21st July 1999 in connection with assistance to this effort the Resolution No. 765 on the proposal of allocation of resources gained by implementation of the Act on the State Bond Programme for financing of solution of consequences of the Kosovo crisis and on Amendment to the Act No. 530/1990 Coll., on Bonds, as amended, and on Amendment to the Act No. 328/1998 Coll., on Emission of State Bonds for Compensation of the State Budget Deficit for Year 1997. The total amount of 2 billions CZK was allocated to the relevant Ministries on the basis of this Resolution for financing of humanitarian actions and projects contributing to reconstruction of the territory of the South-East Europe. From the total amount of 140 mil. CZK, which was intended for the Ministry of Foreign Affairs of the Czech Republic, the amount of 60 mil. CZK was set aside for international donor conferences and projects within the Stability Pact.

The Ministry of Foreign Affairs financed realisation of the project *Transfer of Know-How and Exchange of Experience with Public Administration Reform among Countries of the Central and Eastern Europe* just from this Chapter. The project was elaborated and submitted in the course of 2000. It comes under the Working Table I on Democratisation and Human Rights - WT I thanks to its focus; this Table was established in the framework of the Stability Pact and its strategic goal is to anchor democracy and respect to human rights in the whole region. A part of the Working Table I is the Task Force on Good Governance, which is operated by the Council of Europe and deals with problems of establishment of democratic,

transparent and efficient system of public administration in each individual country in this territory. The Council of Europe adopted the project of the Section for Public Administration Reform, approved it and integrated it in the database of projects realised under auspices of the Council of Europe in the framework of the Stability Pact. The project is exceptional in terms of its realisation, because it does not consist in simple provision of financial contribution to the Council of Europe, whose experts would subsequently provide implementation of the project. On the contrary, the Ministry of Foreign Affairs transferred financial resources to the budget of the Ministry of the Interior, where are bounded for the purpose of financing of needs, which arose in the course of implementation of the project. Procedure of implementation, including managing of financial resources is managed directly by the Section for Public Administration Reform of the Ministry of the Interior. The Czech Republic has therefore implementation of the project under control.

Realisation of the project *Transfer of Know-How and Exchange of Experience with Public Administration Reform* was launched in 2001 for selected countries of the South-East Europe, namely for Albania, Bulgaria, Montenegro and Rumania. Cooperation with Albania and Yugoslavia continued successfully in 2002. In 2003 the Ministry of the Interior followed the results of negotiations with relevant countries of the South-East Europe and continued successfully in implementation of the project under financial assistance of the Ministry of Foreign Affairs in the form of organising seminars for dispatched experts. In addition to it, the Ministry of the Interior reacted on the appeal of Montenegro and in December 2003 the Czech delegation negotiated the factual areas, in which the representatives of Montenegro (of the Ministry of Justice and the Ministry of the Interior) needed assistance at implementation of public administration reform in 2004.

The Ministry of the Interior of the Czech Republic informs regularly the Council of Europe on current state of realisation of the project. Information on the project was provided at the Forum of Towns and Regions of Countries of the South-East Europe in Istanbul (2nd and 3rd November 2001) and at the Forum of Towns and Regions of Countries of the South-East Europe in Novi Sad (18th – 20th April 2002). Both of the conferences contributed to development of partnership with towns and regions of the South-East Europe.

With respect to the fact, that the cooperation of the Czech Republic in the area of public administration and its reform concentrated particularly on countries of the western Europe, it is necessary to stress that this project ensured deepening of international relations of the Czech Republic in public administration also with countries of the South-East Europe in its result, and that the Czech Republic gained good credit in these countries.

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- **The European Institute of Public Administration (EIPA), Maastricht**

In accordance with the foreign policy, the Ministry of the Interior concentrates on cooperation with EIPA (the European Institute of Public Administration) seating in Maastricht, in the Netherlands, and with IIAS (the International Institute of Administrative Sciences) seating in Brussels, Belgium. Gained experience of other states in the area of public administration is used within this cooperation with these international organisations; the Ministry of the Interior applies this experience particularly at realisation of seminars, workshops on given topics and on the other hand, it represents the Czech Republic with its topical reports from the area of public administration at projects organised by these prestige international organisations.

- **International Institute of Administrative Sciences (IIAS), Brussels**

As concerns the IIAS, the Czech Republic has become the official member of the IIAS on the basis of the Government Resolution No. 183 of 20th February 2000. Application for membership of the Czech Republic was approved on 21 – 22 March 2002 in Brussels in the course of session of the Executive Committee of the International Institute of Administrative Sciences, the official accession of the Czech Republic was approved by the Administrative Board, whose session took place on 16th July 2003 in Cameroon. The Czech Republic can fully participate in activities organised by the IIAS as a full-blood member under more convenient conditions for everybody, who are interested in possible participation, namely experts, academics and other professionals from the Czech Republic. One of the last most important conferences of the IIAS in 2002 was a specialised international conference in New Delhi, India on the theme *Towards the Government of Quality Supporting the Sustainable Growth and Development* (5th – 9th November 2002). A number of other activities is held in 2004, as for example the annual conference of the IIAS held in Soul in South Korea on the theme *Development of Management System as the Instrument of Modernisation and Quality Administration Support at More Levels*.

More detailed information can be found at:

EIPA <http://www.eipa.nl>

IIAS <http://www.iiasiisa.be/> or via e-mail: iias@iiasiisa.be.

The International Organisation of Francophonie

A relatively new activity of the Ministry of the Interior is participation in activities of the working group of the Ministry of Foreign Affairs for cooperation with *the International Organisation of Francophonie*, where the Czech Republic has the statute of an observer.

Representatives of the Ministry of the Interior participate regularly in working meetings of this group. The Ministry of the Interior prepared on the basis of the first working group (autumn 2003) a material proposal on cooperation in this area. The Ministry of the Interior is interested particularly in participation in activities in the framework of Francophonie, the Ministry of the Interior offered as well its cooperation in projects focused on assistance to democracy and modernisation of public administration in countries of the South-East Europe. It was sent also a proposal for cooperation of the Association of Towns and Municipalities with the International Association of Francophone Mayors. The Ministry of the Interior participates also regularly in preparation of the International Day of Francophonie (20th March).

More detailed information on the International Organisation of Francophonie can be found at the Internet www.francophonie.org.

9.2 Bilateral Relations in the Area of Public Administration

Bilateral relations in this area are realised namely on the already given contractual basis (intergovernmental and ministerial treaties), however they react on needs and current requirements of the Czech Republic and foreign partners. They come out from the draft *Strategy of the Cohesive Presentation of the Czech Republic in Foreign Countries*. Cooperation with foreign partners is connected continuously also by means of the approved Phare programmes (namely with Finland, France, Sweden, Great Britain) or by use of certain

programmes offered by relevant countries as e.g. by Canada (*Programme of Bridging of Public Sector*), Great Britain (programmes of the British Council) or the Netherlands (the MATRA projects).

All these activities are in accordance with the foreign policy of the Czech Republic and new relations supplement them after establishment of regions in 2001; these new relations are framed by treaties, which regions conclude with foreign partners in accordance with the *Act No. 129/2000 Coll., on Regions (regional arrangement), as amended*. Possibilities and conditions of cooperation of regional self-governments with territorial self-governing units of other states are anchored legislatively in Article 28 of this Act. From the international viewpoint, *the European Outline Convention on Transfrontier Cooperation between Territorial Communities or Authorities* is valid for treaties, which are concluded by self-governing units of the Czech Republic with their counterparts abroad; this Convention entered into force for the Czech Republic on 21st March 2000.

From a territorial viewpoint can be seen certain priorities (e.g. relations with neighbour countries), however the most important task in the area of foreign public policy was preparation of the Czech Republic for the accession to the European Union. With respect to the above-mentioned criteria, international activities in bilateral relations in the past period can be divided into four areas:

- *Cooperation with states of the European Union*
- *Cooperation with states of the South-East Europe, particularly within the Stability Pact (presentation of results of reform and modernisation of public administration; exchange of experience with foreign partners)*
- *Cooperation with neighbour countries (especially with the V4 states)*
- *Cooperation with non-members of the European Union with the interest of exchange of experience (Switzerland, Island, Norway etc.)*

List of selected countries with active relations to the Czech Republic in the area of public administration:

Albania	within the Stability Pact
Finland	particularly within project Phare 2000
France	within <i>the Intergovernmental Agreement between the Czech Republic and France in the Area of Police, Public Order and Public Administration</i> of 1997 and projects Phare 2000 a 2001
Ireland	cooperation with the working group IPSG under the Irish Presidency to the European Union
Island	bilateral cooperation with the Ministry for Social Affairs
Italy	University TOR VERGATA, Roma (in the framework of programme of education of officials); bilateral cooperation with the Ministry for Regional Affairs, cooperation with the working group IPSG under the Italian Presidency to the European Union
Canada	cooperation on projects <i>Bridging the Public Sector</i> of the Canadian Government, cooperation of common project of the V4 and Canada (supported by the Canadian governmental agency CIDA in cooperation with federation of Canadian towns)
Latvia	cooperation especially with ALSGA (Administration and Local Self-Government Affairs) and with the State Service Administration
Hungary	particularly under the V4 cooperation

Germany	especially with the Free Land of Saxony and the Free Land of Bavaria (seminars on various topics from the area of public administration)
The Netherlands	particularly by means of the MATRA projects and projects concerning quality in public administration (the Dutch Ministry of the Interior and Royal Relations) including cooperation within the working group IPSP
Poland	particularly under the V4 cooperation
Slovakia	particularly under the V4 cooperation and <i>the Agreement between the Ministry of the Interior of the Czech Republic and the Ministry of the Interior of the Slovak Republic on Cooperation in the Area of Local State Self-Government (municipal self-government)</i> of 1994
Slovenia	cooperation with the Ministry of the Interior of the Republic of Slovenia to transfer experience with public administration reform in the Czech Republic
Serbia and Montenegro	within the <i>Stability Pact</i> (the Republic of Serbia – the Ministry for State Administration and Local Self-Government of Serbia, Agency for Development of Public Administration, Agency for Informatisation, Technology and Internet, the Council for the Civil Service; Monte Negro - the Ministry of Justice and the Ministry of the Interior)
Sweden	particularly in the framework of the project Phare 2001
Switzerland	under the <i>Agreement between the Ministry of the Interior of the Czech Republic and the Directorate of the Interior of Zurich Canton on Cooperation in the Area of State Administration and Local Self-Government (municipal self-government)</i> of 1993
Great Britain	in the framework of cooperation with the British Council, on the basis of <i>the British – Czech Action Plan</i> of 2000 and on the basis of bilateral relations

X X X

The Visegrád Four (V4)

Special attention should be granted to cooperation with the V4 countries – among the Czech Republic, the Republic of Hungary, the Republic of Poland and the Slovak Republic. The above-mentioned states agreed on cooperation in the area of exchange of experience and plans of public administration reform. The official cooperation was launched at the meeting of representatives - State Secretaries and Deputy Ministers of the Ministries of the Interior responsible for public administration reform in Donovaly, Slovakia in 1999. Activity is developed mainly within the three established expert groups dealing with the scope and division of competencies of state administration, possibilities of use of information systems in public administration and preparation and education of civil servants and officials of self-governments.

The V4 activities concentrated in 2003 - in accordance with the Declaration of State Secretaries and Deputy Ministers responsible for public administration reform of 2002 (meeting was held in Poland, in Warsaw) – particularly on exchange of experience in the area of reform and modernisation of public administration. Other meeting of State Secretaries and Deputy Ministers responsible for public administration reform of the V4 was held in Slovakia on 4th – 5th December 2003. Representatives of the V4 countries agreed on this important meeting, *that accession of the V4 countries to the European Union creates a new space for further cooperation, while it is necessary to stress rationalisation of public administration,*

preparation of self-government to draw aid from the funds of the European Union and exchange of experience from this area. They expressed positively as well to continuation of meeting of expert groups (the group for modernisation of public administration; the group for information system in public administration and the group for education in public administration). The next meeting of Deputy Ministers responsible for public administration takes place in Prague in November 2004.

Cooperation with Non-Government Organisations

At present, the cooperation with non-government organisations – both Czech and foreign - becomes more and more important. That is the reason why the Section for Public Administration Reform of the Ministry of the Interior provides conceptual, professional and coordination activity and creates further procedures in the area of cooperation with non-government organisations dealing with assistance to public administration reform in relevant countries. On request of these organisations, it also provides professional lectures on experience from implementation of public administration reform in the Czech Republic.

It is cooperation namely with:

- Vzdělávací centrum pro veřejnou správu České republiky, o.p.s. (the Educational Centre for Public Administration of the Czech Republic),
- EDUCON, o.s.,
- UNDP (United Nations Development Programme),
- LGI (Local Government and Public Service Reform Initiative),
- Open Society Institute.

Cooperation of the Ministry of the Interior with non-government non-profit organisations takes place also within the Government Council for Non-Government Non-Profit Organisations and its Committee for Cooperation with the European Union; in both of the organisations the Ministry of the Interior has its representatives.

10. Integration of the Czech Republic to the European Union

10.1 Historic Excursus from the 90th of the 20th Century

The turn of 80th and 90th was significantly affected by social and political changes in countries of the Central and Eastern Europe, as well as by relations of the European Communities to them. The European Commission published a collection of documents titled *The Agenda 2000*. The Agenda 2000 was approved at session of the European Council in Berlin in March 1999. The Agenda 2000 is a collection of reforms, and represents a view on development of the European Union and its policy at the beginning of the third Millennium. As concerns enlargement, the Agenda 2000 reacted on application of certain States for membership in the European Union; the European Commission received ten of these applications from countries of the Central and Eastern Europe in the period from March 1994 to June 1996. The Czech Republic submitted its application on 23rd January 1996, when the Prime Minister of the Czech Republic presented the Czech application together with the explanatory memorandum to the Italian Presidency. The European Commission worked out the so-called assessments on all of the applying countries, which became part of the Agenda 2000. At their elaboration, the European Commission supported itself particularly on criteria adopted at session of the European Council in Copenhagen in June 1999 (the so-called Copenhagen criteria) and on the pre-accession strategy formulated on the Essen Summit of the European Council in December 1994. The Agenda 2000 and recommendations of the European Commission became one of materials for the session of the European Council in December 1997 in Luxembourg, which decided on launching of negotiations on membership with the Czech Republic (together with Poland, Hungary, Slovenia, Estonia and Cyprus). The European Commission adopted for each of the Candidate Countries a document titled *the Accession Partnership* on 4th February 1998. This document contained the main areas, on which the candidate countries should have concentrated on preparation for membership in the European Union, and set priorities, which were observed at adoption of *acquis communautaire*, as well as at drawing of financial resources, which were at disposal for this purpose. Talks on accession of the candidate countries were launched on 30th March 1998, by a technical part at first, by so called screening and later, since October 1998, by negotiations on individual issues. The European Commission published in November 1998 the so-called *Regular Report on Progress of Individual Candidate Countries in Preparation on Membership* for a period of 14 months from July 1997 to September 1998. Afterwards, the European Commission published its Reports on the annual basis. The last one was the *Monitoring Report of the European Commission on the Czech Republic 2003*, which was published on 5th November 2003. There were no more reservations concerning public administration; the achieved progress in a number of areas was evaluated positively and the minor rebukes lead mainly to implementation of the Civil Service Act (responsibility of the Office of the Government).

Evaluating the period 1996 - 2003 in terms of public administration, it can be said that the Czech Republic devoted to preparation for membership in the European Union appropriate attention in the given area, even if the area of public administration reform did not come under any negotiation chapter. *The Ministry of the Interior, the Section for Public Administration Reform* was since 1998 responsible for preparation and implementation of the public administration reform. Implementation of the set goals of the public administration

reform created fundamental preconditions for sufficient administrative capacity for application of the *acquis communautaire*.

To support the given tasks were approved also the projects *Phare 1997, 1998, 2000, 2001 and 2002*. Focus of the projects developed itself according to progress of the public administration reform. The Phare 97 project aimed at improvement of communication between citizens and public administration, establishment of system of education of public administration employees and preparation of some strategic materials. The Phare 98 and 2000 projects concentrated on modernisation of the central state administration, both from the organisational and process viewpoint. The Phare 2001 project reacted on transfer of competencies from the state bodies to regions and municipalities and its aim was to contribute to establishment of conditions for performance and enforcement of the *acquis communautaire* by regional and municipal bodies. The Phare 2002 project aimed at implementation of a new system of education of employees of territorial self-governing units, and at review of educational programmes on the European affairs (for more details see subchapter 11.1. Realisation of Projects Financed from Programmes of Aid of the European Union).

10.2 Creation of New Capacities for Fulfilment of Tasks Related with the Euroagenda

The Czech Republic reacted on preparation for membership in the European Union also by creation of new capacities to ensure fulfilment of tasks in all the relevant areas and elaborated a number of principal Government materials, where were anchored relevant tasks (it concerned particularly *the National Programme of Preparation of the Czech Republic for Membership in the European Union*, which were interlaced with the Plan of Legislative Works of the Government, as well as documents, which were approved by the Government Resolution No. 1209 and 1211 of November 1999 with respect to acceleration of preparation of the Czech Republic for membership in the European Union; concurrently the document of the European Union - *the Accession Partnership 1999* was taken into account). In all of these materials was a part including tasks concerning the public administration; accomplishment of these tasks was guaranteed by the Ministry of the Interior, which was responsible for the public administration reform and modernisation of public administration. For this reason, the Ministry of the Interior, the Section for Public Administration Reform, had its representatives in *the Working Committee for Integration of the Czech Republic to the European Union* at the Ministry of Foreign Affairs, which prepared for the Government Council for the European Integration all strategic materials to be approved by the Government. The Ministry of the Interior dealt with and coordinated at the level of Deputy Ministers responsible for public administration reform accomplishment of individual tasks, which resulted from the approved strategy of public administration reform of 1999.

After the Accession Treaty was signed on 16th April 2003, it was necessary to change a system of tasks' accomplishment in the area of the Euroagenda in the Czech Republic. The Government approved by its Resolution No. 427 of 28th April 2003 on *the Institutional Arrangement of Membership of the Czech Republic in the European Union and to Coordination of the Decision-Making Process* a proposal for a new set of coordination of the Euroagenda under conditions of the statute of the active observer of the Czech Republic in the European Union. On the basis of the above mentioned material, the activity of the *Government Council for the European Integration* and of the *Working Committee for Integration of the Czech Republic to the European Union* (as of 30th April 2003) and the *Committee for the European Union* (as of 1st May 2003) was established; it is now responsible for coordination of policy of the Czech Republic towards the European Union,

particularly as concerns issues negotiated under the *Committee of Permanent Representatives of Member States (COREPER I/II)*. Concurrently, the goal was set to establish within each of the Ministries the *Ministerial Coordination Group*. These Groups became basic components of organisation of the European affairs in the central state administration authorities. The Ministerial Coordination Groups consist of experts on the relevant “European activities”.

The Ministerial Coordination Group was established of course at the Ministry of the Interior in 2003 as well (by the instruction of the Minister of the Interior), where the area of public administration has its representative as well.

10.3 Accomplishment of Specific Tasks in the Past Period

In the framework of finalising the process of accession of the Czech Republic to the European Union, it was necessary to discharge tasks in the area of public administration in the Czech Republic. As concerns accomplishment of tasks resulting from documents important in terms of accession to the European Union, the Unit for International Relations in Public Administration of the Modernisation of Public Administration Department of the Section for Public Administration Reform evaluated regularly the results in the area of the public administration, particularly as concerned tasks included in *the Summary of the Remaining Tasks of the Czech Republic for Accession to the European Union* and in *the Action Plan for Strengthening of the Administrative and Judicial Capacity of the Czech Republic*. Also tasks related to the material *the Lisbon Process in Relation to the Czech Republic* were monitored, while in September 2003 the evaluation of tasks accomplishment of the goals of the Lisbon Process took place in accordance with the Government Resolution No. 282 of 19th March 2003.

Evaluation of the state of the public administration in the Czech Republic was also a part (as mentioned above) of the *Monitoring Report of the European Commission on the Czech Republic 2003*.

The Section for Public Administration Reform monitored and cooperated further on the preparation and subsequent updating of the fundamental programme documents, which created the obligatory part of preparation on use of the structural funds and the Cohesion Fund of the European Union. The task of the Ministry of the Interior was to monitor, if the preparation of the Czech Republic for use of the structural funds and the Cohesion Fund of the European Union were proceeding *in accordance with the public administration reform* and if the documents prepared for this purpose respected the principles of the public administration reform. Namely it concerned *the National Development Plan 2004 – 2006 for the Czech Republic, the Common Regional Operational Programme, operational programmes and single programming documents*. The Section for Public Administration Reform participated directly in preparation of the *Operational Programme on Human Resources Management*.

In accordance with the Government Resolution No. 119/2003 on *the Strategy on Building of Administrative Capacities for Arrangement of Functionality of the Implementation System for Use of Structural Funds and the Cohesion Fund of the European Union*, the common draft of *the Material Direction of Education on the Structural Funds and the Cohesion Fund of the European Union* was submitted to the Government of the Czech Republic in September 2003 for approval; this material was elaborated by the Ministry of the Interior (responsibility for education of officials of self-governing bodies) together with the Office of the Government of the Czech Republic (responsibility for education of civil

servants). The document was approved by the Government Resolution No. 850 of 3rd September 2003. The conditions for launching of education in problems of the structural funds and the Cohesion Fund were created by this, since the above mentioned Resolution approved also upping of financial resources for 2003 from the Budgetary Chapter the General Fiscal Administration (item the Governmental Budgetary Reserve) to provide schooling and other education of employees executing activities of managing, mediating, realisation bodies and payment body and representatives of territorial self-governing up to total amount of 55 mil. CZK to profit of budgets of the relevant central state administration bodies, budget of the Capital City of Prague and regional budgets.

On the basis of the above-mentioned governmental material, the Ministry of the Interior realised in addition to other activities three foreign seminars on transmission of experience of the Free Land of Saxony with use of the structural funds, which were organised in cooperation of the Ministry of the Interior of the Free Land of Saxony. It was realisation of the so called Project E: *Transfer of Foreign Experience to Participation of the Self-Government in Drawing of Resources from the Structural Funds and the Cohesion Fund of the European Union*. The target groups of these seminars were the senior officials of territorial self-government offices, who participated in the system of programming, implementation and evaluation of the structural funds in the territory. Each of seminars were devoted to transfer of experience of the Saxony with use of one of the structural funds of the European Union: the European Agricultural Guidance and Guarantee Fund (19th – 21st November 2003); The European Regional Development Fund (1st – 3rd December 2003) and the European Social Fund (15th – 17th December 2003). The main goal of the seminars was to familiarise participants with the mechanism of approving and implementation of aid from structural funds in Saxony and to transmit experience of the Free Land of Saxony to participants. These three courses were preceded by “introductory” seminar devoted to problems of use of structural funds in the Free Land of Saxony.

Pursuant to the Government Resolution No. 850/2003, the Ministry of the Interior realised by means of the Institute for Local Administration in the 4th quarter 2003 also a series of three courses on structural funds (the so-called Joint Project A and B). Courses were intended for representatives of territorial self-governing units, which should get in touch with performance of executive bodies and payment authority (i.e. representatives of regional offices and of the Municipal Authority of the Capital City of Prague and elected members of Councils of territorial self-government).

The Section for Public Administration Reform participated in 2003 in elaboration of the *Programme of Community Initiative EQUAL* financed from the European Social Fund (the EQUAL is defined as an initiative intended for international cooperation at enforcement of the new instruments for fight with all forms of discrimination and inequalities related to the labour market – the aim is to enforce innovative instruments solving existing problem areas related to discrimination and inequalities on the labour market) and the Programme Addendum to the Programme of the Community Initiative EQUAL. Both the Programme, and the Addendum were submitted to the European Commission in Brussels in English as a base for further negotiation.

10.4 Coordination and Common Outputs of the Conference of Ministers and Informal Meeting of the General Directors Responsible for Public/State Administration in the European Union since 2003

At the meeting of the Ministers of the Interior, of Public Administration and Decentralisation of Member States of the European Union, which was held on Rhodos island

in June 2003, the plan of the further cooperation in the given area was agreed for the period of the Italian Presidency (July – December 2003) and further on. The participation of the Czech representatives of the Section for Public Administration Reform of the Ministry of the Interior in the relevant working groups is of high importance for the Czech Republic; these groups operate under the Conference of Ministers and General Directors for Public Administration. It concerns particularly *the Innovative Public Services Group (IPSG)*, which deals with modern methods of quality management in public administration. Other established working groups, on which the General Directors responsible for public administration delegate the practical realisation of their activities are: *the Human Resources Management Group (HRMG)* - responsibility of the Office of the Government; *the e-Government Group* – responsibility of the Ministry of Informatics; *the Group of Directors and Experts for Better Regulation (DEBR)* – responsibility of the Office of the Government; *the Group of Directors of Schools of Public Administration* – responsibility of two institutions – the Institute for Local Administration and the Institute for State Administration. In 2004, cooperation of the Czech Republic with other states of the European Union has continued intensively in these working groups. The Ministry of the Interior took over the responsibility for coordination of activities within the above-mentioned groups, so the outputs on behalf of the Czech Republic were harmonised in accordance with priorities of the Czech Republic. The Unit for International Relations in Public Administration of the Modernisation of Public Administration Department deals with coordination of it.

11. The Primary International Projects and Their Implementation

11.1 Implementation of Projects Financed from the Aid Programmes of the European Union

There were implemented a number of projects in the area of public administration reform financed from the Phare programme from 1997 till now. The Phare programme was established in 1989 originally as the aid at economic transformation of Poland and Hungary (the abbreviation "PHARE" means - Poland and Hungary Assistance to the Reconstruction of the Economy), subsequently its competence was spread successively on thirteen states of the Central and Eastern Europe, including the Czech Republic. Phare programmes are financed from the budget of the European Union and support projects contributing to acceleration of the economic reconstruction of countries and to social and economic cohesion. This classifies them as another economic instrument of the European Communities, which concentrates on support of reforms within countries of the Central and Eastern Europe, and which became successively the most important one in terms of volume of financial resources.

Focus of the Phare programme has changed in connection with the integration process within the European Union and the originally applied approach based on the requirements and needs of individual countries of the Central and Eastern Europe has concentrated since 1994 on support of activities, which were closely connected with the planned accession of the Candidate Countries to the European Union. As a consequence of the necessary reform of public administration in the Czech Republic, the Ministry of the Interior was entrusted by its implementation and established the Section for Public Administration Reform in 1998. In the past seven years, the Ministry of the Interior has used financial resources provided in the framework of the Phare programme for realisation of a number of projects related to the given issue.

11.2 The Phare Programme

Since Phare is a decentralised programme managed at the level of individual countries, there exists coordination of the Phare programme at the national and the European level – in the Czech Republic it has been the Government of the Czech Republic in cooperation with the European Commission. The official representative and the main contact person responsible for coordination of preparation, implementation and monitoring of all programmes of assistance of the European Union is the National Coordinator. Its executive workplace is the Centre for Foreign Assistance at the Ministry of Finance. The National Coordinator is concurrently a chairman of the Joint Monitoring Committee, which deals with implementation of all the instruments of assistance of the European Union.

The Member States of the European Union were represented by *the Delegation of the European Commission in Prague (till 1st May 2004)*, which was, in addition to other things, authorised by the application and monitoring over the implementation of the Phare programme. The Delegation of the European Commission coordinated various programmes and the evaluation of working plans, procedures and approving of treaties belong to its responsibilities as well.

Projects implemented under responsibility of the Section for Public Administration Reform of the Ministry of the Interior and financed in the framework of the Phare programmes:

1. Phare 1997 - CZ 97 03.01 – Improving Efficiency of Public Administration

The extensive project launched in 1997 was concluded in the end of 2000. The project was divided into three relatively independent sub-projects:

- Information and Communication Services and Systems in Public Administration
- System of Development and Management of Human Resources in Public Administration
- Public Administration Reform in Specific Areas

The main outputs of the first sub-project concerning information technologies were following – the establishment of the information base for the future extension of information kiosks and contact points of public administration; the first proposal on standard of information systems of public administration (ISVS), which were subsequently elaborated and published by the Office for Public Information Systems (ÚVIS) in June 2001.

The draft education of employees of public administration was elaborated within the second sub-project, as well as the idea of establishment of the Institute of State Administration, which has operated since 2001 at the Office of the Government. On the basis of the Government Resolution No. 601/1999, the strategy of preparation of employees in public administration was approved.

Results of the project were used also in the conceptual materials elaborated by the Section for Public Administration Reform of the Ministry of the Interior of the Czech Republic, namely in a collection of strategies concerning improvement of efficiency of public administration control, public services, public finance and management of the public sector, which the Government took into account by the Government Resolution No. 1217/2000 of 4th December 2000. It concerns particularly these strategies:

- Strategy of Improvement of Management Efficiency in the Public Administration
- Programme of Changes in Management of the Public Administration at the Central Level of State Administration
- Strategy of Improvement of the Public Sector Efficiency
- Strategy of Improvement of the Public Finance Efficiency
- Strategy of Improvement of the Public Administration Control Efficiency

2. Phare CZ 1998 – 98 08.01 – Strengthening of Institutional and Administrative Capacity for the Implementation the Acquis Communautaire

The project was launched in July 2000 and concluded in June 2001. The project aimed at:

- Formulation of recommendations for improvement of performance and efficiency of the central state administration on the basis of analysis and comparison of the secondary activities of Ministries of the Czech Republic and Member States of the European Union
- Draft and implementation of the pilot plans on three selected Ministries (the Ministry of Industry and Trade, the Ministry of Labour and Social Affairs and the Ministry of Justice).

Outputs of the project – the generic model of organisation of Ministries and the action plan of its realisation – were used by the Ministry of the Interior of the Czech Republic at formulation and subsequent implementation of the strategy of modernisation of the central state administration, which was approved by the government Resolution No. 619/2001 of 20th June 2001.

3. Phare 2000 – CZ 00 09.01 – Modernisation of the Central State Administration in the Czech Republic

The Ministry of the Interior in cooperation with the Office of the Government of the Czech Republic and the Office for Public Information Systems launched on 4th October 2001 the project CZ 00.09.01 Modernisation of the Central State Administration in the Czech Republic. The project was concluded in March 2003.

A beneficiary and coordinator of the project on the Czech side was the Section for Public Administration Reform of the Ministry of the Interior. The foreign partner organisations, which participated in the project by means of the expert assistance, were the Ministry of Finance of Finland and the French Ministry for Public Administration. The project aimed at increase in efficiency and performance of the central state administration of the Czech Republic and consecutively at increase in administrative capacities of public administration as such, so the public administration would be able to apply *acquis communautaire* of the European Communities.

The twinning project contributed to accomplishment of this aim by means of:

- Assistance to improvement of organisation and structure of the central state administration
- Assistance to establishment of institutional mechanisms of human resources management in the central state administration
- Assistance to development of strategic approaches to implementation of information technologies and information management within the public administration.

4. Phare 2001 – CZ 01 09.03 – Establishment of the Framework for Effective Territorial Self-Government at Regional and Local Level

This project, which was launched in 2001, aimed at provision of efficient coordination of regional and municipal activities, improvement of communication with citizens and support of the citizens' participation in administration of public affairs. The project reflected as well on certain questions of the European Union's bodies concerning the control mechanism in public administration and enforceability of the *acquis communautaire* at the local and regional level. Foreign partners for this project were the French Ministry of the Interior and service organisations of the Association of Swedish Municipalities and the Association of Swedish Regions.

The project consisted of two parts. The first part had a form of expert assistance (twinning) and concentrated on assistance to operation of regions, on coordination of their activity with the State and municipalities, and on assistance to building of the communication mechanisms of the public administration bodies with citizens. The second part of the project contributed to equipment of the contact places of public administration. Over 200 computers with related equipment were delivered within this part of project; they were distributed among seven regions, which were interested in participation in the Phare 2001 programme. The delivered computer equipment contributed to building of fundamentals of the electronic

public administration (the so-called *e-Government*).

This project was concluded in March 2004.

5. Phare 2002 – CZ 02 09.02 – Generic Training System for Officials of Territorial Self-Governing Units

This project is under way at present. The project aims at:

- Assistance to creation and implementation of a new generic educational system for officials of territorial self-governing units, which results from the draft Act on Officials of Territorial Self-Governing Units,
- Verification of quality of education of officials of territorial self-governing units in the European affairs, particularly within preparation for the Special Professional Competence test.

In the methodical part of the project, an expert team consisting of professionals from Member States of the European Union and the Czech Republic will carry out analyses, provide assistance, train and participate in draft and implementation of the generic system of education of officials at regional and local level. In the framework of the project, one schooling centre at each region shall be equipped with a necessary number of computers with accessories, furniture and teaching aids.

11.3 Some Other Topical International Programmes in the Area of Public Administration

The Transition Facility Programme

The European Commission created for the new-acceding countries to the European Union an aid instrument, which concentrates on continuation of activities in the framework of the Phare programme and aims at assistance to the further building of administrative and institutional capacities of these countries after their accession to the European Union. This instrument is drafted for the period 2004 – 2006 and projects proposed in this programme on behalf of the Czech Republic come out particularly from the conclusions of the individual chapters of the Accession Treaty and from the ongoing evaluation proceedings of the state of their implementation. The comprehensive proposal of the Programme is in accordance with recommendations and conclusions of the Monitoring Report on the Czech Republic, which was published by the European Commission in November 2003. Assistance of this Programme concentrates on the areas, which cannot be financed from the structural funds. As concerns the area of public administration, the Transition Facility Programme provides possibility to work on extension of administrative capacities of territorial self-governing units, particularly of small municipalities, in the time horizon 2005 - 2006.

The financial Instrument of the European Economic Area

In accordance with the relevant Government Resolution, the *Agreement on Participation of the Czech Republic in the European Economic Area* was signed. A financial mechanism was established within this Agreement; the ESVO countries (Island, Liechtenstein and Norway) will contribute to the acceding countries to the European Economic Area in 2004 – 2009 by means of this mechanism on projects in the enlarged inner market. Moreover,

the Norway will contribute also by a bilateral, so called special Norwegian financial instrument. The projects on strengthening institutional and administrative capacities of the State in selected areas can be implemented in the framework of this financial mechanism. The inter-ministerial working group was established for coordination of these activities with projects of social and economic cohesion, which are financed from other resources.

The financial mechanism of the European Economic Area and the Norwegian Financial Mechanism represent - in the context of public administration – an opportunity for realisation of projects for assisting the territorial self-government (strengthening of local capacity, improvement of quality of public services etc.), particularly in the course of the year 2005.

The Dutch Programme of Bilateral Aid - MATRA

This programme followed the *Memorandum of Partnership between the Netherlands and the Czech Republic* and is financed in the form of grants granted by the Dutch Ministry of Foreign Affairs. The MATRA programme concentrates generally on problems of social transformation of the Czech Republic in connection with accession to the European Union, particularly as concerns adoption and application of the European legislation. The MATRA programme was launched in the Czech Republic by the year-end of 1999; the project *Improvement of Preparedness of Members of Regional and Municipal Councils in the Czech Republic* took place in its framework under responsibility of the Ministry of the Interior from 2002 to June 2004.

This project had the following outputs:

- Script of the video programmes for pupils of secondary schools with topics:
 - A Citizen and Its Municipality
 - A Citizen at the Municipal Office
 - The Municipal Council Decides
 - A Citizen and Community Involvement.
- Script of the video programmes for members of municipal or regional Councils
- Editorial work on the Handbook for a member of municipal Council with respect to the ongoing amendments of the relevant legislation
- English translation of the Handbook for a member of municipal Council. This translation will serve at the international exchange of experience in the area of education of elected members of Councils of territorial self-governing units.

12. Vocabulary – Selected Terms

Acquis communautaire represent a collection of all the Treaties creating primary resources of law of the European Communities, Acts adopted in the course of existence of the European Union and the European Communities by the Council of the European Union, the European Parliament, possible the European Commission, and Decisions of the European Court of Justice concerning interpretation of these Treaties and Acts.

Benchmarking is a method based on measurement of performance of an organisation. A cornerstone is an analysis and comparison of data for a purpose to find the best approach. The regular comparison of key-aspects of performance of organisations with the best ones enables to identify its strengths and weaknesses and to acquire knowledge from the others by mutual sharing of information, and to transmit own knowledge. According to the method of use, a few types of benchmarking can be distinguished, from the easiest ones (simple analysis of activities) to the most complex one the so-called strategic benchmarking. The most frequently used form is the performance benchmarking.

Common Assessment Framework (CAF) was developed under auspices of the General Directors of Public Administration of Member States of the European Union especially for public administration. The General Directors of Public Administration established a committee in 1998, which should manage cooperation among 16 partners (15 Member States and the Commission) in the area of the international information exchange and cooperation in the area of development of public administration (the so-called Innovative Public Services Group). Basic draft of the CAF model was created under the Finnish Presidency of the European Union (the second half of the year 1999) on the basis of common analytical work, which was conducted under the Austrian Presidency (the second half of the year 1998) by the European Foundation for Quality Management, the Speyer Academy and the European Institute for Public Administration, and further on the basis of Directives on selection, which were worked out by the Speyer Academy under the German Presidency (the first half of the year 1999). The final form of CAF was composed under the Finnish and Portuguese Presidency (the first half of the year 2000); this form was a subject to pilot tests.

The European Quality Award (EQA) was granted in October 1992 for the first time. Activities towards creation of the EQA Model were launched in 1990 by the European Foundation for Quality Management under support of the European Commission. The EQA Model is based on experience with the Japanese Deming's Award and the American National Quality Award by Malcolm Baldrige and with other national quality awards existing in Europe. In addition to the EQA Model, which is applicable for big firms, specific guidelines for the area of public services were introduced in 1995. One year later, the European Commission declared the EQA model for small and medium enterprises. Winners of national quality awards are invited to participate in the EQA programme.

The European Foundation for Quality Management (EFQM) was established in 1988 by Presidents of 14 European corporations of standing and consequently the European Commission affirmed its existence. One of the important goals of the Foundation is to strengthen and to further promote its mission and intentions by means of network of the European National partner institutes. Operation of this organisation in the Czech Republic is guaranteed by the Czech Quality Society, within which the EFQM Centre was established in 2002.

The Financial Control – is a part of system of financial management, which provides management of public resources. It is created by the system of financial control executed by control bodies – the *public administration control*. Furthermore the *system of financial control executed in accordance with International treaties*, which includes the financial control of foreign resources executed by international organisations in accordance with the declared international treaties, by which the Czech Republic is bound. The last component of the financial control is *the internal control system in public administration authorities*, which includes the supervisory control and the internal audit.

The Cohesion Fund is one of instruments for acquirement of social and economic cohesion of the European Union; however it does not belong into group of structural funds of the European Union. It has been operating since 1994 and its activity is based particularly on the Council Resolution No. 1264/1999 Amending Certain Other Resolutions on Establishment of the Cohesion Fund. Mission of the Cohesion Fund is assistance at the national level to selected countries by preparation for accession to the Economic and Monetary Union. The Cohesion Fund finances both environmental projects contributing to accomplishment of goals stipulated by the common policy of the European Union in this area, and projects, which belong to realisation of the Trans-European networks. This Fund aims at assistance to development of the whole state (not only of regions as in case of structural funds).

The Community Initiatives present special programmes established by the European Commission to solving specific problems concerning the whole territory of the European Union. For the so-called programming period 2000-2006, within which the Czech Republic entered the European Union, 4 initiatives shall be realised. The INTERREG III programme (an instrument to emerging for disadvantages resulting from the border position of certain areas) and the EQUAL initiative (the goal is to enforce implementation of innovative instruments to solving existing problem areas related to discrimination and inequality at the labour market) are the most important of them.

The ISPA financial instrument (Instrument for Structural Policies Pre-Accession) is intended for the Candidate Countries in the period from 2000 till the moment of their accession to the European Union. This financial instrument was established by the Council Resolution No. 1267/1999 and by the coordination Council Resolution No. 1266/1999. It concentrates on improvement of the level of infrastructure in social and environmental sectors. As concerns the environmental protection, the ISPA programme concentrates on acquirement of standards valid for the environmental protection in countries of the European Union. As concerns traffic, the ISPA programme assists with modernisation of traffic infrastructure of Candidate Countries and with its connection to the already existing or approved traffic corridors in the Member States of the European Union.

The ISO are the international standards issued by the International Organization for Standardization (ISO). The European standards ISO are based on those, and subsequently the national ones come out from the European standards. The most prevalent international standard is entitled ISO 9001:2000, the European EN ISO 9001:2000 and the Czech - ČSN EN ISO 9001:2001. The national representative in the International Organisation for Standardisation is the Czech Standards Institute. The group of standards ISO 9000 represents the basic set of standards. These standards were published in 1987 for the first time, the first review took place in 1994, the second, more profound in 2000. There exists a number of

standards within the ISO 9000 group, the most prevalent one is ISO 9001:2001. Its substance is to implement the system of quality management in accordance with the ČSN EN ISO 9001:2001 standard in organisations, which aims at prove of their ability to permanently provide products, respectively services, and continuously increase satisfaction of customers, respectively citizens.

The Single Programming Document is being approved by the European Commission. It includes information of a similar character, which is introduced in the framework of the Community Assistance and operational programme. Generally can be said, that the assistance provided under Goal 2 and 3 has a form of the Single Programming Document. In the Czech Republic, the assistance from the structural funds of the European Union will be provided on the basis of the Single Programming Document to the cohesion region of the Capital City of Prague, on the basis of the Single Programming Document - Objective 2 (i.e. assistance to economic and social conversion of regions, which are confronted with structural difficulties) and of the Single Programming Document – Objective 3 (i.e. assistance to development of human resources with use of the Czech national resources and resources of the European Social Fund).

The Local Agenda 21 was presented for the first time as a component of the Agenda 21, which is a document of the United Nations Organisation, which was approved in 1992 with the aim to support the sustainable development principles. The basic mission of the Local Agenda 21 is to address local authorities and self-governments and persuade them to compose and fulfil plans of their activities in accordance with the sustainable development principles. Its vision consists in creation of local areas according to the sustainable development principles and in understanding of the global coherence of individual decisions. Partial goals are creation of greater results with smaller consumption, better use of skills of individuals and smaller consumption of resources, moderation of material aspirations, requirements on the environmental improvement and the better quality of life at large.

The Excellence Model presents an instrument for a complex improvement of performance of organisation; its aim is to assist organisations with their improvement of activities leading to quality in terms of satisfaction of customers, employees and impacts on the society. The European Quality Award is granted annually on the basis of this Model. The Model was developed by the European Foundation for Quality Management.

The National Quality Award of the Czech Republic is a component of the National Quality Policy and is granted by the Czech Republic Quality Council. The programme of the National Quality Award of the Czech Republic is based on verifying of efficiency and quality of all activities of the organisation and on their evaluation. Since 1998, the Award is fully compatible with the European Quality Award, which is based on evaluation according to the EFQM Model. The programme is organised by the Society for the Czech Republic Quality Award, established in Prague on the basis of initiative of the Czech Society for Quality.

The National Information Centre for Quality Promotion (NIS-PJ) was established at the Czech Society for Quality on the basis of the Government Resolution No. 458 of 10th May 2000, where the Government assigned the Czech Society for Quality to stand as a secretariat, including the information centre of the National Quality Policy. The Centre is though a working body and a secretariat of the Czech Republic Quality Council. It also functions as a secretariat of a programme the Czech Quality.

The National Quality Support Policy (NPJ) was approved by the Government of the Czech Republic by its Resolution No. 458 of 10th May 2000 and represents mainly the framework programme of activities of the Government and non-governmental organisations in the area of quality. In the Preamble of Principles of the National Quality Policy is stated: „ The National Quality Policy is an aggregation of intentions, goals, methods and tools for influencing the quality of products, services and activities within the national economy and public administration, adopted and declared by the Czech Republic government. The goal is to create conditions for the entry of Czech subjects into the unified European market and to achieve their competitiveness on the European and world markets.“ The National Quality Policy is declared by the Czech Republic Quality Council on the annual basis. In its first part *the Programme Statement of the Czech Republic Quality Council* are formulated intentions, goals and priorities of the Council for the relevant year. The following part includes programmes of individual Ministries and of organisations subordinated to them, as well as activities and planned actions of the non-government organisations.

The National Development Plan represents the fundamental strategic document for acquirement of support from the structural funds and from the Cohesion Fund. The structure and content of the document comes out from legislation of the European Union, particularly of the Council Resolution (ES) No. 1260/1999 and of other documents introduced by the European Commission.

The National Development Plan represents justification of need of support from the structural funds of the European Union and defines goals, which shall be reached by implementation of the National Development Plan and other related documents. The role of the National Development Plan consists in presentation of a strategy, which justifies selection of priorities, while the Czech Republic efforts to get support from resources of the European Union for these priorities. Detailed goals and conditions of the support drawing for their accomplishment in individual areas are specified in operation programmes (concentrated sector or regionally) and their addendums.

The only complex programming document for the whole State was elaborated in the Czech Republic for the shortened programming period 2004 – 2006, the so-called National Development Plan of the Czech Republic 2004 – 2006.

Non-government Non-Profit Organisations – in a general meaning, it is a complex of subjects, which create non-profit sector. It concerns civil societies pursuant to the Act No. 83/1190 Coll., foundations and endowment funds pursuant to the Act No. 227/1997 Coll., general benefit associations pursuant to the Act No. 248/1995 Coll., and religious legal entities pursuant to the Act No. 3/2002 Coll.

The Operational Programme represents a document approved by the European Commission, which is intended for implementation of the Community Support Framework, and is one of the fundamental programme documents for use of aid from the structural funds of the European Union.

Specification of content of operational programmes comes out from priorities of the National Development Plan, recommendations of the European Commission to the National Development Plan and to the Council Resolution (ES) concerning structural funds and the Cohesion Fund. The Operational Programme contains particularly analysis of the territory, elaboration of individual measures including specification of the financial framework, definition of conditions for realisation of the programme etc.

Operational programmes can be of the sectoral or regional character. In the Czech Republic were prepared for use of aid from the structural funds of the European Union – Objective 1 in the shortened planning period 2004 – 2006 following programmes: Common Regional Operational Programme, and operational programmes: Development of Human Resources, Development of the Country and Multi-Function Agriculture, Industry and Enterprise, Infrastructure.

The Healthy Cities Project – The UNO (namely the World Health Organisation) initiated in 1988 an international project – the Healthy Cities Project, to which invited the most important European cities. The project consists in a systematic support of health and sustainable development, solution of problems on the basis of the Local Agenda 21 and in a support of active participation of the public in discussions on current and future intentions of a locality and a region with the aim to get a global " good governance ".

The Quality Council of the Czech Republic was established at the Ministry of Industry and Trade on the basis of the Government Resolution No. 458 of 10th May 2000. The Council is an advisory, initiative and coordination body of the Government with orientation towards support of development of management and application of the National Quality Policy, which was approved by this Resolution as well. Members of the Council are representatives of Ministries and the Office of the Government, representatives of business associations and unions, representatives of consumers and non-governmental professional organisations operating in the area of quality. The most attention of the Council is devoted to promotion of the National Quality Policy among the wide public, coordination of activities of individual Ministries, initiation of projects in the area of quality and assistance to activities and work of the Council's members within their Ministries. The function of a guarantee of the European Month of Quality (every year in November) and of a guarantee of the Czech Republic National Quality Award are not less important.

The Government Council for Sustainable Development was established by the Government Resolution No. 778 of 30th July 2003 as a permanent advisory, initiative and coordination body of the Government of the Czech Republic as regards the area of sustainable development and strategic management. Its organisational structure consists of the Secretariat of the Government Council for Sustainable Development (hereinafter only the Council), working groups and committees. The main task of the Council is formulation of the Strategy of Sustainable Development, methodical organisation of conceptual documents and completion of the Medium-Term Strategy of the Social and Economic Development.

The Community Support Framework has a character of a treaty between the Government of the Czech Republic and the European Commission. This treaty specifies commitment of both sides to provide resources to achieve the goals stated in the document. A material for negotiation on the Community Support Framework is the final version of the National Development Plan.

The Government Council for Non-Government Organisations is an advisory body of the Government, which deals with issue of the non-profit sector. It exercises particularly the following tasks: to initiate and review of conceptual and implementation materials for the Government decisions concerning support of the non-government non-profit organisations; to coordinate cooperation between the central state administration authorities and cooperating regions in the area of support of the non-government non-profit organisations; to analyse and

publish information on position of the non-government non-profit organisations within the European Union etc. The Government Council for Non-Government Non-Profit Organisations has several Committees (e.g. the Committee for Cooperation with the European Union etc.).

Reengineering is a modern management method of management of an organisation. It represents a fundamental reassessment and reconstruction of processes in organisation for the purpose of improvement in terms of the performance criteria (as quality, expenditures, services and promptness. In brief the reengineering can be defined by two words "commence again". Reengineering is in substance the search for qualitative changes, but not by improvement of the existing processes, but by their elimination and their replacement by completely new processes.

The SAPARD programme - Special Action Programme for Pre-Accession Aid for Agriculture and Rural Development – is based on the Council Regulation (ES) No. 1268/1999 on the Community Support to Pre-Accession Measures for Agriculture and Rural Development in Candidate Countries in the Pre-Accession Period. The programme is drafted for the period 2000 – 2006 and is intended for all candidate countries till their accession to the European Union. The aim of this Programme is to achieve the sustainable development of agriculture and country, solution of specific problems of the agriculture and rural areas and assistance at implementation of the *acquis communautaire* for the area of the Common Agricultural Policy.

The Structural Funds of the European Union represents an instrument for support of measures of the structural policy of the European Union. They aim at strengthening of the economic and social cohesion of the European Union; they concentrate on reduction of differences in levels of development of different regions and of underdevelopment of disadvantaged regions or islands including rural areas. The structural funds do not contribute to financing of single actions, but to support of development programmes, which have their own budget divided according to priorities and measures.

There are 4 structural funds:

- 1) **The European Regional Development Fund – ERDF** – assists with decrease of differences among levels of development of individual regions, living standards among different regions and the scope of backward of the most problematic regions. It was established in 1975.
- 2) **The European Social Fund – ESF** – since 1957 has assisted with development of employment by support of business, equal opportunities and investment in human resources. At present, it concentrates on support of measures for prevention and fight against unemployment, human resources development, equal opportunities for men and women and support of economic and social cohesion.
- 3) **The European Agricultural Guidance and Guarantee Fund – EAGGF** – was established in 1962 for the purpose of financing of the Common Agricultural Policy. The Guarantee part is devoted exceptionally for financing of the Common Agricultural Policy. The Guidance part concentrates on financing of restructuring and modernisation of agricultural property, protection and assistance to economic development of disadvantaged rural areas, improves and supports competitiveness of agriculture, protects and improves the environment etc.
- 4) **The Financial Instrument for Fisheries Guidance – FIFG** – however it is not a classical fund, it is classified as a structural fund. It was established in 1993. It is

financing measures concentrated on restructuring of the fishery industry, on support, adaptation and modernisation of the fishery industry, relating industry and marketing for its products.

Each of the above-mentioned funds can participate in measures of technical assistance and on pilot or sample projects.

The Sustainable Development – the conception of sustainable development stems from the definition of the United Nations Commission for the Environment and Development of 1987. Its form went through a certain development since that and was changed in certain respects. The World Summit on Sustainable Development in v Johannesburg (2002) emphasised, that the aim of this concept is such development, which ensures balance among three main dimensions - social, economic and environmental. The central idea of sustainable development is neither the environment, nor the economic development, but the quality of life. The principle issue is how to maintain and develop the quality of life and not exceed the environmental limits at the same time.

Public Services - are services produced, organised or regulated by a public administration body for a purpose of provision of a service in a way, which it considers to be necessary for satisfaction of the society's needs, while respecting the principle of subsidiarity. Public services are both material public services (provided in a material form), and financial support and administrative activities as well in a wider sense.

The Public Administration Control – includes financial control of facts decisive for management of public resources, particularly at spending public expenditures including public financial support at controlled persons. The Public administration control is executed as a continuous process, it means before provision of public resources (a preliminary control), in the course of their use (concurrent control) and after their use (follow-up control).

The System of Internal Control in Public Administration Authorities is according to requirements of the European Commission divided into two subsystems, the so-called system of financial management and control (*supervisory control*) and the system of *internal audit* (IA). *The supervisory control* is a financial control provided by responsible executives as a part of internal management of a public administration authority at preparation of operations, before their approval, at continuous monitoring of operations till their final settlement and charging out and subsequent revision of selected operations in the framework of evaluation of achieved results and accuracy of the economy. *The internal audit* represents organisationally separated and functionally independent revisions and evaluations of adequacy and efficiency of the supervisory control including revision of correctness of selected operations.

The Special Professional Competence (ZOZ) – this competence, which is certified by a test, has to be demonstrated by an official to enable him performance of selected administrative activities, which are specified by special laws. In includes a complex of knowledge and skills and is divided into a general and a special part, while the general part covers knowledge of principles of public administration and administrative procedure, and the special covers knowledge of competencies of the relevant territorial authority of self-government including special laws relating to performance of factual administrative activities.

Annexes

The Czech Republic – Basic Facts

Region	Area in km ²	Density of Pop./1 km ²	Capital
Praha	495.9	2 414	Praha
Středočeský kraj	11 014	101	Praha
Jihočeský kraj	10 056	62	České Budějovice
Plzeňský kraj	7 561	73	Plzeň
Karlovarský kraj	3 314	92	Karlovy Vary
Ústecký kraj	5 335	155	Ústí nad Labem
Liberecký kraj	3 163	136	Liberec
Královehradecký kraj	4 758	116	Hradec Králové
Pardubický kraj	4 518	113	Pardubice
Vysočina	6 925	75	Jihlava
Jihomoravský kraj	7 062	161	Brno
Olomoucký kraj	5 139	125	Olomouc
Zlínský kraj	3 964	151	Zlín
Moravskoslezský kraj	5 554	231	Ostrava
The Czech Republic	78 860	131	Praha

Data of the Czech Statistical Office as of 1st October 2001

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Moravskoslezský kraj/ the Moravian-Silesian Region

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Olomoucký kraj/ The Region of Olomouc

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Pardubický kraj/ the Region of Pardubice

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Plzeňský kraj/ the Region of Plzeň

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Středočeský kraj/ the Central Bohemian Region

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Ústecký kraj/ the Region of Ústí nad Labem

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Vysočina/ the Vysočina Region

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Zlínský kraj/ the Region of Zlín

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Web-pages: www.kr-zlinsky.cz

Overview of the most important Acts related to the public administration reform

The Act No. 2/1969 Coll., on Establishment of Ministries and Other Central State Administration Authorities of the Czech Socialist Republic, as amended

The Act No. 106/1999 Coll., on Free Access to Information, as amended

The Act No. 128/2000 Coll., on Municipalities (the Municipal Arrangement), as amended

The Act No. 129/2000 Coll., on Regions (the Regional Arrangement), as amended

The Act No. 130/2000 Coll., on Elections to Regional Councils and on Amendment of Some Other Acts

The Act No. 131/2000 Coll., on the Capital City of Prague, as amended

The Act No. 132/2000 Coll., on Amendment to and Abolishment of Some Other Acts related to the Act on Regions, the Act on Municipalities, the Act on District Offices and the Act on the Capital City of Prague

The Act No. 133/1985 Coll., on Fire Protection, as amended

The Act No. 143/1992 Coll., on Salaries and Availability Payments in State-financed Organisations and Certain Other Organisations and Bodies

The Act No. 157/2000 Coll., on Transfer of Some Things, Rights and Liabilities from Property of the Czech Republic to Ownership of Regions

The Act No. 218/2000 Coll., on Budgetary Rules and on Amendments of Some Other Related Acts (the Budgetary Rules), as amended

The Act No. 218/2002 Coll., on Service of State Employees in Administrative Offices, on Remuneration of Such Employees and Other Employees in the Administrative Offices (the Civil Service Act)

The Act No. 219/2000 Coll., on Property of the Czech Republic and Its Conduct in Legal Relations

The Act No. 220/2000 Coll., on Amendments of Some Acts in Connection with Adoption of the Act on Property of the Czech Republic and Its Conduct in Legal Relations

The Act No. 227/2000 Coll., on Electronic Signature and on Amendments of Some Other Acts (the Electronic Signature Act), as amended

The Act No. 240/2000 Coll., on Crisis Management and on Amendments of Some Other Acts (the Crisis Act), as amended

The Act No. 241/2000 Coll., on Economic Measures for Crisis States and on Amendments of Some Other Related Acts, as amended

The Act No. 243/2000 Coll., on Budgetary Allocation of Revenues from Certain Taxes to Territorial Self-Governing Units and Certain State Funds (the Act on Budgetary Allocation of Taxes), as amended

The Act No. 250/2000 Coll., on Budgetary Rules of Territorial Budgets, as amended

The Act No. 290/2002 Coll., on Transfer of Some Things, Rights and Liabilities from Property of the Czech Republic to Ownership of Regions, Municipalities, Civil Societies Operating in the Area of Physical Education and Sports, and on Relating Amendments and on Amendment to the Act No. 157/2000 Coll. as Amended by the Act No. 10/2001 Coll., and the Act No. 20/1966 Coll., on Care for People's Health, as amended

The Act No. 312/2002 Coll., on Officials of Territorial Self-Governing Unit and on Amendments of Some Other Acts

The Act No. 314/2002 Coll., on Establishment of Municipalities with Authorised Municipal

Offices and on Establishment of Municipalities with Extended Powers

The Act No. 320/2001 Coll., on Financial Control in Public Administration and on Amendments of Some Other Acts (the Act on Financial Control), as amended

The Act No. 320/2002 Coll., Amending and Repealing Some Acts in Connection with Termination of Activities of District Offices

The Act No. 347/1997 Coll., Constitutional Act of the Parliament of the Czech Republic on Establishment of Higher Territorial Self-Governing Units and on Amendment to the Constitutional Act of the Czech National Council No. 1/1993 Coll., the Constitution of the Czech Republic

The Act No. 387/2004 Coll., Amending Frontiers of Regions and the Act No.243/2000 Coll., on Budgetary Allocation of Revenues from Certain Taxes to Territorial Self-Governing Units and Certain State Funds (the Act on Budgetary Allocation of Taxes), as amended, and the Act No. 314/2002 Coll., on Establishment of Municipalities with Authorised Municipal Offices and on Establishment of Municipalities with Extended Powers, and the Act No. 131/2000 Coll., on the Capital City of Prague, as amended

Maps of Regions of the Czech Republic

Maps of Municipalities with Extended Powers according to Regions