

Policy Statement of the Government of the Czech Republic



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Preamble and Key Government Priorities

ANO, having won the parliamentary elections, stands before the Chamber of Deputies of the Parliament of the Czech Republic to propose a minority government that will adhere to this Policy Statement. At the current juncture, an ANO minority government is a solution reflecting the democratic will of the Czech Republic's citizens and the current balance of power in the Chamber of Deputies. As this minority government is being proposed primarily with a view to breaking the post-election deadlock, we have produced a Policy Statement that draws on the programmes of all parliamentary parties. We are confident that this approach has a chance of eliciting sufficient support because, we hope, other democratic parties are keen to act on the manifestos that got them elected to the Chamber of Deputies. With this in mind, we are submitting a Policy Statement incorporating parliamentary parties' relevant priorities and we call on the opposition to back this document and tolerate our Government.

Our citizens live in a safe country, a blessing bestowed on few of the nations around us. Unrelenting in its efforts to safeguard security and protect the country from all manner of external incursions, the Government will continue to reinforce our defence capabilities and internal security. In fact, this was the very first step the Government took: at the European Council, we virulently opposed illegal migration and refugee quotas.

One of this Government's fundamental objectives is to fight for Czech citizens' interests within the European Union and reject the existing refugee quota arrangements as an ineffective concept that is divisive for Europe. The Czech Republic will actively engage in key political negotiations within the EU and, in concert with the other V4 countries and further European allies, will put forward an alternative system to deal with the migration issue that relies on the security of external borders, the freedom to choose refugees, and the selection of such refugees outside the EU's external borders as an effective European solution that is consistent with international conventions while respecting the principle of solidarity among EU Member States.

Our Government's Policy Statement centres on the pursuit of six core strategic tenets for the development of our country. By implementing it, we would like to take the economy and society at large down a new path guaranteeing that our country can hold its own in the European economy and in a changing world.

Rather than just debating what the future holds for us, we want to move beyond words and do everything we can to improve our lot and pass on a thriving country and economy to our children. Put simply, let's also think about the future instead of only living for today. Let's set aside the differences that have weakened our society in recent years and wake up to the fact that that the future will not be easy and that our descendants will not forgive us if we do not do everything that we should and could have done.

It is on this basis that we have singled out the main areas where we want to make tangible progress in the next four years. Naturally, the timeframe for these pro-

jects extends beyond the coming parliamentary term. While we realise that not everything will be resolved in that time, it is our ambition to break ground here.

Our core strategic tenets

1. First of all, there is Digital Czech Republic.

We want high-speed internet to be available everywhere. We want to employ uniform standards and to use shared services wherever possible. We must deploy uniform services at central government level. We will devise a centralised government portal where citizens can sort out all of their needs, and we will employ postal services for those who do not have internet etc. Computerisation must be in place wherever possible – tax returns, electronic receipts, electronic motorway vignettes, etc.

We will establish the post of a digitalisation commissioner to oversee the entire process without unnecessary red tape.

2. We want to be seen in Europe.

We must be more assertive in defending our interests in a unifying Europe. This is not just about immigrant quotas, which we reject – and we would like to convince our partners of this. We would also like greater support to combat tax havens and tax evasion. In addition, we want backing for our plans to develop nuclear energy. In relation to Brussels, it is our intention not to be yes-men, but to act as policy influencers. While the Government currently sees no way of joining the euro area, it will continue to respect the commitments that have been made.

3. We will prepare a strategic investment programme.

First and foremost, we will put forward a new line construction law that encourages building and does not allow obstructions to get in the way. This is a be-all and end-all policy for us.

We plan to build motorways and bypasses. To start preparing a route for high-speed rail and the renovation of stations. Elsewhere, stations are examples of modern infrastructure serving entire cities with commerce and amenities, yet in the Czech Republic these tend to be filthy buildings that blot the urban landscape.

We need to press ahead with the construction of new units for nuclear power stations. Investment incentives should be limited solely to projects that add a lot of value.

We need to rally behind productive investments for technologically backward SMEs.

We must construct housing both for young families and for seniors.

It is imperative that we start renovating monuments in all regions in order to attract tourists away from the beaten track.

4. We want pension reform.

We want to engage in specific action without lengthy and futile debate. It is a matter of uncoupling the pensions account from the central government budget and establishing clear financial relations both between them and with any other sources of income for that account.

In this respect, we are keen to set up a State Pensions Office to manage these resources, so that the public knows where its social security contributions are going and what they are being used for.

The Government will adopt a resolution enabling pensioners over the age of 65 to enjoy free rail travel, subject to prescribed terms and conditions.

We will push for the faster construction of affordable housing for seniors, with a particular focus on compact community-type rental units, further to an analysis of requirements in this area conducted in collaboration with regions, towns and municipalities. This Government will have the time to build between four and six thousand of these flats and to prepare for further construction on a similar scale in the future.

5. We want to start reforming the state.

This means having a balanced central government budget and passing a new Income Tax Act. The consistent monitoring of regulated prices – water. Improvements in the management of state assets. Fighting usury.

We need to straighten out the relationship between self-governing bodies and the central government budget. These days, regions in particular are constantly clamouring for further resources from the centre.

We need to reform social care and regulate the job market, encompassing new sources of labour and the incentive to work.

We need to set rules on the financing of education, finally start boosting technical education and apprenticeships, and restore order to the system of higher education.

We need clear rules on the financing of the health sector and the development of its capacities – we are weighing up the possibility of merging state-controlled health insurance companies into a single entity.

We will revamp sport both for top-level athletes and for the masses.

6. We will reinforce our security.

Czech companies (arms, ammunition, etc.) will be more involved as defence spending increases.

Internal security will be based on foreseeing crisis situations and addressing them assiduously via the police force and fire brigade.

We will prioritise energy security and self-sufficiency in the generation of electricity.

We will make the Czech Republic more self-sufficient in its production of food.

We will protect the soil – as a source of wealth – against land-grabbing and erosion. We need to retain water in the landscape. We will find a solution to waste management.

We will protect and process indigenous raw materials in a way that maximises their impact on society.

This Government will not parachute political appointees into state administration. On the contrary, it will open up and depoliticise state administration. Individual ministers will be nominated primarily on account of their expertise and competence to carry out demanding work within the Government. In this respect, the Cabinet will feature ministers from ANO sitting alongside experts in the field who are well-versed in the issues faced by the ministries entrusted to them.

A minority government is an opportunity for the Cabinet to be more agile and to stifle absurd and pernicious departmentalism. This will allow the Government to work with greater concentration on material issues, underpinned by ANO's clear political responsibility.

A government fashioned in this way will have to do listen, much more than any other government, to the proposals put forward by the opposition. It will need to actively cooperate because this model of governance requires the frequent backing of other parliamentary parties. We expect this to provide a broad platform for constructive work by the opposition. The Government stands ready to involve the opposition's experts in the implementation of government priorities and the Policy Statement in a bid to find the maximum possible consensus. At the same time, Government declares that it will accommodate monitoring by the Parliament of the Czech Republic, to which it is accountable for its activities.

The Government will continue to work with social partners. We want to hear the views of business associations as they often come up with rational opinions to improve the work of state bodies. Employees and their trade unions will be a key partner for us because the points they raise provide important feedback for the actions taken by the Government.

It is my firm belief and hope that all parliamentary parties' MPs will set aside their fringe disagreements and help to form a Government that will work in the interests of Czech citizens in keeping with their preferences and clearly stated political will.

On behalf of the Government of the Czech Republic

Andrej Babiš

State financing and management

The simplification and computerisation of the tax system will be a priority for the Ministry of Finance. We will push, as much as possible, for communication with tax offices to be switched to the online environment, for the introduction of new and effective procedures in the administration of international corporations' taxes, and for the efficient compilation and implementation of the central government budget.

We place an emphasis on increasing investments and on efficiently taking up EU resources to plough into investments. We will advocate a rise in pensions and in pay for selected professions, such as teachers and social service workers. We will promote the efficient management of operations with due diligence, employing the centralisation of procurement and cost control.

We will encourage durable economic growth and work towards a balanced central government budget. We respect the rule that any deficit must be lower than the amount of nationally-sourced investment. In addition, in the long run we will stabilise the state debt relative to GDP and maintain it at a low level.

We espouse a stable and predictable fiscal landscape. Changes to the system of tax laws will be made only by a handful of summary amendments, with ample deferral of effect. All new IT systems will be user-tested before they go live. We aim to ensure fair and equitable terms for work and business and we will not be making the tax burden any heavier.

We will scrap the "super-gross wage" used to determine personal income tax and will propose a new reduced rate amounting to 19% of the gross wage. We will preserve the existing solidarity-based tax surcharge by introducing a rate of 24% of the gross wage. We will enable entrepreneurs to deduct three-quarters of the insurance contributions they make in relation to their self-employment activities from the taxable income generated by such activities.

We will implement the MY Taxes project with a view to simplifying tax administration and the tax system. We will launch an online tax gateway to provide a comprehensive overview of the taxpayer's tax history, make it possible to file submissions relating to tax administration, and offer "pre-filled tax returns".

We respect the principle of tax neutrality. We will arrange for tax exemptions to be reviewed and merged, while discouraging the introduction of new ones, as this will give us leeway to make a blanket reduction in the incidence of tax. We will back a proposal for new conceptual legislation on income tax that will revise taxation and the system of insurance contributions from income in order to simplify taxes and eliminate tax distortions. We will round off income tax re-codification by preparing an integrated system for the administration of taxes and insurance contributions so that all these statutory liabilities can be paid in one place.

We will arrange for legislation on the tax process to be amended in order to simplify the tax administration system, enhance legal certainty, and scale down the administrative burden faced by the tax authority and the taxable entity alike. This amendment will include the expansion of the concept of lump-sum tax. We will also seek a conceptual solution to the issue of tax credits for taxable entities, along with reviews of audit procedures and the penalty system.

We will push for the VAT reclassification of further goods and services from the 21% standard rate or the 15% first reduced rate to the 10% second reduced rate, especially in the following cases:

- catering services and the serving of drinks, other than alcoholic beverages and tobacco products;
- draught beer served within the scope of restaurant and catering services;
- water and sewerage rates;
- services involving a high degree of human labour, including the repair of footwear and leather products, the repair of sports products, the repair and cleaning of garments, hairdressing, cosmetics and similar activities, the home care of seniors, the home care of children, the cleaning of households, and the cleaning of windows in households.

Once we have conducted a root-and-branch evaluation of how the system for the electronic registration of the receipts is working, we will propose amendments to the Sales Registration Act so that the functionality of this instrument is preserved but the costs incurred by the private sector are reduced. Exemptions from the obligation to register sales will be probed and, where appropriate, proposed for individuals who pay lump-sum tax and have a low annual income, to be capped on the basis of further detailed analysis. Our amendment to the Sales Registration Act will fully reflect the conclusions of a Constitutional Court finding of 15 December 2017 that repealed certain provisions of the Sales Registration Act.

We will promote the development of the sharing economy and shared services and, nationally and internationally, we will seek an efficient organisational or legislative solution to problems associated with illegal competition by entities exploiting this area to make profits. For the sake of efficient tax stewardship, we will assertively seek the removal of the information deficit faced by tax authorities in relation to certain transactions carried out on online platforms in a given area.

We will continue to curb tax evasion and aggressive tax planning. We will also encourage the conclusion of additional double taxation agreements. At EU level, we will promote measures to increase efficiency in the fight against the evasion of corporate income tax and VAT. In the implementation of these measures, we will push to make them applicable to foreign and domestic entities in equal measure.

We will also review the system of tax-based investment incentives.

We pledge to provide active assistance to working families with children via tax concessions.

We will start a discussion on changing the budgetary appropriation of taxes so that, in the redistribution of tax revenues included in municipal budgets, the number of seniors permanently resident in each municipality is also taken into account in a bid to motivate municipalities to improve the quality of services for this group of the population.

Our unwillingness to try to adopt the euro as a common currency in the coming period is mainly driven by the fact that we would lose control of our own monetary policy, and the process of nominal and actual convergence with the euro area remains incomplete, meaning that, when the exchange rate is fixed, this would engender costs – in the form of inflation – impairing the value of citizens' savings. If the common currency were to be adopted in the near future, the Czech Republic would be required to contribute somewhere in the order of tens of billions of crowns to the European Stability Mechanism. The related contingent liabilities could then spiral to hundreds of billions of crowns. Nevertheless, we will be as active as possible in the ongoing debate on deepening the economic and currency union in the EU, with a stress on steadfastly abiding by and enforcing budgetary responsibility, especially at the level of the euro area's individual Member States.

The Government will prepare an efficient and economical solution for the distribution of state employees, entailing the construction of a new administrative complex to resolve the lack of space. This will result in the termination of leases, freeing up rent and doing away with the high operating and maintenance costs of office buildings, as well as major investments in existing energy intensive buildings.

In Prague, the state has long suffered a major shortage of appropriate office space in government buildings. This is currently accompanied by the risk of high investment expenditure looming for existing technically and morally obsolete government buildings.

We will comprehensively assess the application of the new gambling regulation adopted in 2016. In response to the resulting observations, where necessary we will propose amendments to ensure the efficient regulation and administration of tax from gambling, especially online betting.

We will promote the development and increased resilience of the financial market. We will also focus on protecting the rights of financial service consumers and on the furtherance of financial literacy.

We will combat usury by regulating the cost of taking out a loan. We will keep an eye on whether the consumer is properly protected by the new Consumer Credit Act and will hold regular consultations with the supervisory authority, i.e. the Czech National Bank.

In our support of exports, we will reform the way the Czech Export Bank (CEB) and the Export Guarantee and Insurance Corporation (EGAP) work, we will fundamentally streamline them, and we will set up a new system to promote Czech exports to the level common in the EU's advanced industrial countries. We will also devise a new strategy for the Bohemian-Moravian Guarantee and Development Bank.

We will seek consistent compliance with the principle of transparency in decision-making on subsidies and public contracts. We will commit ourselves to ensuring that public contracts and subsidies are beyond the reach of legal persons and their associated entities that do not duly publish statutory documents in the Collection of Instruments.

Social policy and employment

One of the positive results of the state's social policy is the exceptionally low poverty rate, among the lowest of all European countries. We are keen to maintain the Czech Republic's position in this respect, and we also want to turn our attention to population groups that, for reasons beyond their control, have been on or close to the breadline for an extended period. We will improve the living conditions of those who are unable to improve their lot themselves. We will help those who have temporarily slipped into a dismal social situation. However, we will not allow dependence on state assistance to become a lifestyle for people who are capable of work. The authorities will focus on providing effective help on a case-by-case basis.

We will strive to improve the living conditions of seniors, and to prevent their discrimination, whatever form it takes, in access to work, education, all types of services, leisure activities, and active participation in public life. We will harness all means available to reinstate respect for the elderly, and we will try to increase the legal protection of seniors.

We will draw up and push through an amendment to the Pension Insurance Act that will increase the basic pension assessment rate to 10% of the average wage. This will help to increase the standard of living enjoyed by people who are on low pensions, where the basic assessment rate accounts for a significant portion of the pension, without disrupting the principle of merit. We will maintain the rules on indexing, tied to wage growth and the consumer price index. The amendment to the Pension Insurance Act will add a thousand crowns to the pensions of those who reach the age of 85. We will prepare a proposal for people working in demanding professions to retire earlier.

We will establish an expert working team for pension reform, which will assess the proposals made to date, the prevailing situation and the outlook, and will submit a draft solution that maintains current claims, defines a standard for blanket security in old age relying on the principle of solidarity, reinforces the principle of merit, and motivates working age people to make use of all optional subsidised vehicles available for them to secure their old age.

We will establish a State Pensions Office, which will put forward a proposal retaining the benefits of the existing system, such as stability, a high level of legal certainty, low costs, professionalism and public-administration guarantees in the management of contributions, while separating the administration of pension insurance income and expenditure from the central government budget. The system established by the future reform must offer long-term stability, and must be readily understandable and financially secure. In this respect, the change will take a form that has broad political and social backing.

We will set rules for the formation of a social-service network to ensure high-quality, timely, locally available and affordable services structured according to client requirements. We will place an emphasis on the development of services enabling clients to continue living at home for as long as possible. We will also define standards and conditions applicable to each service. These will form a basis for fair and controlled financing, including rules on co-financing and coverage. The funding of social services will be balanced, reliable and predictable, and will draw on multiple sources. We will also find a solution to the functioning and funding of cross-sectional services that hover between health care and social care, and we will arrange for comparable professions in social services to receive higher remuneration more in line with pay in the health sector. We will support palliative care, whether in the home or an institution, including hospice care.

We will revise the legislative framework governing the functioning, competence and responsibility of the medical assessment service in a bid to simplify procedure, establish transparent rules on assessment, and fundamentally reduce decision-making time limits. We will simplify and speed up the administration of benefits that are conditional on the beneficiary's state of health with a view to enhancing client comfort.

We will evaluate changes made to the benefits systems in past years. We will pay particular attention to the set of family support benefits and measures, benefits conditional on the client's state of health, the number and structure of state social support benefits, hardship benefits (especially the housing allowance), and benefits for the long-term unemployed. This last benefit will be granted subject to the requirement that clients actively look for work or take part in publicly beneficial work for municipalities.

Where appropriate, we will submit amendments that make benefits conditional on compliance with a particular obligation by clients, with a view to weaning them off and reducing benefits. Against this background, we will open dialogue with municipalities to discuss the functional distribution of social roles and, by agreement, we will propose changes to make work with clients truly effective. We also need to draw up the necessary legislation on social work and social housing issues, incorporating a definition of the necessary investment, personnel and operating resources. This will include clear powers and rules distributed among the various departments and between central government, the regions, and local government. Cooperation between central and local government will be digitalised and data will be shared.

We will seek to ensure that children grow up in functional families, in a setting where it is normal to work and try to find a job. Such families will receive our support and protection. As care-providing parents need to have the possibility of choice, we will encourage the development of public services for families.

We will strive to provide timely support to families with children who are in need of assistance. We will maintain the variable forms of foster care, which we will develop in order to create sufficient capacity for individual family-type care so that the various forms do not compete with each other, but complement each other.

We will prepare binding rules for a predictable rise in minimum wages.

We will return employment policy to the centre of Labour Office activity. The Labour Office will be a labour market coordinator. It will actively communicate with all parties with a view to finding employment for jobseekers as quickly as possible while meeting employers' requirements. We will consistently approach clients on a case-by-case basis. We will place an emphasis on reviewing the relatively inefficient retraining system, on the broader involvement of employers in professional training, and on predicting developments and changes in the structure of occupations.

We will advocate the employment of disabled persons on the open labour market, make disabled-employment allowances and measures more effective, and introduce appropriate new legislation to prevent abuse, by certain entrepreneurial types, of the replacement system in place for employers to meet their disabled-employment quotas.

We will pay particular attention to the professional auditing of existing information systems for the functioning of critical state infrastructure, especially in the administration of insurance and non-insurance social benefits, so that, in the medium term, we will achieve the efficient use of these information systems and the computerisation of agendas when communicating with clients and supporting the actual running of the Office.

We will devise a range of unconventional forms of work and flexitime arrangements throughout state administration. In this way, we will support the employment of parents, those who care for another dependent family member, disabled persons, seniors and other groups for whom such forms of work are necessary for them to reconcile their family and working lives.

We will push for the introduction of a new CZK 500 monthly concession as social-insurance compensation for employees because it is employees who shoulder the main burden of contributions made to state coffers. This measure is geared towards compensating employees, at least in part, for the expense of commuting to work or improving their qualifications. Depending on developments in the central government budget and the level of debt, the Government will aim to reduce the social insurance paid by employers.

Digital Czech Republic

The current state of eGovernment in the Czech Republic is hardly reassuring. Some EU Member States are streaking far ahead of us, while others have caught up with and overtaken us. New projects and services have been thin on the ground recently. At best, we have been treading water in a digital environment that is not particularly efficient. We are keen to kickstart the efficient supply of services for citizens and companies as we pursue a clear vision that extends beyond the current parliamentary term. Bearing in mind that complete digitalisation will take more than one parliamentary term, we would like to take the first step on the way to change and, backed by other parliamentary parties and movements, along with experts from the private sector, build a Digital Czech Republic.

This is a unique opportunity for the digital transformation of the Czech Republic. A modern Czech Republic needs a digital revolution, which we would like to spearhead. This entails high-speed internet coverage, the interlinking of all state databases, and an electronic identity for each and every citizen. To have a properly working eGovernment is to establish a modern, fast and friendly digital state administration that will save the government costs and citizens time. We will deliver services for citizens, entrepreneurs, companies and other groupings to all computers.

If we are to make visible and useful changes for citizens and businesses, we need to focus on and take key measures primarily in the fields of user-friendly online services, digital-friendly legislation, and the central coordination of ICT.

The changes in these areas must be coherent, accurately targeted and consulted with both the public and private sector. Close cooperation among providers of digital services in public administration and in the private sector, their ability to share ICT infrastructure, knowledge, and experience, and the capacity to grasp the needs of citizens and businesses – clients – are crucial for a qualitative move forward in this sphere.

We will introduce a single Central IT Authority for state digitalisation, managed by a government commissioner for IT and digitalisation. This authority will report directly to the Prime Minister. It will serve as an umbrella for the formation of standards, the coordination of work, enterprise architecture and other activities simplifying service development for ministries. Within the first hundred days of our mandate, we will create a government action plan with clear deadlines dictating when which agendas of which ministries and state authorities are to be connected to Digital Czech Republic. We will concentrate the IT agenda, define basic state administration standards, and centrally manage the costs, architecture and project deliveries, with the Central IT Authority bearing direct responsibility.

The mainstay of Digital Czech Republic will be a single digital identity for each citizen, so that all state services can be accessed from the same place. In this

one-stop shop, it will be possible to file tax returns, learn about the latest decrees and laws, check which government institutions have taken a look at your personal data and ask them why. One of the components of this digital identity will be a chip identity card, which already exists today.

We will find solutions to issues surrounding services such as Uber and Airbnb, and set clear rules for these platforms to ensure that they pay their fair share of tax and provide simple user-friendly access.

In order to hasten the development of digital services in the public sector, increase the flow and quality of services in the private sector, and create opportunities for certain services to be shared across both public and private sectors, we need to map out all legislation impeding the successful implementation of digital technologies, and continuously monitor newly passed legislation to ensure that it is free of further or new barriers. We will push for digital-friendly legislation. All new draft legal regulations, of whatever type, that are to be discussed by the Czech Government will have to supplement the current impact analyses with an ITIA (information technology impact analysis).

Several fundamental steps are required to set up Digital Czech Republic:

We will complete the high-speed internet network so that it covers the entire country. It is important for the state to create conditions motivating operators to expand their networks into places where there is currently no connection. We will leverage the principle of shared services and operate them on shared infrastructure, an economically beneficial concept employed in all countries where digitalisation is highly advanced.

- Instead of convoluted, large-scale public contracts, we will hold tendering procedure for individual smaller – yet mutually compatible and interacting – parts and platforms that fit in with the overall architecture. We will make maximum possible use of shared services – not only data centres and servers, but entire agendas encompassing multiple authorities.
- We will set up a central state portal where it will be easy for citizens to find information and to carry out the necessary tasks. In a way that is electronic, modern and transparent.
- We will team up with experts from other political parties and movements and work together to change laws in order to modernise the state. Digital-friendly legislation must be central to the reform of our entire legal architecture.
- We will also harness the free capacity of state-owned communication networks (directly or via state enterprises) that are being built at individual ministries in order to interconnect various bodies of state administration. We will champion a law giving all citizens the right to internet access. Citizens must have the reassurance that their internet access will not be restricted.

- All available and publishable data created with taxpayers' money must be published promptly and free of charge. This will fuel the further development of services relying on such data.

Ease of access to information on the functioning of public administration is one of the tenets of a modern digital state. With this in mind, we will improve citizens' access to information on the management of public administrations in such a way that this information is provided in time and at reasonable expense.

Digital Czech Republic will also benefit those citizens who do not know how to use the internet. Because all databases will be interconnected, they will be able to make all necessary arrangements at the nearest post office instead of making unnecessary trips into town. It will be possible to make payments by card as a matter of course at all state institutions in the Czech Republic.

Education, science and research

The education sector is a priority for us because there is no future for a nation without quality education. By investing in our children, we are investing in our future. For us, quality education means open, accessible and professional education.

We will push for more money in education so that, by the end of the parliamentary term in 2021, teachers' salaries are at least 150% of their current level.

We will work with the founders of schools and school facilities in the regional education system to limit the superfluous bureaucratisation of this system. We will reinforce the role of head teachers as managers. In regional education, we will promote the introduction of transparent and administratively simple financing.

We will aim for the maximum development of every child's potential. We will revise the material and financial aspects of the inclusion policy in order to provide support to the networks of mainstream and special schools with the sustainable application of inclusive education principles.

We will ensure that there are sufficient places in nursery schools by increasing and efficiently using national and European financial resources and by improving coordination between the Ministry of Education and the Ministry for Regional Development.

The Government will adopt a resolution enabling students to enjoy free rail travel, subject to prescribed terms and conditions, until they are 26.

We will revise framework curricula to place more than an emphasis on the teaching of languages, ICT and technical education. We will espouse clear education standards in framework curricula.

In secondary vocational education, we will scale up the extent to which experts in the field are involved in teaching, and we will expand cooperation between schools and businesses. The aim is to enhance the prestige, professionalism and employability of those who have apprenticeships and study technical subjects at secondary schools.

We will encourage secondary-education student mobility abroad by making better use of European schemes.

We believe that public higher education is one of the fundamental pillars of the education and research system in the Czech Republic. We guarantee that it will remain free (with the exception of the clear charging of "eternal" students).

We will analyse the effectiveness and efficiency of the current model for the financing of private and public schools in primary, secondary and tertiary education.

We will rally behind the high-quality training of future teachers, who are the sole guarantee of improvements in the education sector.

In the management and financing of the public higher education system, we will place more of an emphasis on quality and performance, while taking more account of society's need for certain professions, especially doctors, teachers, technical occupations, and healthcare professionals.

We will encourage university students to spend time abroad and will support exchanges of scientists between Czech and foreign research organisations by becoming more involved in European schemes.

The Research, Development and Innovation Council will be in charge of the analysis, budgetary policy and general coordination of all those who channel public resources into research, development and innovation so that these funds are used purposefully and without duplication.

We will set up and conduct transparent evaluations of science and research, taking account of the actual benefits for application with a direct impact on the financing of research organisations.

We will devise new national priorities for specifically oriented research. This will form the basis of what research is to be funded with state money.

Transport

One of the Ministry of Transport's priorities will be to speed up the preparation and construction of transport services. We want to make significant progress in completing the backbone motorway network and bypasses on class I roads. We will introduce computerisation into the transport administration agenda and make it easier for citizens to communicate with the authorities. We will

open up the railways to competitors and will encourage freight transport to switch from road to rail. We will speed up preparations for high-speed tracks, along with projects to improve the navigation of waterways.

We will prepare a change in our approach to construction law for priority infrastructure projects. We will amend the laws on the accelerated construction of transport infrastructure and line construction in order to simplify the approval procedure for publicly beneficial projects, clamp down on obstructive acts in authorisation processes for transport projects, and strip away the red tape in those processes.

We will ramp up the construction of motorways on all key routes, specifically the D1, D3, D4, D6, D7, D11, D35, D48, D49, D52, and D55, and we will complete the general overhaul of the D1 motorway between Prague and Brno.

We will put 210 km of motorway into service by 2021. Of that, 110 km will be new and 100 km will form part of the modernised D1. A further 180 km of motorway will be under construction by 2021.

Towns lying on class I roads must have bypasses so that transit traffic does not pass through their centre. We will build 130 km of bypasses on class I roads to ease congested municipalities. These will include bypasses, or extensions thereto, around Slaný, Ostrava-Poruba, Hradec Králové, Otrokovice, Frýdek-Místek, Klatovy, Jaroměř, Znojmo, Břeclav, Strakonice, Opava, Karviná and elsewhere. By 2021, we will start building a key section of the Prague ring-road, the D0 511 between Běchovice and the D1. We will obtain a zoning decision for the 518 and 519 projects between Ruzyně and Březiněves, and an affirmative EIA opinion for the 520 Březiněves – Satalice project.

We will engage private investors in the construction of transport infrastructure in the form of public-private partnerships (PPPs). We will arrange for the completion and further operation of the unfinished section of the D4 motorway by implementing a PPP pilot project. We will harness the experience gained from this project to shape the procedure for further motorways (e.g. the D7, D6, D3 and D35).

By 2020, we will complete the public procurement of an innovated and expanded distance-based tolling system for freight vehicles heavier than 3.5 tonnes.

We will make it easier for citizens to communicate with state administration when they need to register vehicles and deal with other transport-related registers. Building on an amendment that has already been made to the law, we will make it possible for everyone to renew or obtain a driving licence at any authority with extended powers, without the need for unnecessary forms and their own photographs, i.e. they will not be restricted to the place where they are permanently resident. Once chip identity cards have been introduced, citizens will be able to deal with everything from home.

We will replace motorway vignettes with an electronic motorway coupon, which can be purchased via a mobile app or over the internet.

We will pave the way for intermodal freight transport cooperation so that the railways and waterways can provide services to road carriers. In this respect, we will draw on EU resources to spur the development of combined transport terminals. The aim is to create container hubs, ensuring that only initial collection and final delivery by freight transport takes place on the roads. Most of the transportation should then use the railways or waterways.

State-guaranteed public railway transport passengers will continue to be delivered at a cost of at least CZK 7.4 billion per annum, comprising almost 37 million train-kilometres on 28 long-distance services every year. We also plan to upgrade vehicles and improve the quality of travel.

We will back open bidding processes for state-commissioned express services. České dráhy (Czech Rail) should operate as a normal apolitical entity in a real competitive landscape. Nevertheless, the competition should be let in in stages. Here, the state will allow for the fact that České dráhy is saddled with the costs of fare concessions and runs less attractive long-distance and regional services.

To enhance passenger comfort, we will arrange for the repair of at least 60 major station buildings. These include the stations in Most, Prague-Smíchov and Křižanov. Idle areas of station buildings will be offered to public administration or commercial entities.

We will implement the idea of a "national tariff" for public transport. This means that passengers buy a ticket at the station and can then board the first train in their direction of travel, regardless of which transport company owns the train.

We will continue to upgrade national and regional railway lines. This will include the electrification of important tracks, where effective. By the end of the parliamentary term, we will firmly establish the routes of planned high-speed rail tracks in regional spatial planning documentation and will move forward with project preparations. Feasibility studies will be drawn up for key lines. The priority routes are Berlin – Dresden – Ústí nad Labem – Prague, Prague – Brno – Břeclav, and Brno – Přerov – Ostrava. We would like to draw on European financing for these lines. We will obtain a zoning decision for the rail link from Prague to Kladno, with a branch line to Václav Havel Airport. We will make significant progress in property-law preparations and, for certain sections, we will also secure building permits.

The Government will adopt a resolution enabling pensioners over the age of 65 and students up to the age of 26 to enjoy free rail travel, subject to prescribed terms and conditions.

We will make headway in the creation of conditions right for navigation on the Elbe-Vltava waterway by approving the Water Transport Concept, completing

EIA processes and initiating zoning proceedings for the construction of the Děčín and Přelouč weir and lock complexes.

Once the feasibility study for the Danube – Oder – Elbe water corridor project has been completed, the Government will decide how to proceed.

Defence policy and the Armed Forces of the Czech Republic

We will play an active role in NATO, the EU, the UN and other organisations in line with the Czech Republic's interests. We will push for a level playing field in cooperation between states and engagement in efforts to counter international terrorism and cyberterrorism for the protection of the Czech Republic's citizens.

We will actively contribute to the foreign operations of NATO, the EU and the UN that are consistent with international law and the Czech Republic's defined security and defence interests.

NATO membership is crucial to safeguard the defence of our country; there is no alternative. However, the security guarantees of collective defence are not to be taken for granted. As we are keen to be a dependable partner for our allies, we will credibly build up our own defence capacities and make active contributions to collective Alliance defence.

We will gradually push up the defence budget with a view to achieving 2% of GDP in 2024 in order to meet our Alliance commitment. Funding must go hand-in-hand with well-prepared and rational acquisition projects. We undertake to submit a precise financing and investment plan up to 2024.

We also make the commitment to continue our involvement in peacekeeping missions and other NATO activities. The Armed Forces of the Czech Republic have earned an excellent reputation for their activities abroad. We will continue to support the involvement of our troops in Alliance cooperation.

We will strengthen our participation in the peacekeeping and training mission in Afghanistan (Resolute Support), and ratchet up our presence in Iraq. We will contribute to the Enhanced Forward Presence in the Baltics, the NATO Response Force, including the Very High Readiness Joint Task Force (VJTF), and air policing, and we will help to set up robust Follow-on Forces.

Within NATO and the EU, we will promote a strategy that will usher in greater involvement in the handling of the migration crisis. By this, in particular we mean playing a greater role in resolving conflicts in those areas spawning illegal migration.

As the Armed Forces exist primarily to serve Czech citizens, they will continue to collaborate with other units in the integrated rescue system.

We will continue to stabilise the Armed Forces of the Czech Republic and increase their budget to reflect developments in the security situation.

The Armed Forces of the Czech Republic will continue to be fitted out with domestic gear and weaponry as a matter of priority. We will make purchases from other countries without a middleman. In these cases, the technology must have been tested in active deployment. In these situations, we will also demand the involvement of the Czech defence industry. We will always act transparently.

We will make headway in the construction of defence capacities to counter hybrid threats, especially cyber-attacks, which are a fundamental destabilising factor. To this end, we will push for an amendment to the Military Intelligence Act and will continue to work with our most advanced allies in this area.

We will keep to the recruitment policy of past years, when the number of professional soldiers was increased from 21,000 to 24,000. The aim by 2025 is to have at least 30,000 professional soldiers, to add to the numbers and weaponry of the two existing brigades and, building on this, to establish further units.

We will increase the numbers of active reservists. We will continue our programme of one-off voluntary military drills.

We will revise the mobilisation system in order to enhance our mobilisation capacity and to develop the Armed Forces of the Czech Republic as a defence-capable and battle-ready army. This will include building up the corresponding reserves and supplies.

In 2018, we will start restructuring the command and control system and the structure of the General Staff. This is necessary so that we can create new units of the Armed Forces of the Czech Republic and make efficient use of budgetary appropriations.

We will push for legislation that significantly alleviates the adverse consequences of the European directive banning the possession of certain types of weapons.

We will introduce elements of defence-skills training in primary and secondary schools.

We will hold transparent tendering procedure to modernise the air force and ground forces, including the artillery, thereby improving the Czech Republic's defence capabilities.

We subscribe to the need for reinforced defence cooperation between EU Member States and will be involved in the Permanent Structured Cooperation (PESCO). We will place a particular stress on the urgent need for the more effective defence of Schengen area borders and the need to reform EU Bat-

tle groups to make them more ready for deployment, and we will support the Czech defence industry's involvement in projects co-financed by the European Defence Fund.

Within the scope of the Central European Defence Cooperation, we will build on the formation of capacities to tackle any further wave of migration on the Balkan route. This cooperation meaningfully expands the V4 concept to include Slovenia, Croatia and Austria, which is not a member of the Alliance, making it all the more important a partner within the EU.

We will maintain and deepen our traditional defence-related ties with the United Kingdom, whose army is of key significance for the defence capacities of the Alliance and Europe, regardless of Brexit.

We will organise closer and more efficient cooperation with our foreign intelligence service partners with a view to consolidating the defence of Czech citizens against terrorist attacks.

In the intelligence communities of NATO and the EU, we will work towards more efficient mutual exchanges of information.

Internal security and public administration

The Czech Republic is the sixth safest country in the world. One of our primary commitments is for it to remain so, despite the unsettled security situation in Europe. It is incumbent on the state to ensure people's safety. At the same time, we refuse to play a role in overstating the fear stemming from potential security risks because such provocation only stokes extremism and xenophobia.

We will strive to reduce the risks of terrorism, including Islamic terrorism, by controlling migration, countering Islamic propaganda, and combating extremism of all sorts. We will develop an integrated system to deal with emergency situations and to provide protection against terrorism. To this end, we will reinforce overall coordination of the state's security policy.

Our priority objective is to stop illegal migration and, in cooperation with other European Union Member States, not to allow the baseless system of quotas to continue because it is inefficient and divisive for Europe. We will be steadfast in combating illegal migration, smuggling, and human trafficking. On a European scale, we will seek an effective system to prevent the asylum process from being abused for illegal migration. The state must have the opportunity to terminate residence permits, withdraw visas and expel high-risk migrants.

We will actively contribute to a new system of European cooperation, which must be based on current security in the EU, while maintaining the benefits of the free movement of persons without checks at internal borders. We will push for the formation of ad hoc police units who are specifically trained for the common defence of the Schengen area. We will work with the Armed

Forces of the Czech Republic to prepare a plan for the ad hoc immediate defence of the Czech Republic's state borders.

New technology intensifies the risks of hybrid and cyber-attacks. We will create a well-functioning structure to guard against and combat hybrid and cyber threats. The aim is to repulse attacks in the economic, financial, political and media fields, including hacking, and to stave off infrastructure attacks and the misuse of any data obtained in this way. We will update and implement recommendations stemming from the National Security Audit.

We will demand the independent control of all intelligence services and arrange for their better coordination at government level so that the results of their work can be compounded. We will step up the cooperation of security structures across Europe.

A professional police force and fire brigade are the mainstays of internal security. With this in mind, we will financially support improvements in the quality and efficiency of operations carried out by security forces and the integrated rescue system. We will reinforce and stabilise staffing at all levels. We will increase the efficiency of the management and cooperation of the individual units, and we will make professional advancement within the security forces more attractive, in part by increasing salaries. We will provide financial support to voluntary firefighting units and we will radically improve the quality of their equipment. At the same time, we will insist that they improve the quality of their work and consistently enforce the law in their operations. To this end, we will introduce a clear system for the appraisal of the work done by the management of these security units.

We will reduce the red tape and administrative burden faced by police officers so that they can concentrate on their main job, which is to fight crime and the related accompanying issues. The municipal police need to be more involved in the integrated rescue system and activities to increase the safety of citizens by cooperating with the state police. We will release crime maps and support prevention and mediation schemes in the areas reporting the highest risks.

We will continue to a spouse the right to self-defence and possession of legal weapons. We will tighten the conditions under which private security services work, and we will push for the adoption of a law on private security services so that they are under the stricter control of the state.

We will promote voluntary schemes to train citizens for crisis situations in civil defence. Citizens must know what to do in an emergency. Our emphasis is on the responsibility and ability of all citizens of the Czech Republic to respond adequately to high-risk situations without having to worry about subsequently being accused of crime.

We will simplify voting rules to give citizens easier access to elections (including the introduction of postal voting and the scrapping of local residence for

the issuance of polling cards). We will seek to streamline Senate elections by introducing a single-round system.

We will publish all existing contracts concluded by each central administrative authority, evaluate how beneficial they are and publish all newly concluded contracts. We will push for an amendment to the Contracts Register Act. We will try to expand the powers of the Supreme Audit Office to territorially self-governing units and publicly owned companies.

We will streamline public administration, and review and adjust competences in relation to self-government, which will remain under the Ministry for Regional Development, where appropriate with the downshifting of competences to the regions and municipalities. We will initiate the reform of the long-standing system of municipalities with extended powers because, in terms of catchment areas and commensurability, it is out of step with the situation today. In the future, this system could be an umbrella for cooperation between municipalities in catchment regions and serve as an informal link between regional and municipal self-government.

Citizens must have the opportunity to communicate with the state electronically via a citizens' portal, should they so wish. We will introduce an electronic ID as a key for citizens to access electronic services and to concentrate applications for ID cards, passports, and driving licences in one place. We will make it possible to submit applications electronically and to pay by card in the public administration system.

We will improve and upgrade the services provided by Česká pošta (Czech Post). Česká pošta must expand the availability and efficiency of its services even in smaller municipalities, not only by providing traditional forms of service but also – and in particular – by drawing on the new digital forms of optimised processes in line with the dynamically evolving needs of the population. In this way, it must become the state's main partner for communicating with citizens. In accomplishing this mission, Česká pošta must become an attractive, sought-after and efficient employer.

We will evaluate the scope and efficiency of the activities carried out by state authorities and institutions and we will make the necessary organisational changes so that spending on the running of state administration is efficient.

We will draw up and push through an amendment to the Service Act. The civil service must be open to external experts. We need to sweep away bureaucratic obstacles to the recruitment of educated and motivated workers. We will review the administrative intensity of the entire system and organise more flexible rules. We pledge to clamp down hard on corruption. Where state officials are shown to be corrupt, we will push for them to be stripped of all their benefits, accompanied by a ban on working for the civil service in the future or being a member of the governing body of a legal entity in which the state has a participating interest.

Law and justice

We believe that a core value of our social fabric is the idea of a Rechtsstaat (legal state) based on respect for the constitutionally protected principles of the separation of powers, the rule of law and the protection of fundamental rights and freedoms. Whatever action we take, we will always abide by and strengthen these principles.

In the legislative arena, we will strive for the stability of the legal system. The quality of newly adopted regulations will be of the essence.

We will complete legislative work on the new Code of Civil Procedure and Code of Criminal Procedure, thereby rounding off a 25-year process of re-codification.

As part of the new civil procedural legislation, we will table new Rules of Enforcement and a law on collective actions.

In terms of the judiciary, while scrupulously respecting the independence of judges and prosecutors, we will try to enhance the quality of their work. To this end, we will submit a new law on courts and judges. This will introduce transparent rules on the training, selection, evaluation, education and professional advancement of judges, and in doing so will respect international recommendations in this field.

We will put forward a new law on prosecutors that will reconfigure prosecutors' independence of the executive. We will seek new regulations on disciplinary proceedings for judges and prosecutors, and draft a new law on experts.

We will introduce electronic case files. This will eliminate delays and enable the staff at courts to devote their time to cases instead of dealing with mechanical activities.

We will submit an amendment to the Insolvency Act, unlocking debt relief for those not currently entitled to it.

We will persevere in earnest attempts to curb usury and the beggaring of the poor. This includes addressing the issue of child debtors.

We will continue to combat corruption in all areas. In this respect, we will table laws to protect whistleblowers and control lobbying that draw on international recommendations.

Following the example of certain European Union Member States, we will seek to expand the powers of the Customs Administration of the Czech Republic in criminal proceedings concerning fiscal and related crimes, and give it the power to conduct investigations. Police powers in these areas will remain in place.

We will push for a consumer code that spells out stridently and transparently the rights and obligations of consumers and businesses. We will introduce the requirement for consumer contracts made by telephone to be confirmed in writing.

We will add to the constitutional system by introducing a law on popular referendums, subject to strict observance of Article 6 of the Constitution.

Foreign policy and the European Union

We will seek an active and clear foreign policy squarely aimed at promoting Czech national interests. This policy must consolidate the Czech Republic's security, prosperity and the democratic nature of its rule of law. We are and will remain integral to European civilisation and values. In this light, our foreign policy must be based primarily on our EU and NATO membership.

For numerous reasons (geography, history, economic interests, our system of values) one of our priorities is the Czech Republic's active EU membership. It is common ground that the EU is in desperate need of reform. The Czech Government will actively engage in the debates on this reform.

Within the EU, we will seek to ensure that the Czech Republic is an active and self-assured member able to spell out clearly and promote its interests. The EU, its institutions and Member States must be capable of securing the EU's external borders, combating terrorism and radical Islamism, and effectively defending themselves against cyber-attacks.

We believe that the EU, in its current form, needs to be reformed. We will want to be a key player in that reform.

In the future, the EU – entirely in keeping with the principles of subsidiarity and proportionality – should concentrate on what citizens feel is at stake. This is a point that should also be reflected in the EU's financing. The aim is for the EU, as a whole, to be less active, but to be more efficient.

The individual EU Member States should definitely be left to decide on refugees (resettlement) on their own. The same applies to decisions on what immigrant structure to accept from the perspective of their economic needs and requirements. It must not be left in the hands of smugglers to decide what EU countries refugees will go to. This is a matter for sovereign states, acting on the strength of the joint agreement/consensus of EU Member States. We will seek to change the rules of the Common European Asylum System (CEAS) in a way that discourages the abuse of asylum rules to gain illegal entry into Europe, but that will allow the system to be preserved for those who genuinely need protection. The Schengen borders must not be permeable for illegal immigration. They need to be properly guarded. The EU must create defence and protection mechanisms so that it can respond to any sudden deterioration in the situation. This is the only way that we can maintain one of the key priv-

ileges of the European space: the free movement of goods, persons, services and capital.

Reflecting our humanitarian traditions, we will mainly support solutions to refugee issues through action in the countries of origin and in the countries where refugees first seek refuge. We will be calling for the EU and NATO to be more decisive, and we will make active contributions to such an approach. We will support a change in the direction of development programmes so that they target conflict-riven countries. The Czech Republic will try to manage crises in the countries where they originate.

We will strive to increase the share of Czech representatives and citizens in EU institutions and bodies, and to improve cooperation with existing representatives. We will devise a system for the improved management of careers in Czech state administration and the posting of staff to EU institutions. We will keep the public informed of our activities and the key issues we are embracing within the EU more actively than in the past.

We will maintain our special relationship with Slovakia, continue to develop Czech-Austrian relations, and move forward with the excellent cooperation we enjoy within the V4. Within the EU, we will strive to forge new alliances and groupings in order to promote our priorities. However, first and foremost we must learn how to work productively with the key European players – Germany and France – and to cultivate our strategic partnership. Notwithstanding Brexit, the United Kingdom remains a very important partner for us, especially from the point of view of the economy and security.

We will continue to foster our transatlantic ties, and will support cooperation with the US primarily in the fields of defence, security and trade. Likewise, we will build on our traditional friendship and strategic partnership with Israel. However, we will also keep seeking a peaceful solution to the Palestinian issue in keeping with the resolutions of the UN Security Council and international law. We will advocate the gradual integration of the Western Balkans into the EU as this will help to stabilise a sensitive region in the future. The Eastern Partnership, and in particular the cooperation with Ukraine, is also important for the Czech Republic.

The top priority is to keep the peace and, therefore, to guarantee that international law is upheld. We are keen to play an active role in the EU's debate on future relations with the Russian Federation. With China, our primary aim is to establish balanced and mutually beneficial relations respecting the rules of international trade. We will endorse the further development of relations with Japan and South Korea.

Czech foreign policy traditionally centres on respect for human rights, including civil, political, economic, social, cultural, and minority rights. We would also like to be active in development cooperation and humanitarian aid.

We will continue to rally behind multilateral international groupings such as the UN, the WTO, the World Bank, the International Monetary Fund and the OECD. These institutions are crucial in terms of the global approach to security issues (nuclear matters, migration), as well as issues related to the economy, development and the environment.

In our external trade policy, we will develop pro-active economic diplomacy. This will prove instrumental in promoting Czech economic interests. Exporters will have our backing as they search for new business opportunities. We will help them to maintain a presence on their existing markets and we will protect their investment projects abroad. We will reform all of our agencies abroad to make them more efficient.

Culture

We consider culture to be a factor of paramount importance for the healthy development of society. It has a fundamental impact on all aspects of society. Culture, in all of its diverse forms, plays a key role in how the image of Czech society is formed abroad. Cultural expression and artefacts become part of a European cultural heritage reflecting the fundamental values of a society steeped in the European Christian spiritual tradition.

In our cultural policy, we will respect and develop the plans and measures set out in the State Cultural Policy 2015-2020, with an outlook up to 2025.

We will increase public spending on culture by increasing the budget of the Ministry of Culture. Considering the crucial role that culture plays in the development of democratic society, we will increase pay in the public cultural sector by the end of the parliamentary term in 2021 so that it is on a par with the salaries of state employees in education and social services.

We will encourage all levels of public administration to join forces in order to create a single transparent system for the award of public-budget subsidies to cultural projects, with clearly defined selection-procedure rules. An emphasis will be placed on simplifying the agenda and making public audits of grants more transparent. We will aim for the electronic processing and evaluation of applications with the lowest possible administrative burden.

The Ministry of Culture and the Ministry of Education, Youth and Sports will work together to create subsidy schemes enabling primary and secondary schools to develop educational activities that will shed light on national cultural heritage, in particular via cultural institutions set up by all levels of public and state administration.

We will increase the funding allocation under the Programme of State Support for Theatres, Galleries, Orchestras and Choirs. In cooperation with professional art associations, we will review the current subsidisation system and prepare a new version.

We will prepare a long-term scheme of investment aid and co-financing for cultural infrastructure projects that will make it possible to establish new cultural facilities providing public cultural services (concert halls, theatres, libraries, exhibition halls, museums, etc.), chiming with contemporary world trends and standards.

We will review the Central List of Cultural Monuments and Protected Areas and arrange for the mapping (surveying, photography and research) of the most valuable national cultural monuments. We will draw up amendments to the Act on State Monument Care, the State Cultural Fund Act, and the Act on Cultural Heritage and the Export of Works of Art so that these laws are consistent with the actual need for the protection of the Czech Republic's cultural heritage in accordance with modern European legislation in these areas.

We will create programmes for the long-term financing of the repair and renovation of heritage conservation structures in order to preserve these historical assets and develop local tourism.

We will focus on improving and expanding forms of international cultural cooperation. We will propose measures – deriving from European conventions – to support the mobility of artists and art institutions. We will concentrate on broadening international relations by engaging the cultural departments of embassies and by fostering bilateral and multilateral European and global relationships, with a stress on our traditional bonds (e.g. the Visegrad Four).

We will promote exports of Czech culture.

We will use the Competence Act to gradually transfer the tourism agenda to the Ministry of Culture.

We will draw up an amendment to the Copyright Act in order to implement the forthcoming EU directive on copyright on the digital single market and, after consulting professionals, we will prepare further copyright changes in response to developments in new technologies and the role they play in the communication of copyrighted works to the public. We will weigh up the possibility of new regulations on a private coordinator to collect royalties and, if appropriate, we will propose the reorganisation of this activity in the interests of the state and the protection of authors in accordance with applicable laws.

We will pay attention to changes in the audiovisual sector with a view to the provision of cultural, societal and social sciences. In public-service broadcasting, we will earnestly promote and evaluate the independence of the media via the Council for Radio and Television Broadcasting and the Czech Television and Czech Radio Councils. Likewise, we will ensure that public-service media respects the basic principles of ethics, the education of the younger generation, and the objectiveness of information provided, in accordance with professional ethics in journalism.

Health

We want to have a high-quality, modern and financially stable public service for citizens. The health service must respond to present-day threats, i.e. a major rise in the incidence of chronic disease and population ageing.

We will reinforce the transparency of the health sector and the status of the patient throughout the system. We will clearly define the roles played by various players in the health sector. We will create leeway for more competition among health insurance companies, which will benefit their clients. We will make the insurance companies more responsible for securing the services they cover. As it is impossible to overhaul the health service in a single parliamentary term, we will consult all fundamental steps to be taken in this sector with the opposition in a bid to reach the maximum possible consensus.

We will start openly publishing data on the management of the Ministry of Health and the hospitals it directly manages. All decision-making by Ministry of Health committees will also be transparent – all of their decisions will require due justification and will be published in a manner facilitating public access and general inspection, including publication on the internet.

We will introduce clear methodological rules on kickbacks for directly managed hospitals. These kickbacks must always be underpinned by contracts, duly accounted for, and reported to each health insurance company.

We will draw up a law on the regulation of medical devices covered by insurance, a review of medical treatment fees and the system for the pricing and payment of drugs so that it is more flexible and so that life-saving medicine is available for patients more quickly.

We will prepare a new law on health insurance companies that clearly defines their competence and liability, as well as the responsibility of their individual bodies, incorporates state auditing, and depoliticises Všeobecná zdravotní pojišťovna, while maintaining it as a public company. We will draw up a new concept for the way health insurance companies are to operate. This will include the opportunity for greater competition, which will be of particular benefit to patients who actively look after themselves. We will initiate a debate on the possibility of introducing supplementary insurance for services not covered by public health insurance.

We will prepare a law on the computerisation of the health sector and secure data-sharing among health care providers. We will amend legislation to facilitate the blanket use of electronic prescriptions, along with checks on drug interactions and patients' overall prescriptions. We will announce a one-year penalty-free adaptation period for the practical launch of electronic prescriptions and troubleshooting. We will consider whether to reduce the number of health insurance companies.

We will establish a system to run checks on the quality of care. This will be the start of systematic measurements. We will promote financial incentives for providers to improve the standard of health care. Patients will have access to information on the quality of care.

We will concentrate on improving the management of hospitals that fall within the remit of the Ministry of Health. We will introduce the central procurement of medicinal products and other materials. This will be based on value for money. We will expand the competence of general practitioners, thereby intensifying the use of primary care. Furthermore, we will promote healthy lifestyles and prevention, as well as systems to reward those citizens who take care of their health.

We will support programmes to coordinate the care of chronically sick patients and will strive to move ahead with the reform of psychiatric care.

We will introduce a transparent system for the inclusion of new technologies and procedures in public health insurance coverage. This will be based on health technology assessment (HTA) principles. The aim is to assess cost-effectiveness so that public health insurance covers only resources that genuinely benefit the patient.

We will draw up a concept of long-term care, aimed at boosting home care, and we will increase contractual freedom between health insurance companies and health care providers within statutory limits. This will be subject to state supervision.

We will complete the review of the coverage of diagnosis-related group (DRG) health care and introduce further coverage incentives so that money is steered more towards the patient.

We will concentrate on improving health professionals' working conditions. We will prepare a clear definition of young doctors' skills and competence, and introduce a system for the ongoing evaluation of institutions that train doctors.

We will push for gradual increases in salaries in the health sector.

We will audit the administrative burden faced by health service providers and scrap unnecessary regulations that benefit neither the doctor nor the patient.

Industry and trade

Working through the Ministry of Industry and Trade, we will secure socially acceptable prices for electricity and heat and their uninterrupted and safe supply to all customers. We will steadfastly defend the state's interests in the extraction of mineral deposits in the Czech Republic via the state enterprise DIAMO. We will thoroughly investigate the circumstances, method and

subject-matter of the memorandum on the mining of lithium in the Czech Republic. We will reorganise state support institutions, in particular the CEB and EGAP. This will make the support of Czech industry more efficient, which will be conducive to economic growth in the Czech Republic, while preserving Czech industry's capacity in strategic fields that potentially return high added value.

We will assess and encourage the use of modern digital technologies in industry and the energy sector.

The Ministry of Industry and Trade is keen to be a ministry not only for business, but also for the public. In communication with citizens, we will support the expansion of the high-speed internet, thereby saving them time and money.

We will provide investment incentives only in exceptional and justified cases. Such incentives will be available for projects offering high added value or situated in structurally backward regions.

In response to the requirements of the business community, we will simplify, demystify and speed up the entire system for the granting of work permits to foreign workers, especially where such workers are needed and Czech citizens are not interested in the vacancies available. At the same time, we will make sure that there is no increased security risk in the Czech Republic.

We will earnestly defend the state's ownership, economic and environmental interests in the use of mineral deposits in the Czech Republic, especially strategic resources. We will explore the possibility of mining and processing lithium through the state enterprise DIAMO. We will assess whether the memorandum on the mining of lithium is binding and, depending on the results of the legal analysis, we will take all measures to protect the Czech Republic's interests.

It is our aim for the outputs from the extraction of all mineral resources to remain in the hands of the state as much as possible. In this respect, we will revise the Raw Materials Strategy of the Czech Republic shortly. After this, we will review the relevant legislation, especially the Mining Act and the Geology Act. This will include a hike in charges for the mining of certain types of minerals so that they reflect the changing market conditions and provide the state with maximum benefit. We will also arrange for a higher share of the mining charges to be channelled into those regions ravaged by mining operations.

Our fundamental priorities in the energy sector are energy security, self-sufficiency, environmental friendliness, and competitive and socially tolerable energy prices. Electricity will be generated by a mix of resources, relying on a growing proportion of nuclear power and renewable sources, with a gradual reduction in the role played by coal-fired power stations.

We will prepare for the construction of new nuclear units in accordance with the applicable State Energy Concept Update (ASEK). This will include a defi-

inition of the model for financing and construction within the necessary time-frames. We will also pave the way for the construction of a permanent deep radioactive disposal facility. We will seek to improve the energy performance of public and private buildings with thermal insulation, the use of energy-efficient technologies and appliances, decentralised renewable sources, and smart energy projects, such as smart regions, smart cities, smart networks and intelligent households.

We will simplify conditions for small-scale producers generating electricity from renewable sources for their own consumption. We will analyse overcompensation, especially in relation to larger-scale solar power plants, in a bid to scale down prohibitively high payments for existing renewable sources. With new renewable sources, we will mainly encourage the local production of electricity or heat with as much consumption or accumulation as possible at the point of production, i.e. with no further operating subsidies. We will keep to existing mining boundaries for brown coal.

We considered digital infrastructure to be just as important as transport or energy infrastructure. With this in mind, we will fundamentally speed up the installation of the high-speed internet and make as much use of European funds as possible in this respect. We will prepare a law on the right of every citizen to have internet access. If we want to build a modern digital state, citizens must have the reassurance that their internet access will not be restricted. We will work closely with the business, scientific and research communities to implement the Industry 4.0 project and smart projects in the energy sector. We will run an analysis of the effects that robotics might have on domestic industry.

Small and medium-sized enterprises are an irreplaceable fixture of the domestic economy. Their major concerns are the complicated relationship they have with the state and rampant administration. Our response will be to encourage the concentration of electronic communications between the state and businesses into a single place. We will seek to harmonise the time limits in place for the effective legislative changes, and we will make sure that statutory deadlines must be respected not only by businesses, but also by state authorities. Businesses will receive free and transparent information on the obligations incumbent on them under applicable legislation, and on all business support vehicles offered by ministries and state agencies.

We will review investment programmes to save on jobs and promote holistic automation projects. We will make CzechTrade and CzechInvest more efficient and will provide direct support for specific projects and Czech enterprises on markets and at exhibitions abroad.

For the sake of competitiveness, the Czech Republic – as an open export economy – needs to make its export support as efficient as in comparable European countries, especially in territories offering high potential for Czech industry, for complex turnkey projects and for investment projects requiring

specific financing or an export guarantee from the state. These conditions are currently commonplace on key markets so, generally speaking, it is virtually impossible to succeed in the face of keen competition without fundamental intervention by the exporter's state.

The most important element of these changes must be the reorganisation of state-supported institutions such as the CEB and, in particular, the Export Guarantee and Insurance Corporation (EGAP). The implementation of such extensive projects is inconceivable without these institutions' active and flexible assistance. This active approach is essential to maintain not only the capacity of Czech industry, but is also an opportunity to make a major contribution to higher exports of equipment with high added value and hence to preserve employment and the growth of the Czech economy.

Public investments and local development

Local development tends to comprise quality of life, ample work, a decent environment, and prospects for young people. Local development depends on municipalities, which have the resources they need to achieve this. We want to transform the Ministry for Regional Development into a newly conceived Ministry of Public Investment.

We will create a single body responsible for public investment. Setting up this one-stop shop for a public investment system, methodology, implementation and monitoring will result in objective recognition of the current situation. It will also be possible to carry out efficient updates and decide on priorities in this area. We will prepare a strategic investment plan for the country. We will run an inventory of upcoming investments. We will combine the analytical resources of individual ministries so that the plan is binding for fundamental investments. This will include the securing and sustainability of resources.

We will support and speed up construction in the Czech Republic. We will push for the re-codification of public construction law and we will simplify and shorten the construction project preparation process in order to increase competitiveness.

We will ensure that municipalities and regions have high-quality methodological support for correct public procurement. In particular, we will simplify the procedure for awarding low-value public contracts even further.

We will prepare a uniform model for the administration and presentation of land-use plans. This will make them easier to decipher for citizens and public administration, and will allow for their mutual coordination.

We will coordinate national subsidies. We will scrap inefficient subsidy schemes and use the money we have saved for strategic and development projects. We will back the Smart Cities concept.

We will transform the State Housing Fund into the State Housing and Regional Development Fund. Besides the housing support provided by this fund, we will

expand its activities into regional development and rural support (support for municipalities' strategic investments in the modernisation of public spaces in built-up areas, the regeneration of brownfield sites, local roads and tourism).

We will concentrate rural support and development, placing it under the administration of the Ministry for Regional Development. We will draw up a coherent Rural Development Concept, to be coordinated by the Ministry for Regional Development.

We will encourage cooperation between municipalities as they tackle problems faced by rural areas. We will maintain partnership principles by drawing on the LEADER approach.

We will devise a long-term interministerial means of supporting business in the countryside with a view to maintaining rural businesses and services. The aims of supporting all-round rural development will include the introduction of an incentive scheme to employ workers in small or underdeveloped municipalities, the roll-out of high-speed internet, and assistance for family businesses.

We will support a strong urban agenda with a stress on integrated approaches. We will actively promote partnerships between towns under the EU Urban Agenda.

We will stabilise the legal environment for housing and will work towards affordable rental housing for all target groups of the population.

The Government will prepare a new law on real estate brokering in order to stem unfair practices in real estate, thereby protecting consumers as effectively as possible.

The Government will prepare a social housing law in order to deliver a systemic solution in the supply of housing for emergency situations. The housing assistance under this law will be clearly targeted so that the numbers of people facing housing emergencies can be brought down.

The Government will continue to promote affordable housing for low-income population groups, especially seniors, the disabled, and lone parents.

We will lay the foundations for the successful and meaningful exhaustion of programmes in the 2014-2020 programming period. Moving forward, we will only back high-quality projects offering the highest added value.

Within the EU, we will actively push for the simplification of uptake conditions for European funds after 2020. We will seek support for areas reflecting the genuine needs not only of the state, but also of the regions and municipalities.

We will prepare new operational programmes with partners, especially regions and municipalities, with an accent on integrated solutions for the most pressing issues holding back the socio-economic development of urban and rural areas.

We will promote cross-border cooperation with surrounding states as a major source of finance for parochial and outlying regions.

We will organise the thorough support and promotion of domestic output, traditional products and dishes, and the use of local ingredients in food, with an emphasis on hotel and catering services, including media coverage.

In tourism, in our amendment to the Competence Act we will strive to enhance the quality of human resources as a key factor in innovation processes. We will streamline the collection of local taxes in order to motivate municipalities to reinvest this money in tourism. We will merge the tax on accommodation capacity with the recreation and spa tax. We will make preparations to switch this agenda to the Ministry of Culture.

Agriculture

The Government's priority will be to negotiate fair conditions for Czech farmers and food producers in the future reform of the EU's common agricultural policy after 2020, with an emphasis on measures to tackle core issues faced by the Czech landscape and countryside. From the Government's perspective, fair conditions for the Czech Republic comprise the following:

- 1. A comparable level of subsidies across the EU for farmers and food producers, with no artificial reductions in financial support for genuine producers on account of their size;*
- 2. The fair functioning of the single market, with clear limits on the national subsidies granted for primary agricultural production and the processing of agricultural commodities in order to prevent unfair competition between Member States;*
- 3. EU-wide legislative restrictions on unfair commercial practices, applicable to farmers and food producers;*
- 4. Across-the-board food quality for EU citizens, i.e. not two levels of quality, in order to eliminate practices by business entities to create "second-class" markets and citizens in the new EU Member States.*

We want to be as self-sufficient as possible in the production of the broadest possible range of staple foods, and to ensure that our citizens have high-quality, safe food.

We will push for equitable access to subsidies for businesses of various sizes. We will oppose the capping of subsidies for medium-sized and large businesses. We will also support higher subsidy payments for small farmers.

We will increase payments for livestock production and sensitive plant commodities, such as fruit, vegetables, hops, potatoes, and sugar beet, to the detriment of area payments.

We will make every effort to balance conditions relating to national and regional subsidies for farmers and food producers in the European Union. We will provoke a debate, mainly in cooperation with the V4 countries, on a review of existing common agricultural policy rules. We will try to push through the conclusions of that debate at the Council during Bulgaria's presidency.

By promoting livestock farming, we will increase the levels of organic matter in the soil, which will make it much more capable of attracting and capturing water.

We pledge to harness the potential of Czech agriculture to improve the Czech Republic's self-sufficiency in livestock production and special plant products with a view to increasing biodiversity and retaining more water in the soil.

We will support measures to mitigate the adverse effects of hydrological extremes. The Government also aims to encourage the retention of water in the landscape and in reservoirs and ponds that is used not only for farming, but also to sustain life in the countryside.

We will lighten the administrative burden for all farmers and food producers, especially if they are small businesses.

We will promote research, development and innovation in relation to Agriculture 4.0 (smart farming), food-processing and forestry, including the sustainable management of natural resources in the form of precise procedures, sustainable agricultural production, while reducing the impacts on the environment and the climate, and the production of high-quality and safe foods.

We will back applied research and intensify the transfer of the results of research and development into practice. They will be applied immediately in the form of innovations with a positive economic impact that cuts costs and boosts productivity.

We will draw up measures to prevent the further grabbing of high-quality farmland.

The amount of support from national subsidies that is channelled into livestock production and sensitive plant commodities will be kept at least at the same level as it is now.

We will push through the requirement for farmers to report sales of farmland.

We, as the Government, guarantee the inalienability of state-owned woodland. We will take practical measures to improve the protection of forests, especially coniferous woodland, which is currently in grave danger due to the repercussions of climate change. We will draw up a clear long-term concept for the state forestry policy and hunting policy. These will be consistent with the needs of the state, its citizens, and the related industry and agriculture. They will be in symbiosis with the cultural landscape, nature, and the natural

regeneration of forests. Lesy České republiky, as a state-owned enterprise, will be the main vehicle for this strategy.

We will steadfastly insist on the efficient use of timber with the support of Czech manufacturing. We will also promote the expansion of woodland by introducing the afforestation of land that cannot be used for farming.

We will take this action as part of the priority public interest in contributing to improved flood control in the Czech Republic, and also in order to prepare and implement measures to counter drought and water shortages, bearing in mind the needs of future generations.

We will maintain and increase the competitiveness of the food industry by making efficient use of subsidies for innovation and improvements in the efficiency and safety of food production.

The targeted coordination of supervisory authorities will guarantee the highest standards of protection for Czech consumers, especially in relation to imports of poor-quality food. In this respect, we will rally behind awareness and promotional projects for consumers, mainly covering food quality, safety and standardisation.

We will ensure the thorough implementation of the law on significant market power and abuse thereof, and the equal status of domestic suppliers in retail networks.

Environment

The Czech Republic can boast breathtaking nature. We are keen to take care of it responsibly so that we can pass it on to our children in a better condition than that in which we received it.

In our opinion, drought-prevention measures and attempts to retain water in the landscape are a matter of paramount public interest. We will financially support and simplify the authorisation process for the restoration or construction of thousands of small reservoirs in the landscape, as well as hundreds of new sources of drinking water for the public. We will also promote innovative methods for the disposal of waste water (e.g. domestic wastewater treatment plants) and measures enabling drinking water to be replaced with rainwater wherever possible. We will ensure that sources of water, especially drinking water, enjoy improved legislative and material protection.

By the end of 2018, we will submit a new Waste Act, aimed at fundamentally reducing the volume of waste that ends up in landfills, while improving sorting and recycling. We will propose a system offering citizens economic incentives to scale down the amount of waste they generate.

We will ensure that citizens pay fair prices for their water and sewage services, and that they know who they are paying and why. We will push

for a strong and independent central water regulator defending consumer interests. Within the existing legal framework, we will support opportunities for municipalities, regions and the state to reclaim water management property.

We will steadfastly protect farmland, especially where this is prime agricultural land. It will be possible to use such land for non-agricultural purposes only where there is a greater public interest to do so. This will include a new system of motivating measures as foreseen by the EU's future common agricultural policy. Our preference will be for the use of brownfield sites. We will organise the fastest possible implementation of a programme to protect farmland that is at risk of water erosion.

We will prepare and financially support air quality improvement projects in all regions. Regions with long-term poor air quality (Moravia-Silesia and the Ústí nad Labem Region) will take priority. In the transport sector, we will financially support a clean mobility scheme, promoting the purchase of low-emission vehicles, including the related infrastructure.

We will speed up the project of boiler subsidies in order to replace up to 100,000 of the oldest domestic boilers fired by solid fuel by the end of 2019. We will also seek out further financial resources to continue this project.

We will secure sufficient funding to improve the energy performance of tens of thousands of other family houses, blocks of flats and public buildings under the New Green Savings programme.

Sport

Like the majority of EU Member States, we believe that support for sport and an active lifestyle in the Czech Republic is particularly important in that it improves the quality of life and the health of our citizens, whatever their age.

In the field of sport, we will ensure the transparent and more efficient use of public funds as a prerequisite to increase the budget available for sport. We will promote strong sporting conditions and successful athletes, balanced with modern trends and in line with the need to foster conditions to keep all members of the public active.

We will prepare a new law on the support of sport that reflects the current significance of sport in society, including the institutional organisation of sport and the competence of sports organisations.

We will create the position of government commissioner for sport. This person will report to the Prime Minister and will coordinate sports-related events. In cooperation with the Ministry of Education, Youth and Sports, the commissioner will help to prepare changes planned in sport and will define the parameters for the new central sports authority (agency).

We will lay the foundations for the establishment of a central sports authority

(agency) which will comprehensively oversee the implementation of the state policy for sport and the physical exercise of the population.

We will try to establish the stable and continuous financing of sports organisations.

We will continue to support the direct distribution of public money to sports clubs and physical education associations.

We will encourage the greater involvement of experts and the introduction of modern approaches for the guidance of children and young people, as well as the implementation of health-driven exercise programmes for everyone.

We will improve the system used to support and train talented young people, including assistance for regional centres.

We will create conditions suitable to hold purposeful international mass sports events as a vehicle to promote the Czech Republic and its regions.

With the cooperation of municipalities, regions and other figures in the world of sport, we will work towards the renovation, upgrading and development of locally, regionally and nationally significant sports infrastructure.