



The Anti-Corruption Action Plan for 2015

Minister for Human Rights, Equal Opportunities and Legislation

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Introduction

The Anti-Corruption Action Plan for 2015 (hereinafter only “the Action Plan”) is a fundamental instrument of the Government fight against corruption for the forthcoming period. Its objective is to actively contribute to improvement of the legal environment in the Czech Republic, to increase of the citizens’ confidence in decision-making and legislative processes and to overall reducing of the corruption level in the Czech society. Its point of departure has been defined by *The Government Anti-Corruption Conception for the Years 2015 to 2017*, prepared as a follow up to the Government Resolution № 418 of 4 June 2014.

The Action Plan presents a coherent and concrete expression of the Government anti-corruption policy for 2015. It stipulates key measures of both legislative and non-legislative nature, which will be implemented by the Government in 2015. Governmental anti-corruption policy is based on four priorities:

- **efficient and independent executive,**
- **transparency and free access to information,**
- **efficient management of state property** and
- **development of civil society.**

Practical implementation of this policy is—in compliance with the principle of subsidiarity—primarily a responsibility of individual departments. However, due to cross-sectional character and overall impact of the anti-corruption policy, coordination on governmental level appears to be essential. For the purpose of an effective and successful fight against corruption on all levels of governance, mutual cooperation of all units, administrators and coordinators is necessary, including functional platform The Government Anti-Corruption Council (hereinafter only “the Council”).

In accordance with the Statute of the Council, its Chairman, Minister for Human Rights, Equal Opportunities and Legislation, has established five working commissions:

- Conceptual Commission,
- Commission for Transparency of Public Administration,
- Commission for Conflict of Interests,
- Commission for Efficient Management of State Property,
- Commission for Whistleblowing (protection of whistleblowers).

The objective of the working commissions is to present the Council with materials and opinions to be discussed or approved as expert background documents for factual and conceptual decision-making. The commissions are variable in terms of their focus and their number will depend on topical issues and their solutions. The commissions consist in particular of the representatives of relevant departments, central bodies of public administration and non-profit sector. Activities of the commissions are organizationally and technically provided by the Department for Concept of Legislation and State of the Office of the Government of the Czech Republic.

Given the fact that the individual anti-corruption measures will be carried out by the relevant departments, the Government leaves setting of concrete timetables of their implementation to the departments alone. These deadlines will be subsequently anchored as binding in the Plan of Legislative Work of the Government or in the Plan of Non-legislative Tasks of the Government for 2015. Therefore the Action Plan precedes setting the deadlines for adoption of particular measures and creates point of departure for the Government Plan of Legislative Works and Non-legislative Tasks. Thus the only mandatory deadline fixed by this plan is the end of 2015.

This Action Plan puts emphasis on description of a target situation, which should be achieved through fulfilling the defined tasks during 2015, along with justification of anti-corruption effects of the chosen steps in the context of the Government anti-corruption policy as a whole. Apart from defining factual and content margins of the specific anti-corruption measures it also assigns clear responsibility—full responsibility or co-responsibility—for implementation of these measures to the individual departments. .

Efficient and Independent Executive

In the priority area of **Efficient and Independent Executive** the importance will be attached to application of measures ensuring independent, efficient, professional, integrated and corruption-resistant public administration during implementation of the Civil Service Act. On the basis of the new State Prosecution Office Act, to which the Government has committed in its Policy Statement, independence of the Office on political influences will be guaranteed. Emphasis will be also put on increase of transparency and efficiency of decision-making and legislative processes with the objective to limit the space for corruption and covert lobbying. An appropriate instrument for this will be widening and consistent application of assessment of regulation impacts and corruption risks in legislation and a review of the existing methodology of corruption risks assessment. In individual departments emphasis will be placed on prevention based on evaluation of departmental internal anti-corruption programmes¹ and on an update of the Framework Sector Internal Anti-Corruption Programme.

Transparency and Free Access to Information

The objective of the measures in the area related to **Transparency and Free Access to Information** is in particular a transparent legislative and decision-making process and its improvement, along with a remote access to information on legislation and legislation process including wider availability of Electronic Library of Legislative Process to the public. The Government will continue to support open access of the citizens to information in the way that meets European standards. The individual measures will lead to streamlining free access to information and to making the access more user-friendly, for instance in a way enabling remote access and use of open resources. Transparency of subjects acting in the public sphere will be enforced – in relation to public officials with particular focus on conflict of interest prevention and in relation to political parties and movements with focus on setting up clear rules for financing. The institute of proving the origin of property will be also codified. This is a crucial measure which should not only efficiently prosecute, but also discourage the actors of corruption and other criminal activity. The Government will create obligatory standards for nomination of the state representatives to trade companies (corporations) and state enterprises, including setting principles for the management remuneration.

¹ Government Resolution No. 752 of 2 October 2013, as amended by the Government Resolution No. 851 of 13 November 2013.

Efficient Management of State
Property

Within the priority of **Efficient Management of State Property** the Government will focus in particular on the public procurement issue. The aim is to submit a legal standard defining a basic standard of transparency and efficiency of the procurement process. It is also necessary to continue in unification of the public procurement methodology. The Government will also focus on restriction of possible corruption potential in public procurements financed from European funds. In order to reduce corruption risks it is necessary to ensure transparency in ownership structures of companies participating in public tenders. Equally important component of economical approach is creation of a methodology for public purchases and strategy of the state ownership policy and electronic register of contracts, including setting up the system of relevant control mechanisms. Adequately, the scope of authority of the Supreme Audit Office should be extended, along with strengthening the managing and control mechanisms in the public administration.

Development of Civil
Society

Development of Civil Society in the oncoming period will rest upon strengthening of anti-corruption climate in society and building a steady partnership dialogue with non-profit sector, among other things through engagement of its representatives in the activities of the Council and the working commissions. The objective is also to prepare an analysis of the issue of reporting corruption and possibility of establishing a centre for whistleblowers, which will present the most appropriate alternatives of legislative solution of whistleblowers' protection. Attention shall be focused also on the issue of manipulation with scores of matches and the related corruption in sports. Fundamental problems of this not yet sufficiently tackled area will be defined by a sector analysis.

Evaluation of the objectives set in the Action Plan will be conducted by the end of March 2016. Monitoring of a preliminary fulfilment of tasks and exchange of information will be performed primarily within the Council, the working commissions and also the Interdepartmental Coordination Anti-Corruption Group. The Minister for Human Rights, Equal Opportunities and Legislation will above all play a role of a coordinator; he will be consulting with departments, non-profit sector and other relevant actors, and providing methodological assistance. The proposed anti-corruption measures will be assessed by the Council under the methodology, which will be prepared by the **Conceptual Commission** in the first half of 2015. This methodology will be approved by the Council not later than 30 June 2015.

1. Efficient and Independent Executive

After long years of delays and discussions the **Civil Service Act** will come into force on 1 January 2015. One of the conditions for the Czech Republic accession to European Union will be thereby met, as well as a part of ex-ante conditionality № 11 Effective Public Administration, as a necessary prerequisite for disbursement of European funds in the 2014–2020 programming period. Czech Republic is the last country of the European Union, which has not yet had an effective act on civil service. Through this act should be achieved, *inter alia*, professionalism, transparency and de-politicization of the public administration. The objective is a restriction of cronyism and corruption in administrative offices and an increased efficiency and independence of public administration.

An effective implementation of the Civil Service Act will not do without many supporting measures, which must be put in practice during 2015. Within its responsibility for civil service the Ministry of the Interior will prepare a Decree stipulating contents, extend and other requisites of the civil servant examination, and the rules for employee training in administrative authorities. Uniform rules regarding preparation of staff regulations on ethic rules of a state employee will be prepared. Ministry of the Interior will be also dealing with the issue of civil servants transfer to private sector. In relation to combating corruption the mentioned account of measures is a minimum to be put into practice for successful implementation of the Civil Service Act. A continued instability and a limited efficiency of the state administration would result in further, hardly quantifiable financial and personal losses.

In the executive structure, the principal role in combating corruption is played by the prosecuting authorities, which have a repressive function. For this reason a priority is given to a draft new legislation concerning activities of **state prosecution**, submitted by the Ministry of Justice. This draft must involve in particular:

- ensuring independence of state prosecutors,
- ensuring responsibility of state prosecutors while prosecuting criminal offences,
- setting a fixed period of office for head state prosecutors and restricting a possibility of their removal from office to precisely specified reasons and to decision of an independent disciplinary senate,
- creating systemic and organizational conditions for specialisation of state prosecutors in combating serious economic and financial crime, above all corruption.

State Prosecution Office is a key authority protecting public interest, facing, however, non-standard external and internal pressures, which should be avoided. Regimentation of the fundamental spheres of activity of state prosecution offices is the subject of interest of the European Commission and the Group of States against Corruption by the Council of Europe (hereinafter only "GRECO"), who have articulated requirements for independence of state prosecutors or functioning of the state prosecutions system.

Preventive measures play also a significant role. One of the so-called soft instruments of preventive character, limiting corruption risks and improving managing processes in the public administration, are **departmental internal anti-corruption programmes** (hereinafter only "RIPP"), based on an outline approved by the Government. The objective is to monitor the quality of individual RIPP, provided that if necessary, the relevant department will be notified of possible shortcomings. With regard to the collected suggestions an update of the Framework RIPP may be

subsequently proposed. Publication of consolidated list of advisors and advisory bodies on websites by deadlines and in manner stipulated in the Government Anti-Corruption Strategy for the years 2013 and 2014 remains a common duty of all the departments.

An effective instrument of corruption risks identification and prevention is also a **corruption risks assessment** (hereinafter only “CIA”) of legislation to be approved, and a consistent **regulation impacts assessment** (hereinafter only “RIA”) at the very beginning of the legislative process. Even though the assessments contribute to a proper consideration of an optimal legal regulation, they are not always given an appropriate attention. Therefore in the oncoming period, a more consistent review of the quality of the CIA will be conducted and the control over departments in regard to their duty to make an ex-post regulation assessment in compliance with General Principles for Regulation Impacts Assessment will be enhanced. .

An efficient and independent state administration is one of the fundamental attributes of a democratic rule of law. Czech Republic is in this regard currently lagging behind internationally and thus it is necessary to establish clear rules of the public administration functioning as extensively as possible and in the shortest possible time. Since the manifestations of corruption especially in state administration are perceived most sensitively by the public, it can be expected that their restriction will change the corruption rate perception in society.

Legislative and non-legislative anti-corruption measure	Responsible Authority
Implementation of the Civil Service Act	Ministry of the Interior
Decree stipulating content, extent and other requisites of the civil servant examination	Ministry of the Interior
Rules for education of employees in state administration offices	Ministry of the Interior
Creating unified rules for preparation of service regulations regulating ethic rules of a state employee	Ministry of the Interior
New legislation concerning state prosecution office	Ministry of Justice
Monitoring the RIPP level of individual departments and possible draft update of the Framework RIPP	Minister for Human Rights, Equal Opportunities and Legislation
Review of a more consistent application of RIA and CIA within the legislative process	Minister for Human Rights, Equal Opportunities and Legislation
Publishing consolidated lists of advisors and advisory bodies on websites	individual departments and their subordinate bodies

2. Transparency and Free Access to Information

Transparency and openness became one of fundamental pillars of the modern public administration of functioning democratic states. Clarity and simplicity of legislative and decision-making processes contribute to transparent proceedings of public authorities and institutions in relation to enforcement of public interest. Simultaneously, higher demands are being put on rightness and efficiency of these proceedings, which can considerably contribute to increasing of the citizens' confidence in the public institutions. Strengthening and expanding the principles of transparency and openness in public administration is of irreplaceable preventive importance in the fight against corruption – among others it limits the space for covert lobbying for enforcement of partial interests. Above all, equal access to information and their availability to citizens, in particular in electronic form, are fundamental. Clear transparency standards in public sector with regard to property background of public officials and funding of political parties and movements are of a key importance for strengthening resistance to corruption.

Streamlining the system of free access to information is, among other things, tied to the European standards for open data. The principle of RE-USE or a repeated use of information and open data, including principles for their publication and availability, is perceived as a key and strategic direction of development of public administration transparency. This will be ensured by an amendment to the existing Free Access to Information Act, through which Directive 2013/37/EU of the European Parliament and the Council of 26 June 2013, amending Directive 2003/98/EC on the re-use of public sector information, will be fully transposed into the Czech legislation. The amendment should thus involve in particular a specification of information re-use and the provider's duty to accommodate the needs of the data users technologically and organizationally. The measures will lead to efficient publication of public sector information and its re-use thanks to the duty to publish information in open or machine-readable formats together with their metadata (if possible and applicable), including qualitative shift in possibilities of use of the obtained information and their better availability. Ministry of the Interior will also prepare a methodical material relating to the changes connected with the amendment.

Another step is **availability of public administration data and information** to citizens on the Internet in compliance with international requirements for open data. It is necessary to introduce measures, which will meet the requirements for open and machine readable format, data completeness and clear specification of conditions for their use. Current fragmentation of the Czech public administration publication policy means a complication and an obstacle to access of the public to data. Ministry of the Interior intends to realize a project in the framework of which a methodology of disclosing public administration open data will be created, a catalogue of open data within the Public Administration Portal established and a methodical assistance to related institutions provided. The catalogue in the form of a directory with user friendly interface, which will provide search service, will make easier the public overview of open data disclosed by the public administration of the Czech Republic. An instructive methodology will be prepared for subjects publishing in the form of open data. This task will also involve setting up of selected defined databases, which will be provided in the form of open data, and setting the competence of the supervisory authority to formulate data structures, data catalogue and organization of publication in the form of open data and related process. It will be also necessary to create a legal environment for open licensing of open data use by means of the Act on Free Access to Information. Institute for Public Administration Prague is ready to organize a training course focused on publication and work with open data.

An equally important contribution to strengthening transparency and legislative process quality will be wider **availability of Electronic Library of Legislative Process** (eKLEP) to the public. At present, the library serves not only to the exchange of legislative and some non-legislative documents during their preparation and approval procedure at the Government sessions, but it also monitors the whole life cycle of individual drafts and serves for inter-departmental comment procedures, for settlement of comments, and involves even some other documents (i.e. surveys of RIA impacts).

In 2015 the **implementation of a project of electronic Collection of Laws and Collection of International Treaties** and electronic legislative process will continue, with the goal of availability and comprehensibility of legal regulations and higher quality and efficiency of their preparation. Transparency of decision-making and legislative processes will be also strengthened. The project also involves an adoption of the related legislation, which will implement necessary legislative changes, above all in the area of law making.² Corruption risks assessment as a part of the legislation draft explanatory report of the legislation which is to be published in the Collection of Laws and international treaties will be required as compulsory by the legal regulation, which is being prepared in relation to the realization of projects eSbírka and eLegislativa. .

Due to insufficient enforceability of the existing legal regulation of the conflict of interest in practice and due to a total dominance of formalism in publishing financial disclosures, the Minister for Human Rights, Equal Opportunities and Legislation will prepare and submit a draft amendment to the **Conflict of Interests Act**, which will set higher standards for transparency of incomes and financial situation of public officers, including a review of a range of these subject, and will focus on consistent exclusion of possible conflict of interest in important positions. This will result in a much more efficient regulation of the conflict of interest, reflecting international standards and emphasizing:

- implementation of duty to present financial disclosures by the day of introduction to the office,
- streamlining the control mechanism,
- tightening sanctions,
- computerisation of financial statements,
- widening the range of former officials with limited possibility of transition from public to private sphere (revolving door) and adaptation of conditions for such restriction.

Moreover, electronic completing and publishing of public officials' financial disclosures will be implemented, in order to make it easily available to the public as well. Establishment of the Commission for Conflict of Interest will contribute to a significant qualitative advance in the legislative solution of the conflict of interest issue.

The planned legislative embedding of the statute of **proving the origin of property** is closely connected to financial disclosure of politicians and high officials of public administration. The purpose of this provision is, *inter alia*, introduction of a duty to prove origin of the acquired property (i.e. shifting the burden of proof) in all cases on suspicion of serious economic and financial crime or organized crime—in particular tax, corruption, drug and other crimes. In justified cases exactly defined by law the tax administrator will be authorized to require a natural person to prove that his property corresponds to the incomes submitted by this natural person to taxation in the past. In case such nature person was not able to prove the origin of his property—including the so-called UFO incomes—his or her property would be subject to taxation. In relation to legal persons the

² Modifications made within the projects eSbírka and eLegislativa will be fully effective from 1 January 2019.

inspection, besides the tax liability, will proceed more strictly, including their accountancy and the way of bookkeeping.

An essential part of the legal regulation will be setting of concrete limits, for which the obligation to prove property origin will be applied, including identifying of what will be covered by such limits—movable and immovable assets, other assets, financial instruments etc.—and finally, adequately extending the competences of responsible authorities, namely tax administration, and by thus also financial authorities. The objective is to take action against persons enriching themselves by proceeds from illegal activities including corruption at the expense of state. Preparation of the draft act on proving origin of property and means of its drawing off is the responsibility of the Ministry of Finance.

Non-transparent **funding of political parties and election campaigns** creates a great potential for corruption and connection of political parties with hidden interest groups. The current situation does not enable an efficient public control of political parties' economic activities nor sanctions in case of non-performance of legal obligations. In spite of existing basic mechanisms, such as presentation of annual reports to the Chamber of Deputies, the current practice seems to be unsatisfactory. Data on economic activities in annual reports are usually presented only generally and an independent supervisory body to review and enforce its correctness and completeness is missing. The amendment stipulates a limit for donations from natural and legal persons. Making the control of political parties funding, including their election campaigns, transparent and strict, under auspices of Ministry of the Interior, will lead both to restriction of a corruption space and to strengthening of public control and citizens' confidence in these important pillars of parliamentary democracy.

In terms of strengthening independence of such control a purposeful measure is a legal regulation of auditors' rotation or fixing a maximum possible term for each auditor to audit certain political party (for instance a maximum of 5 successive years). Annual and financial reports will be published in a manner enabling remote access. In order to ensure performance of these provisions in practice it will be necessary to set an adequate supervisory and sanction mechanism, for instance in the form of an independent agency. Also, an obligation will be implemented to establish transparent accounts enabling a public control of party revenues and election campaigns funding, where financial transactions over the fixed level will be made only through cashless payment transactions.

The Government will create obligatory standards for **nomination of state representatives** to trade companies (corporations) and state enterprises, including remuneration standards for their management. Ministry of Finance will submit to the Government a proposal for codification of principles on which the Government Nominations Committee is based. This regulation will prevent crony and politically motivated appointment to strategic posts in the bodies of trade companies and state enterprises. It is to be assumed that the transparent process of open competitions for these posts will have a positive impact on the economic performance of these entities.

Legislative and non-legislative measures	Responsible authority
Amendment to the Free Access to Information Act	Ministry of the Interior
Methodical material on changes relating to amendment of the Free Access to Information Act	Ministry of the Interior
Training Course focused on publication and working with open data	Ministry of the Interior

Methodology of public administration open data disclosure	Ministry of the Interior
Putting into operation the public administration open data catalogue	Ministry of the Interior
Creating legal environment for open licensing of open data use	Ministry of the Interior
Wider availability of Electronic Library of Legislative Process to the public	Minister for Human Rights, Equal Opportunities and Legislation
Continued implementation of the eSbírka and eLegislativa project and proposing legal regulation related to this project	Ministry of the Interior
Amendment to the Conflict of Interests Act	Minister for Human Rights, Equal Opportunities and Legislation
Proving Origin of Property Act	Ministry of Finance
Amendment to the Association in political parties and political movements Act	Ministry of the Interior
Draft legal regulation of state representatives nominations to trade companies and state enterprises	Ministry of Finance

3. Efficient Management of State Property

Non-economical management of state property has an inconsiderable impact on the Czech economy and the citizens' confidence in procedures of state institutions. Therefore it is necessary to pay a careful attention in particular to setting up preventive measures, which will restrict corruption risks in the area of public assets operation. A primary motivation of all following measures is to save ineffectively expended resources of the state and their diverting to relevant chapters of the state budget.

An important restriction of state resources waste may be ensured within the process of **public procurement**. A new legislation concerning public procurement will become effective not later than on 17 April 2016, or more precisely, it will be necessary to ensure a transposition of Directives of the European Parliament and European Council of 26 February 2014 on the award of concession contracts (2014/23/EU), on public procurement (2014/24/EU) and on procurement by entities operating in the water resource management, energy, transport and postal services sectors (2014/25/EU). These EU directives stipulate the same legislation limits in all member states. The individual member states must subsequently find their own suitable legal regulations corresponding with their national conditions and in compliance with their fundamental targets.

The European Commission is paying a careful attention to corruption risks in public procurements in the Czech Republic in its EU Anti-Corruption Report and the same attention is paid to this issue by the Czech Security Information Service in its regular annual reports. Exigency of the issue has been repeatedly confirmed by public opinion polls as well. The new legal regulation must be therefore in compliance with the Government Policy Statement to prevent corruption. Besides, however, it is necessary to guarantee that the administration of public procurement does not cause undue difficulties to contracting authorities (for instance to support the usage of portals eAukce and eTržišť) and does not jeopardize functionality of the system. Finding a balance between these two key requirements must be guaranteed by the submitter of the draft new law, which will be prepared in the course of 2015 by the Ministry of Regional Development in cooperation with the Office for the Protection of Competition.

An increased attention will be paid in particular to:

- fixing financial limits for small-scale public procurement, which should comply with the needs and environment in the Czech Republic, i.e. to maintain or lower current financial limits,
- adoption of appropriate measures for effective prevention, revealing and rectification of conflict of interest, in order to restrict infringement of competition and ensure equal treatment of all economic operators,
- defining clear terms of application for individual forms of procurement procedure, where number of bidders is or may be restricted, with emphasized prevention of harmful impact of their excessive use upon competition—in this connection the emphasis must be placed on establishing transparent rules for limiting the number of bidders in order to minimize or quite eliminate possibility of corrupt behaviour,
- taking into account as much as possible the principle of transparency in publication of individual actions, dates and information with special emphasis on a maximum use of electronic means and instruments,

- codification of qualification requirements and assessment criteria, which would prevent discrimination and unequal treatment and would be transparent enough to eliminate corruption risks to the maximum extent (in particular defining qualification rules, price and costs criteria, rules of their assessment and weights setting etc.),
- setting limits for use of additional construction works, services and deliveries,
- explicit definition of conditions for application of exceptions from the new act on public procurement.

In order to prevent competition infringement and to ensure equal treatment of all economic operators, the Czech Republic is transposing from the EU Directive on procurement into the newly prepared Public Procurement Act the issue of conflict of interests, which may occur during the procurement procedure. According to the requirements of the European Commission trainings on this issue will be organized by the Ministry of Regional Development as well. The new Public Procurement Act will represent a complex legal standard which will significantly restrict corruption potential in public procurement.

Efficiency and transparency in the public procurement proceeding is closely connected with its **computerisation**. The submitter of the Public Procurement Act will prepare a draft of *Strategy for public procurement computerisation for the years 2016–2020*, involving in particular an analysis of the starting point situation, definition of targets, priority areas and description of technical and financial backing of the proposed measures.

The number of **public procurements co-financed from EU funds** has been increasing significantly. In this area, the necessity to eliminate legislative barriers, implementation of mechanism of ex-ante verification with the aim to prevent conflicts of interest and corruption practices and strengthening independence of all subjects responsible for control of European funds allocation must be emphasized. To this purpose a *Strategy for combating fraud and corruption in disbursement of funds* will be prepared in the framework of a *Common strategic framework in the years 2014–2020*.

Thanks to the united responsibility of the Ministry of Regional Development for all above mentioned measures a complementary approach to settlement of public procurement issue is to be expected, which seems suitable with regard to corruption risks elimination. In addition, other involved actors from departments, non-profit sector and professional public will deal with the issue in the Council and the Commission for Efficient Management of State Property. In order to increase transparency and improve administration of the public procurement procedure it is, however, necessary for the Ministry of Regional Development and Office for the Protection of Competition to continue the process of **unification of public procurement methodology** and ensuring unified interpretation of the Public Procurement Act. The Ministry will also continue in training seminars for contracting authorities and supplier of public contracts.

During 2015 a department or departments appointed by the Government will prepare a draft legislative solution of the issue of **revealing unclear ownership structure of business corporations** and state ban on trading with such entities. A separate solution of the issue within the Public Procurement Act is not considered appropriate owing to complexity of the issue. Subject assignment for the Government approval will be formulated by the Council in the first half of 2015. Considering the interconnection of ownership structure disclosure of business corporations with money laundering it is possible to apply the Act No. 253/2008 Coll., On Certain Measures against Legalization of Proceeds from Criminal Activities, as amended.

In this connection it is essential to evaluate also the closely linked issue of anonymity of trust funds, possibility of the so-called blancoindosament (anonymization) of a contract pursuant to Civil

Code and inconsistent adherence to obligation of publishing financial statements by compulsory subjects in cases, when the contractual party is a public corporation.

A defence against overpriced procurements, undue purchases or disadvantageous sales of assets is disclosure of all state and public institutions contracts through a **Central Electronic Register of Contracts**, which will include texts of contracts and the so-called metadata in machine-readable format (excluding protected information such as trade secrets or personal data). Effectiveness of contracts concluded by the state, regional self-governing units and other public institutions will be, with defined exceptions, tied to publication on the Internet. The Government supports the document of the Chamber of Deputies № 42 (7th Election Period), namely through the Ministry of the Interior, which provides a legislative-technical support to this draft.

An essential element of the state assets economic management is a unification of procedures for public purchases. The Government has committed to support central purchases and electronic auctions in the public sector. As a first stage, the Ministry of Finance in cooperation with the Ministry of Regional Development must prepare a strategic document defining frameworks of the future **public purchases policy**. It must primarily involve organization and coordination of public purchases and public procurement, methodological guidance for contracting authorities and ensuring of efficient feedback for next innovations and adaptations of this system.

The Organisation for Economic Co-operation and Development (OECD) has issued a recommendation concerning the conceptual solution of **state-owned property policy**. Ministry of Finance will prepare a proposal of long-term strategy for the state exercise of property rights and fundamental objectives and role of the state in administration and management of the state-owned corporations and corporations with state participation. This must be a more extensive strategy, which will also involve an inventory of the state-owned property and define how to manage it economically. In case of its selling the relevant legislation shall establish a duty to sell it in a transparent and indisputable manner, in a procedure set by law.

The above mentioned anti-corruption measures will be not effective unless their observance is subject to a thorough and wide control. A crucial position and sufficiently independent character in the area of control of economical operation with public funds belongs to the **Supreme Audit Office**, whose powers and scope of authority has been extended more adequately by the coalition government through an amendment to the Constitution of the Czech Republic and amendment to the Supreme Audit Office Act. The objective of this legal regulation is a control of all expenditures from public budgets. Scope of the controlled subjects must be therefore extended to regional self-governing units, legal entities of public nature (i.e. health insurance companies, public research institutions, Czech Television, Czech Radio) and trade corporations with state participation.

A reduction of corruption risks in public administration should be achieved through draft new **Internal Management and Financial Control in Public Administration Act** under the authority of the Ministry of Finance. Anti-corruption contribution of the new law may be expected in eliminating ex-post inspections, strengthening managerial responsibility, improvement of financial operation review, improvement of internal audit, ensuring full independence of internal audit and also setting up rules for prevention of conflict of interest in the area of managing public funds.

The practice of **publishing tenders for sale and lease of the state-owned property** has proved to be useful during the previous period. The measure brings greater transparency and increase of public control over management of the state-owned property. Also with regard to the existing good practice in individual departments it has been decided to continue in implementation of this measure.

The summary of measures to be implemented in 2015 in the area of *Efficient management of State Property* is extensive but necessary. The state must act with due care so that the financial

resources are spent efficiently and addressed in accordance with the governmental investment priorities or established social policy. This should as a result contribute to strengthening citizens' confidence and to larger efficiency in tax collection.

Legislative and non-legislative anti-corruption measures	Responsible Authority/cooperating Authority
New Act on Public Procurement	Ministry of Regional Development /Office for the Protection of Competition
Strategy for public procurement computerisation for the years 2016–2020	Ministry of Regional Development
Strategy for combating fraud and corruption in disbursement of the funds within the Common Strategic Framework in the years 2014–2020	Ministry of Regional Development
Continued unification of public procurement methodology and ensuring unified interpretation of the Public Procurement Act	Ministry of Regional Development
Factual assignment of the issue of state ban on trading with business corporations of unclear ownership structure	Minister for Human Rights, Equal Opportunities and Legislation
Methodology of public purchases	Ministry of Finance/ Ministry of Regional Development
Strategy of the state proprietary policy	Ministry of Finance
Extending powers of the Supreme Audit Office	Minister for Human Rights, Equal Opportunities and Legislation
New Internal Management and Financial Control in Public Administration Act	Ministry of Finance
Publishing tenders for sale and lease of the state-owned property	Individual departments and their subordinate bodies

4. Development of Civil Society

Non-profit sector represents an important corrective of governmental decisions. A multilevel dialogue enables to achieve consensual solution models, ensuring a long-term change in the trend of corruption perception. Therefore, an effective governmental fight against corruption must be also based **on partnership with public sector representatives and their support within the grant policy of the state.**³

In its Policy Statement the Government has committed, *inter alia*, to adopt a **legislative solution of whistleblowing and whistleblowers' protection**, since it is a demonstration of civic engagement and loyalty to the Czech Republic. During the year 2015 the legislative solution itself must be therefore preceded by a consistent analysis of the issue, supported by a collection of relevant field data, consultations and expert discussions, which will lead to finding an optimal model of whistleblowing and whistleblowers' protection in the Czech law.

During the year 2015 a questionnaire survey among state administration employees will be made, focused on detection of their attitude to the issue of whistleblowing and whistleblowers. An e-learning course on whistleblowing will be prepared for state administration employees. Within the Programme CZ10 "Capacity Building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities" (hereinafter only the "Programme"), performed by the Financial Analytical Unit of the Ministry of Finance in cooperation with the Office of the Government of the Czech Republic, an analysis of possibility to establish a centre for whistleblowers will be prepared and a collection summarizing information and experience gained during performance of the Programme will be published. Within implementation of the Civil Service Act, a mechanism for reporting corruption in administration bodies and offices will be subsequently defined.

As a follow-up of the above mentioned steps, a draft legislative solution of whistleblowing and whistleblowers' protection will be submitted, which will provide an efficient assistance in detecting corruption in the state administration. Finally, comments and analyses of non-profit sector, professional public and social partners must be reflected herein. All relevant subjects have therefore been represented in the Commission for Whistleblowing.

Manipulation with results of sport matches and the related corruption in sports environment is also an area with negative impact on the civil society. This growing negative phenomenon with strong international overlap has been detected increasingly through the territory of the Czech Republic. Such unlawful acts generate huge profits, while the rate of revelation and punishment is currently very low, even in the international dimension. Manipulation with results is therefore increasingly used by organized crime, whereas the proceeds from this criminal activity serve to financing other criminal activities, such as money laundering, human trafficking, trade in arms, drugs etc. An increased attention to this phenomenon has been paid also by institutions of the EU and the Council of Europe—as demonstrated for instance by draft resolution of the European Parliament, submitted on base of the Commission Declaration dated 11 March 2013 on manipulation with results of matches and corruption in sports (2013/2567RSP) or Council of Europe Convention on the Manipulation of Sports Competitions. Ministry of the Interior will prepare

³ In the Czech Republic there exists for instance a whistleblowers centre operated by Transparency International – Czech Republic, o.p.s., funded from financial resources of the Ministry of the Interior in the framework of the funding programme "Prevention of Corrupt Behaviour", <http://www.mvcr.cz/clanek/protikorupcni-aktivita.aspx>.

a sector analysis focused on the issue of manipulation with results of sport matches and the related corruption in sports environment.

Non-legislative anti-corruption measures	Responsible authority/ cooperating authority
Questionnaire survey among state administration employees on whistleblowing	Minister for Human Rights, Equal Opportunities and Legislation
Preparation of e-learning course on the issue of whistleblowing	Minister for Human Rights, Equal Opportunities and Legislation
Analysis of possibility to establish a centre for whistleblowers	Minister for Finance/Minister for Human Rights, Equal Opportunities and Legislation
Collection summarizing information and experience gained during performance of the Programme CZ10	Ministry of Finance/Minister for Human Rights, Equal Opportunities and Legislation
Definition of mechanism for whistleblowing in administrative bodies/offices	Ministry of the Interior/Minister for Human Rights, Equal Opportunities and Legislation
Draft alternatives of legislative solution of whistleblowers' protection	Minister for Human Rights, Equal Opportunities and Legislation
Sector analysis focused on the issue of manipulation with results of sport matches and the related corruption in sports environment	Ministry of the Interior