Public administration reform in the Czech Republic

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March 2013

Table of contents

Introduction

This research paper is a part of **Public Administration Reform in Visegrad Countries: Lessons Learned for Belarus and Ukraine** project and focuses on Czech experience with public administration reforms. It strives to analyse various areas, from decentralisation to human resources management, and to show, what disadvantages and advantages of Czech reforms are.

Every country in Central European region has had its own way to carry out reforms and the Czech Republic is not an exception. Combined pressure of public opinion, EU's accession conditions, political priorities of different political parties and power struggle among parties, within parties and state authorities, constituted an environment, which was very often reform-minded but on the other hand did not allow to accomplish many reforms completely and successfully.

Nonetheless, precisely this experience could be the biggest asset for reform-minded member of civil society, scholars and politicians in Belarus and Ukraine. If any reform process is carried out, one must count on negative consequences if it is not finished, as well as on positive ones if the reform is performed successfully. Therefore, we provide **both positive and negative cases** to show what to avoid as much as what to follow.

The majority of the paper is focused on **national level governance** as good national governance is inevitably a precondition for any country which wants to be successful. Nonetheless, when relevant, we attach examples of **regional or municipal practices**. A progressive mayor can often do more in human resources management than any of ministers. The structure of this paper follows **questions** we **received from Belarusian and Ukrainian partners**. It is not possible to answer all details in the limited amount of space of the research paper, but we set a **goal to cover crucial aspects of reforms**. Many of them had to be put into context which adds some extra information and, hopefully, inspiration.

The paper is divided into seven parts including this introduction. The first part, **The State of Public Administration**, deals with current structure of public administration and its main reforms in last 20 years. It deals with internal divisions, decentralisation and regionalisation, finances and to lesser extent inspection powers. It is followed by **Effectiveness of Public Administration** chapter which describes Czech attempts to measure and evaluate public administration's effectiveness. Third section, **Human Resources Management,** analyses costs and benefits of current approach to HR, including section of Code of Ethics. Fourth and final thematic section, **Smart Administration**, describes development of computerization and digitalization of public services and communication with the public sector. The main treatise is followed by Conclusion and a **Set of Recommendations.**

In order to clarify terms used, we interchangeably use words "civil servant" and "official". The first comes from our preference, as people working in the public service should and to certain extent already are civil servants. The later is however closer to Czech translation "úředník". Nonetheless, as is described in detail in the text, both terms are problematic, as

due to the absence of Service Act on national level, the most appropriate term would be state's employee.

2. The State of Public Administration

2. 1. Basic Structure and Problems

Organisation and functioning of central state administration is defined by Act no. 2/1969 Coll,, on the Establishment of Ministries and Other Central Bodies of State Administration of the Czech Republic as modified by later amendments. This Competence Act (CA) currently establishes 14 ministries and 11 other bodies of central state administration (such as the Office of the Government or the Czech Statistical Office). Central state administration also includes various administrative bodies with nation-wide responsibilities, subordinated to one of ministries, which are not mentioned in the law (e.g. the Czech Trade Inspection Authority or the Central Land Office). Moreover, CA defines the scope of activities and responsibilities of ministries.[1]

Ministries are headed by ministers, who are, by law, in charge of their administration. Ministries are controlled and coordinated by the government (paragraph § 28). In theory, the efficient governance should be based on balance between ministries' independence and central coordination from the government.

However, in practice, this does not function well and related problems affect both coordination of reform process and the exact form of reforms. Ministries, being often ruled by different political parties, are competing with each other for power and want to be as independent as possible. Prime Minister is often able to control only ministries of its own party, however even there is his power limited due to for instance weak position within his own party. In order to carry out reforms, PM must be able to muster full support of his own party and be strong enough in negotiations with coalition partners. As explained later, the lack of Service Act allows politicians to occupy many position within public sector with their allies which allows them to compete for even more power.

On the other hand, the position, that different ministries are trying to accumulate as much power as possible and are not happily ready to give them up is symptomatic for many regimes all around the world. Structures of public administration tend to be conservative and preferring old "tested" ways instead of new ones. The question is, what kind of leadership and what policies can overcome these obstacles. Czech example gives both positive and negative lessons.

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[1] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.

Following subchapters are to large extent build on Analysis of Current State of Public Administration published by the Ministry of Interior,[2] which comprehensively describes decentralisation and financial matters of public administration.

2. 2. Decentralisation and Regionalisation

Regionalisation of the Czech political system is anchored in article 99 of Czech Constitution, which defines constitutional basis for municipalities and higher territorial administrative units (sometimes translated as higher territorial self-governing units). Constitutional Act n. 347/1997, sets 14 regions operating since January 1, 2000. Regions and municipalities are directly established and regulated by Municipal Act (n. 128/2000) and Regions Act (n. 129/2000).

The main policy act dealing with regional development is Act 248/2000 Coll., on Support of Regional Development, which specifies areas of support and selected tools and scope of activities of main actors. In § 11, the main competencies of Ministry of Regional Development, are listed. Ministry of Regional Development is the central coordinator of regional policy which:

- administers funds allocated to secure housing policy and regional policy of the state,
- coordinates activities of ministries and other central government's bodies in securing housing policy and regional policy of the state, including financial coordination even if it is not directly in charge of the funds,
- provides and secures methodological assistance to regions, cities, municipalities and their organizations and operates processes related to accession of regions into European regional structures.[3]

The Ministry was established in 1996 as the central organ to coordinate regional policies and to create comprehensive strategy on regional development. However, it is important to note, that the term "regional policy" had not been yet defined and anchored in the legislature, therefore the Ministry existed legally sooner than policies it should have operated.

Regions themselves are responsible for secondary schools, securing transport and passable communications (e.g. maintaining and repairing second-degree and third-degree roads), operating healthcare system or regional environmental protection. Municipalities for local issues and development, primary school system etc.

2. 2. 1. Complexities of Regional Division

The regional division is not as simple as it could look like. In fact, it is currently very confusing and for general public difficult to understand. According to the constitution, the

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[2] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.
[3] Základní legislativa regionální politiky v ČR, http://www.regionalnirozvoj.cz/index.php/zakladni-legislativa-regionalni-politiky-v-cr.html.

territory is divided into basic government units (municipalities) and higher territorial self-governing units (regions). There is no hierarchical subordination, as both territorial units have different responsibilities and competences which they cannot influence. There are however many places where municipalities and regions interact, e.g. in case of subsidies. Czech Republic is operating so called combined model of public administration which means regions and municipalities perform, apart from their own duties, delegated powers from central administration.

Municipalities (restored in 1990) are legally equal but can be divided into 7 basic categories according to scope of their responsibilities – municipality with extended powers, municipality with delegated local authority, municipality with building authority, municipality with registry office, municipality conducting legalization, municipality with Czech POINT[4] and municipality with basic range of delegated powers. As these categories can be further combined, current situation is totally confusing.[5] What are the differences between them? As the names indicate, some services are available only in certain municipalities, or more precisely, some municipalities cover other municipalities in certain areas of services Villagers who want to build a house, have to ask for a permission in superior municipality with building authority. Similar self-explanatory examples could be ascribed to other categories as well.

The sum of municipalities is relatively high, given the size of the Czech population. Official statistics published by the Ministry of Interior enumerate 6 250 municipalities,[6] which is one of the highest numbers in the EU (for comparison, Germany with 80 million inhabitants, has around 12 000 municipalities).

Regions were established by Act. on Higher Territorial Self-Governing Unites, no. 347/1997 Coll., coming into force in 2000. From the territorial point of view, regions are quite similar to regions existing between 1949 – 1960. They respect essentially all regional centres of medium importance (they respect territory of counties created in 1960, no county is divided between two regions) and it is possible to say that their main division is mainly historical. Parameters as number of inhabitants, municipalities, hospitals or schools did not play any significant role during their creation. Confusingly, regional structure does not copy EU classification of NUTS. These NUTS 2 regions, or cohesion regions, exist to fulfil EU obligations such as statistical purposes or, probably most importantly, distribution of EU funds.

Creation of new regional structure should have abolished previously existing structure of 76 counties and 7 regions and concurrent existence of both units was considered as temporary. However, this temporary state of affairs of parallel existence of old counties (created in 1960) and new municipalities with extended powers (i.e. covering basic services for other

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[4] CzechPOINT is a place of contact with state administration where a citizen can perform many administrative tasks electronically without going to different offices. Citizen may perform these activities at any CzechPOINT in the Czech Republic.
[5] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.
[6] Ministerstvo vnitra ČR, Počty obyvatel v obcích, 2013
http://www.mvcr.cz/clanek/statistiky-pocty-obyvatel-v-obcich.aspx.

neighbouring municipalities) still lasts and is from a legal, administrative and civic point of view confusing. According to the same law, there are also 7 existing regions apart from the 14 regions created in 2000. This duplicity is again totally illogical, especially when some of the regions have same names but different area. These 7 regions are still used for territorial delineation of scope of regional courts and regional public prosecutors. 7 regional courts are sufficient to efficiently cover amount of legal cases in the Czech Republic, nonetheless, their existence is puzzling and weakens the image of 14 regions in eyes of general public.

To give an example how the confusion of different types of regions can complicate citizens' life we can pick up Vsetin county. Vsetin county is a part of Zlinsky kraj (region), which operates its administrative affairs. However, in terms of jurisdiction, Vsetin county is divided between Regional Court in Brno (administrative jurisdiction) and some affairs would be dealt with in Ostrava (civil and criminal law).[7]

Whereas system of municipalities can be considered as functional, the regional system is more problematic. Firstly, the election turnout is very low. The first regional elections in 2000 were attended by 33.64% voters, latest, in 2012 by 36.89%.[8] Based on anecdotal evidence, it can be said citizens often do not understand what duties and responsibilities of regional authorities are and they do not understand why there should be any administration in between municipalities and central state. Second, because regions are not under so consistent public scrutiny, they are more prone to corruption. Recently there have been many corruption scandals especially related to EU funds. Third, they led to significant increase of bureaucratic apparatus without adequate increase of citizens comfort with public services. Finally, as they do not attract much attention of the public and they are powerful and possible source of illegal activities, they help to foster generation of politicians who are brining malpractices into the state politics.

Territorial Division of 2000		Territorial Division of 1960	
6 250 Municipalities	14 Regions	76 Counties	7 Regions
Smallest administrative unit divided into 7 categories with various scope of responsibilities. It deals with local development, primary schooling etc. Its main governance bodies are Assembly and Council.	Territorial self-governing units. Responsible mainly for health, infrastructure, secondary schooling. Main governance bodies are Assembly and Council (not the same ones as in municipalities).	Still used for Employment Office or District Social Security Administration coverage.	Still used for delineation of scope of regional courts and regional public prosecutors.

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[7] Potěšil, Lukáš, „Územní reforma veřejné správy a územní členění státu," in Days of Public Law, Masarykova Universita v Brně, 2007, 1344-1351.
[8] Regional Election Results in 2000 and 2010 -
http://volby.cz/pls/kz2000/kz4?xjazyk=CZ&xdatum=20001112 ,
http://volby.cz/pls/kz2012/kz4?xjazyk=CZ&xdatum=20121012.

Table 1: Basic valid administrative-territorial division edited by the authors

2. 2. Financing of Regional/Municipal Public Administration

In order to carry out delegated execution of state administration, municipalities receive subsidies which do not have to be accounted back to the state administration. Therefore, it is not fully monitored, how this money is used and there is no feedback for central administration, what amount of money the execution actually need. Different municipalities perform the same services with different costs.[9]

Total revenue of local authorities can be divided into tax revenue, non-tax revenue, capital revenue and subsidies. Tax revenues constitute more than 50% of municipal incomes. They consist of two main groups – revenues from shared taxes which are distributed to municipalities according to the Act on Budgetary Allocation of Taxes and revenues from other taxes such as local charges, administrative fees and entire property tax (which value can be modified by municipalities). Amount of the administrative fee is defined by the law (Act on Administrative Fees, n. 634/2004 Coll) and municipalities cannot modify it. The only exception is a right to reduce it or pardon it for some groups of people (e.g. disabled). Administrative fees do not reflect real costs of work and the time any administrative worker must spend fulfilling the task. Depending on the service, the fee varies between 10 CZK and 10 000 CZK (approx. €0.4 and €400). Nevertheless overall amount of money collected from fees is not high and, as it depends on how many people need the services, municipalities cannot consider it as a stable source of revenue. Some fees, such as so called ecological tax on motor vehicles or fee for slot machines are completely transmitted to the state, or split up.

Non-tax revenues come from own economic activities such as rents, revenues from communal services or interest income. This category includes revenue generated by organisations created by the municipality such as water and sewerage charges, municipal waste collection fee or library fee. Currently, its share of total revenue moves around 10%.
Capital revenue consists of sale of property, sale of share etc. Finally, subsidies, which are after tax revenues the second most important income, consist of hundreds of subsidy schemes and are highly complex and opaque. Subsidies or grants are usually provided from the national budget or budget of various state funds. Some of them are fixed and stable (such as those provided for delegated execution of state administration), some can be applied for. Municipalities can also apply for subsidies from the regions.[10]

Municipalities are allowed to form voluntary unions in order to fund projects they would not alone have money for. They are also allowed to accept donations from individuals and companies. Finally, they can obtain bank loans (both from domestic and foreign banks), issue municipal bonds or obtain a loan from state funds.[11]

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[9] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.
[10] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.
[11] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011
http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.

Regional budgets are very similar consist of similar revenue – tax revenues, subsidies and grants, non-tax revenues and loans. Regions receive, similarly to municipalities, direct subsidies in order to carry out delegated execution of state administration.

As a member of the European Union, Czech regions and municipalities can apply for European funding for their various projects (infrastructure, investments to human capital etc.). Many of these projects are currently in the middle of large corruption scandals. Nevertheless, it is important to note, the crux of the corruption problems lies in the structure of fund distribution which was created by the Czech government (approved by the European Commission) and it the process of projects' approval in governmental structure operating the funds in the Czech Republic.[12]

2. 3. Inspection Authorities of the State

System of inspection authorities is currently very similar to those of other European member states, especially the older ones. One of possibilities how to divide it is according to legislative-institutional pattern:

Control system	Legislature	Inspection Authority
Internal control system	Act n. 320/2001 Coll., on Financial Control	Public Administration Bodies
External control system	Act n. 166/1993 Coll., on Supreme Audit Office	Supreme Audit Office
	Act n. 273/1996 Coll., on Effectiveness of the Office for the Protection of Competition	Office for the Protection of Competition
	Act n. 1/1993 Coll., Constitution of the Czech Republic and Act n. 90/1995 Coll. on Rules of Procedure of the Chamber of Deputies	Chamber of Deputies Control Committee
State control	Act n. 522/1991 Coll., on State Control	State Administration Bodies
Public administration control	Act n. 320/2001 Coll., on Financial Control	Institutions defined by Act on Financial Control

Table 2: *Juraj Nemec et.al., Kontrola ve veřejné správě, 2010, p. 90*

The structure of inspection authorities is relatively complex as almost any of the main bodies can perform inspections. However, as the main inspection authorities we can list:

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[12] Basic information on the structure and scope of European funds can be found here at the website of Ministry of Regional Development even in English: http://www.strukturalni-fondy.cz/en/Fondy-EU.

- Parliament
- Government
- Supreme Audit Office
- Constitutional Court
- Czech National Bank
- Ombudsman

Apart from these, authorities supervising specific institutions, such as The Czech Television Council, could be also added to the list. Last but not least, municipalities and regions have special departments to perform inspections of their activities (for instance Internal Audit Department is present at all levels and can be considered as a part of inspection authorities). Finally, the role of general public and of non-governmental organisations must not be forgotten.[13]

Supreme Audit Office is responsible for external control systems. It performs inspections of ministries and other state authorities as well as state organs, individuals and legal entities. It supervises dealings with state property, adherence to state budget, usage of foreign funds provided to the Czech Republic, state guarantees or public procurements. It does not have right to inspect regional or municipal authorities except of control of state subsidies.[14] This is currently a point of political struggle as some MPs want to extend the powers over regional and municipal authorities and some not. Another problem is, that the Office performs largely only formal controls, i.e. whether books are in order and all compulsory documentation exists. It does not focus on real efficiency and effectiveness.

From the logic of Czech political system, the Parliament is inspecting the government and ministries, especially through its committees and commissions (particularly Budget Committee, which for instance oversees preparation of state budget, and Control Committee, which deals with findings of Supreme Audit Office. One of ways how the Parliament exercises its inspection authority is regular interpellation of ministers.

The Government is obliged to control whole public services it is in charge of (described in the beginning of this analysis). Its main control bodies are ministries, financial and custom authorities and special authorities such as Energy Regulatory Office, Office for the Protection of Competition (inspecting among others public procurements) etc. The latter seems to be a proof that state inspection authorities are working at least to certain extent independently from political pressure, as it has got currently involved into investigation of many suspicious tenders (briefly described in Chapter 5).Constitutional Court makes sure laws coming into force are not in conflict with the Czech constitution. Czech National Bank supervises banks. Finally, the Ombudsman is supposed to assure individual's rights are respected during interaction with various authorities, his scope of activities includes ministries, regional or municipal authorities etc.[15]

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[13] Rektořík Jaroslav and Šelešovský Jan et al.: Kontrolní systémy veřejné správy a veřejného sektoru, Praha, 2003, 33-36.

[14] Němec Juraj, Ochrana František, Pavel Jan, Šagát Vladimír: Kontrola ve veřejné správě. Praha: Wolters Kluwer ČR, 2010, p. 92-3.

[15] Rektořík Jaroslav and Šelešovský Jan et al.: Kontrolní systémy veřejné správy a veřejného sektoru, Praha, 2003, 33-36.

Apart from above mentioned inspection authorities, financial control is crucially important for the effective governance. Its goals are: compliance with rules, safeguarding of public finances, prevention of inefficiencies and frauds, prompt alert on possible problems, ensuring adherence to 3E principles (effectiveness, efficiency, economy). Financial control can be divided into public administration control, internal control system and financial control system conducted according to international treaties. It is performed by Ministry of Finance, Financial Authorities and subjects in charge of public finances.[16]

Generally, the inspection system is getting more complex over time with new institutions and authorities established, and responsibilities changed. On the other hand, it is overall functional with the Constitutional Court or the Office for the Protection of Competition often issuing decisions against the will of political representation if any violation occurs. What is more questionable than the structure of system itself, is how to make it more efficient. For instance a greater emphasis on 3E control instead of purely formal control would be overall helpful.

3. Effectiveness of Public Administration

Modern approaches to evaluation of the effectiveness of public administration had been neglected for a long time. Generally speaking, successive governments tended to increase scope of services provided to people, and tried to decrease public sentiments against the low quality of services. However, there had been no complex, transparent and well-planned evaluating system of the effectiveness.

The situation has started to change in recent years. During election campaign of 2010, current coalition parties emphasized necessity of reforming Czech economic strategies in order to improve global competitiveness. When the coalition government was created, one of its first steps was to establish a working group within National Economic Council of the Government (Czech acronym NERV), which is supposed to analyze Czech competitiveness. Group's analysis is based on findings of World Economic Forum and IMD World Competitiveness Yearbook. Quality and effectiveness of institutions are emphasized among main criteria, which to large extent influence business and investment environment in countries.

Overall, the Czech Republic finished on the 39th place, however its institutional pillar remained far behind, on the 89th place.[17] Generally, this demonstrates unfavourable state of Czech institutions, especially in the public sector. Based on 2010 WEF data, the Government decided to introduce new policies which would improve the effectiveness and perception of public institutions. These steps are described in a project called "Effective Public Administration" which with number 01 occupies a leading position in current Strategy for

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[16] Němec Juraj, Ochrana František, Pavel Jan, Šagát Vladimír: *Kontrola ve veřejné správě.* Praha: Wolters Kluwer ČR, 2010, p. 98-99.

[17] World Economic Forum, The Global Competitiveness Report 2012–2013, p. 16, http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2012-13.pdf.

Competitiveness, approved by the Government on September 27, 2011. The project is focused on further systematization and measurable improvement of public administration's functioning.[18]

3. 1. Analysis of Current Situation

Low efficiency of Czech public affairs is confirmed by other international rankings as well.[19] One of structural problems is that there is neither complex overview, what exactly public administration does, nor any sophisticated conception what it should do. Individual agendas are often being implemented unsystematically and are influenced by changing political priorities and competition for power among different institutions. Sadly enough, particular positive improvements usually happen thanks to an effort of few competent people within one institution rather than through interdepartmental coordination or strategy.

To mention one particular positive example, we can point out the Ministry of Industry and Trade (Czech acronym MPO) which is generally being considered as progressive. The Ministry is actively trying to approach businesses and entrepreneurs and get their feedback. This allows the Ministry to have up-to-date information on business needs and create strategic documents, such as Export Strategy, which are then being appraised by businessmen. MPO is also carefully building its image through active communication with public and selected media (although for instance online communication is much worse). The Ministry sometimes tries to leap over the lack of communication and strives to push its agenda higher which then leads to clashes with other ministries,. On the other hand, the Ministry itself, or more precisely its agencies which are supposed to support investments and export, has been struck by severe corruption scandals.[20]

As even the Government is not fully sure what it runs, it ordered to create a comprehensive analysis of public services. So far, only "Responsibilities analysis" pilot project has been conducted by Ministry of Interior and was taken into consideration by the Government in December 2011. The "Concept of Completion of the Reform of Public Administration" should be finished by January 2014.

3. 2. Effective Public Administration

The project is to certain extent a complex follow-up to activities of Ministry of Interior which between 2007 and 2013 introduced partial projects such as online Basic registers of public administration - Register of rights and obligations, processes modelling or catalogue

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[18] Businessinfo.cz, Efektivní veřejná správa, http://www.businessinfo.cz/files/archiv/dokumenty/smk_projekt_1.pdf.
[19] For instance OECD, Government at Glance 2009 a 2011.
[20] To name just one, former director of CzechInvest allegedly supported his friends with agency's funds with no added value for the agency http://www.radio.cz/en/section/curraffrs/police-raid-czechinvest-agency-on-suspicion-of-corruption.

of public services. All these projects are taking place in order to eliminate overlapping and obsolete agendas and to save costs.

In its Effective Public Administration, the Ministry strives to create functional model of responsibilities, i.e. how various problems and situations should be dealt with. Processes' evaluation starts with analysis of relevant legislative norms, whether they are sufficiently and well written. Then, in the most important part, the way how the responsibility is being conducted, is analysed – i.e. it is crucial to find, where is the start of the operation, which levels of administration (even within one Ministry/agency) deal with the task, who operates it, who makes an assessment and who is in charge of the final outcome. The analysis can find strengths and weaknesses of such processes, whether there is any work done twice or whether there are too many people working on one task and how it is administered (electronically, in writing, how it must be archived etc.). This modelling of processes should be started by various government authorities in July 2013.[21]

Because the state is currently unable to guarantee the quality of its services measured by some qualitative or quantitative standard, modelling of processes might be an important step towards more generalized standards. If completed satisfactory, it could guarantee same services would be provided by different authorities in the similar quality, time and conditions regardless who is providing the service. This can be achieved by clear definition of observed criteria such as: [22]

- Monitoring of organizational and informational interruptions.
- Careful resources management (both technical and human).
- Identifying IT and SW requirements.
- Monitoring time management of officials, what time they spend proceeding various responsibilities and whether this time is operated efficiently (or whether there is enough time to provide a high-quality service).
- Introducing Key Performance Indicators as for instance officials' motivation.
- Checking whether all necessary information and data are available in order to successfully fulfil the duties.[23]

In the first phase of the project, supplier should deliver three model processes, one focused on direct execution of state administration, one on transferred state administration and one on autonomous activity. The results of this pilot project are not known yet. In the second phase, supplier should continue with 27 other processes. Meanwhile, the Ministry of Interior plans to open a Methodological Centre which should no later than in May 2018 create an interface accessible for all authorities and containing all information which will allow them to model their own processes.

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[21] Businessinfo.cz, Efektivní veřejná správa,
http://www.businessinfo.cz/files/archiv/dokumenty/smk_projekt_1.pdf.
[22] Ministerstvo vnitra, Koncepce dokončení reformy veřejné správy, 2012,
http://www.vystrcil.cz/prilohy/136_Koncepce_dokonceni_reformy_VS.pdf.
[23] There are some obstacles there. For instance Act on Protection of Personal Data denies an access to certain data used by other government authorities. That authorities are not allowed to share the data leads to inefficiencies. When the public administration becomes more coordinated and interconnected, this situation will have to be dealt with.

The example of this project demonstrates that there are some positive and potentially beneficial initiatives being currently operated by the Government, they are however insufficiently coordinated both in terms of time and resources. The coordination very often exists formally written in some strategic documents, it is however not proceeded in reality. Entering new phases of projects must be often postponed, as the legislature has not been sufficiently developed. Simultaneously, planning a project until 2018 is dubious as well.

Time is crucial in other areas of performance measurement. The key document of performance evaluation still is Agenda 21 published in 1992 and based on outcomes of UN Rio de Janeiro summit.[24] Although quality control has been mentioned and emphasized by many successive governments both in regional and central levels, it has not been systematically established. Formalized quality control (i.e. in forms of ISO norms) thus exists only in places where local politicians and officials actively introduce these measures. This is especially case of bigger municipalities, such as city districts, which try to introduce business-like model of governance (with both its flaws and virtues). However, relying on bottom-up approach is not systemic and does not influence the country as a whole.

Quality management such as CAF (Common Assessment Framework), Benchmarking, Balanced Scorecard or ISO are modern managerial approaches commonly used in many EU countries. However, with exception of regional level, they are not widely used in the Czech Republic (for instance, CAF was in 2011 operated in 45 municipalities) and they are currently only goals of proposed reforms. Their implementation is slowed down by possible initial financial costs.[25]

3. 3. Catalogue of Public Services

From citizens' or businessmen's perspective it is more important what services can the public administration provide them rather than how exactly it internally organises its services. In order to analyse both services and responsibilities, there are currently two large-scale analysis being produced by the Government. One is Analysis of Responsibilities, conducted by Ministry of Interior, the second is Analysis of Services, conducted by Ministry of Industry and Trade. Their finding should lead towards a comprehensive strategy to reform the structure of responsibilities and services and the final list (catalogue) of public services.

What is the purpose for creating a catalogue of public services? It should decrease costs both for the state and its users and improve accessibility of these services. By having a comprehensive list and overview, it should also be easier to optimize their scope. In order to effectively monitor the services, Key Performance Indicators will be defined for every service.[26] Main control will probably be conducted by Ministry of Finance which will oversee the costs. However, it will be a matter of political struggle which department will

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[24] Ministerstvo životního prostředí, Agenda 21, http://mzp.cz/cz/mistni_agenda_21.
[25] Ministerstvo vnitra, Koncepce dokončení reformy veřejné správy, 2012, http://www.vystrcil.cz/prilohy/136_Koncepce_dokonceni_reformy_VS.pdf.
[26] Businessinfo.cz, Efektivní veřejná správa, http://www.businessinfo.cz/files/archiv/dokumenty/smk_projekt_1.pdf.

overtake the responsibility. In November 2012, new working group on KPI in public services was established under the NERV. As it was created only recently, it has not yet published any recommendations.

There are still discussions how the catalogue should look like and what is should contain. Ideally it should cover: goals of services, description how the services are operated, responsible authority/person, KPI, standard form of the service including inputs and outputs, legal regulations, service level agreement, connections with other public administration services, cash flow, control mechanisms etc.[27] These criteria could be applied to various fields of public services at its different bodies. For instance, in case of Ministry of Labour and Social Affairs it would make sense to focus on different services to unemployed, in case of Ministry of Education services provided to regions and municipalities in order to manage schooling, or in case of Ministry of Regional Development the services connected with support of the regions.

However, the government has not proposed any plan on organization of teams and individuals within the list of processes, which could be considered as a failure.

4. Contemporary Approaches in the Human Resources Management

Currently, civil servants could be divided into two groups. Duties of regional officials are specified by a special regime of Act on Territorial Self-governing Officials. However, duties of state officials are defined only by Labour Code. This to large extent influences the human resources management of the civil service. Service Act which should have changed the situation was approved by the Parliament as Act n. 218/2002 Coll., however its coming into force has been postponed several times. Legal limbo allows politicians in charge of ministries and state agencies to organize human resources more or less at their will, which easily leads to nepotism and inefficiencies. Moreover, institutional memory is threatened every time the political representation changes, as leading civil servants could be exchanged immediately.

Czech Republic is the only country in the European Union which lacks efficient Service Law, even though its creation and implementation had been a condition for successful Czech accession to the EU. The main goal of the Act – to achieve depoliticized and professional civil service – has been successfully ignored so far by all governments and parliaments. The EU recently threatens to limit drawing from the EU funds after 2014, if the Service Act is not in force then.

Because of this situation, there have not been many changes in HR management on the state level in last 10 years. Proper HR management functions rather in lower level of public administration, where standard selection procedures are carried out. However, absence of

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[27] Businessinfo.cz, Efektivní veřejná správa, http://www.businessinfo.cz/files/archiv/dokumenty/smk_projekt_1.pdf.

clear division which position should be depoliticized and occupied through expertise and experience and which positions are political, makes the career progress difficult. It is not impossible to achieve a position of e.g. head of section through satisfactory performance, nonetheless it is possible to achieve the same position through friendship with important people and political influence. We will show why this happened, what should be avoided and what embraced.

4. 1. Analysis of Current Situation

Civil Service Act was approved by Social Democratic coalition government in 2002 as one of EU's conditions for Czech accession and since that time its coming into force has been postponed from various reasons – for instance in 2008, then coalition government argued that it would be too expensive. Mr. Kalousek, Ministry of Finance, argued, that current state of public administration is not good enough to be cemented by the Act. The Act was also criticized for not including regional civil servants.[28] Currently, the Act should come into force in 2015..

Ministry of Interior has already proposed three times a new bill, which should change the Act. All these proposals have been widely criticized by nongovernmental sector and political watchdogs.

4. 2. Act on Service of Public Servants in Administrative Authorities and on Remuneration of Such Servants and Other Employees in Administrative Authorities (The Service Act)

The original Service Act from 2002 has its backlashes, but on the other hand it creates a set of clear rules and obligations which would define functioning of civil servants, their rights and responsibilities. The English version of the Act is available here.[29]

The Act precisely defines what state administration is (Ministries, central administrative authorities and other administrative authorities), how it is organized and what the legal relationships of employees performing state administration are. It is thoroughly complex with 254 paragraphs and it deals with many aspects of HR. What is important for the future of civil service is that when it comes into force, it will preserve majority of current civil servants, i.e. next political representation will not be able to change many of leading officials simply at its will.

4. 2. 1. Human Resources Management

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[28] Menzelová, Kateřina, Zákon o úřednících? Znovu a lépe! Česká pozice, 2012, http://www.ceskapozice.cz/domov/politika/zakon-o-urednicich-znovu-lepe.

[29] Act on Service of Public Servants in Administrative Authorities and on Remuneration of Such Servants and Other Employees in Administrative Authorities, http://unpan1.un.org/intradoc/groups/public/documents/NISPAcee/UNPAN012622.pdf.

The Act deals with human resources in relatively modern way. It creates a position of Personnel Director who "shall be active in organizational aspects of service and in the field of service relations of public servants assigned to a service authority, including remuneration thereof." (§ 12). The director shall be the head of the personnel department, he shall be subordinate to the state secretary in organizational aspects of service and service relations of public servants, in other cases it shall be subordinated to General Director and relevant service authorities.

The personnel plan is established (§ 14). The General Directorate shall prepare a draft personnel plan for the given calendar year in cooperation with the Ministry of Finance. The plan must take into consideration pay grades, the number of service positions, the amount of funds provided etc and it must be approved by the Government.

Clear rules for entering civil service are set, these are rather standard such as appropriate level of education (and no education from political college/academy before 1989) or no criminal record. Importantly, applicant for service must undergo a tender which must be publicly announced (§ 18). Applicant shall be interviewed by a selection committee consisting of 3 members who shall be appointed and recalled by the service body from public servants from service authority announcing the tender (§ 19). The committee can either select the winning applicant or announce a new tender. Preparation for the civil service takes 12 months with probation period of 3 months (§ 21). Candidates who have practical experience in the relevant sphere of public service, in NGOs or private sector of at least 3 years shall have the right to undergo an officer's examination before the examination committee (§ 24). Service shall be performed in a service relationship (§ 28).

4. 3. Proposals of Act on Civil Servants

As political representation does not like the 2002 Service Act, it is trying to come up with new proposals. The main difference is that Act on Civil Servants is very vague and does not set complex framework for functioning of civil service. Various proposal for instance divided servants into two categories – civil servants and employees – with former including only certain executive functions and some not. This is rather confusing as in everyday life it would be impossible to differentiate these two groups and allow politicians to swindle.[30]

It is not surprising the bill is widely criticized by watchdogs. One of leading NGOs promoting struggle against corruption, Oživení, in cooperation with other subjects such as Transparency International published in 2012 ten reasons why the bill might be harmful for Czech political environment.[31] To name just a few, which should be avoided in similar bills in any country, it for instance does not contain personnel (career) plan, transparent remuneration system, any traces of modern HR management etc. It presents civil service as a business not as a service to people. Interestingly, it creates a paid job of political assistants

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[30] Menzelová, Kateřina, Zákon o úřednících? Znovu a lépe! Česká pozice, 2012, http://www.ceskapozice.cz/domov/politika/zakon-o-urednicich-znovu-lepe.
[31] Deset důvodů, proč navrhovaný nezkvalitní a neodpolitizuje státní správu, http://www.bezkorupce.cz/2012/11/deset-duvodu-proc-navrhovany-zakon-nezkvalitni-a-neodpolitizuje-statni-spravu/.

(approx. 6 500 positions could by created by law), nevertheless it does not set any duties or competencies for this position. It does not set rules of conduct for communication and cooperation between politicians and civil servants, who should not be politically appointed or affiliated. The bill does not contain civil servants' evaluation which would be linked to carrier plan. It spends extraordinary amount of space on internal education (even creating new institutions), opening a space for lucrative business within the state sector. Whistleblower's protection is inadequate – any civil servant can refuse to carry out assigned task should he or she be suspicious it might lead to unethical or illegal activities, it is however not protected against bullying.

What is probably the most important is that the bill introduces different understanding to the working relationship of officials and the state. Whereas original 2002 Act introduces civil servants who "serve" the state and are to large extent appraised according to years spent civil service, this bill introduces more business-oriented approach, when the official is obliged, first and foremost, to follow superior's directives. Although this approach has its advantages (it allows more merit-oriented remuneration, better prospects for innovative people etc.), it is at the same time more manipulative.

4. 4 Human Resources Portal

Because there are no publicly accessible rules of organization with clearly defined responsibilities for decisions made in the exercise of public administration, Ministry of Interior decided to create Human Resource Portal[32] which should help with clarification and better HR management. It is funded by the European Union (Human Resources and Employment operational Program). Subsidy's receiver[33] is Department of Public Administration of Ministry of Interior. The project started on May 1, 2010 and it should be completed by April 30, 2013. However, one of unsuccessful tenderers complained and the whole project is currently under investigation and therefore delayed.[34]

In order to achieve more efficient HR system, a central web application should be created. Standardized forms and application should cover personnel management starting from choosing right employees and ending with contract termination.

The portal should among others include:[35]

- organizational rules
- job description of all positions
- background materials on creation and termination of employment relationship
- public sector's job exchange

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[32] Ministerstvo vnitra ČR, Portál lidských zdrojů,
http://www.mvcr.cz/clanek/portal-lidskych-zdroju.aspx.
[33] Amount of subsidy: 50.183.862,- Kč.
[34] This is currently a problem of many IT-related projects, such as basic registers.
[35] Ministerstvo vnitra ČR, Portál lidských zdrojů http://www.mvcr.cz/clanek/portal-lidskych-zdroju.aspx,
http://www.mvcr.cz/clanek/portal-lidskych-zdroju.aspx?q=Y2hudW09NQ%3d%3d.

- SW support for impartial and professional personal evaluation of civil servants
- Offers of further education, list of participating educational institutions etc.
- Evaluation of participants of educational events
- Direct advisory service
- Access to legal norms
- Best practices database
- Performance measurement tools
- Invitations to trainings, educational events etc.

4. 5 Act on Territorial Self-Governing Officials

Act was approved in 2002 and unlike Service Act it has come into force. It is it only major document which defines what officials/civil servants are, and what are their rights and duties. The status of these civil servants (individuals who perform administrative activities in local administration) is different from Labour Law. In order to hire a new civil servant, public selection procedure must be announced. These are similar to criteria described in Service Act. When entering the office, officials must sign declaration that they involved in other businesses and they cannot be active in supervisory boards etc. They can be appointed to supervisory boards or managing board by the region. Officials can perform a gainful activity, if their supervisor agrees with it. If official did not have this kind of permission, it is a sufficient reason for being sacked.

Officials do not need approval for scientific, educational, journalistic, literary and artistic activities, or to serve as an expert or interpreter for court or administrative authority, as well as for participation in government advisory bodies and to manage their own assets.

4. 6. Municipal Human Resources Management

Whereas there is, so far, no systemic approach to HR management in public sector, the situation is different on municipal level. Constrained resources and more efficient public scrutiny, forces many municipalities to be more efficient and to find ever more competent people.

Various Prague districts (these examples are based on research in Prague 10[36]) conduct internal evaluation of employees according to internal guidelines, observing whether employees fulfil their specific goals – for instance responding on time to inquiries, fulfilling organizational tasks etc. This evaluation then partly affects remuneration.

Public selection procedures are published on district's website. The interview itself consists of model situations which should reveal how the potential employee would react on possible situation at work – for instance basics of etiquette, stress test, corruption check etc. These model situations are weighted by 30-40% of total interview score.

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[36] In-depth interviews with various officials.

New employees attend introductory trainings and receive a folder containing information on the structure of the city district council, internal processes and internal guidelines and hints. All civil servants (not politicians) are obliged to follow code of ethics and attend regular training either in form of e-learning or interactive workshops.

4. 7. Code of Ethics

Code of Ethics has existed in Czech public sector since 2001, when it was approved by government resolution (March 21, 2001, no. 270). Its purpose was to increase prestige and credibility of civil servants among general public. The resolution suggested similar Codes should be also implemented on lower levels of governance.

The main goal of probably any Code of Ethics is to create a clear and stable set of rules and guiding principles which guide employees and civil servants in situation where they might face conflict of interests or serve contrary to the interests of people they represent or work for. The central Code had vast limitation because it did not reflect particular needs of different Ministries and government agencies. Therefore, it was considered as inadequate and too vague, which was admitted even by the current government who set its reform as one of its anti-corruption priorities.[37]

For instance, the Code did not contain any references to forms and control and enforcement of its implementation. It therefore served only as an advisor, not as a legal entity which noncompliance with could have consequences for the employees. There was a discussion on the scope of legal and ethical dimensions of the Code and related laws and regulations. One of the possibilities is to add the Code as an amendment to contract of employment.
The new Code of Ethics was approved by government resolution on May 9, 2012, number 331 as a part of anti-corruption measures.[38] It sets the minimum for ethical standards and behaviour and ministries and government agencies were obliged to create their own codes, which are more specific and oriented towards their needs. As the codex's update was driven by the fight against corruption,[39] its main purpose is thus to improve civil servants' behaviour in order to avoid corruption potential. It is also emphasized the breach of the new Code could be considered as breach discipline, although no legal backing exists for this.

Generally, the Code is still very vague as it has to be followed by all civil servants. However, creation of more specific Codes following the basic principles of the main Code should resolve this situation.[40] One of the main backlashes is the absence of valid Service Act. As

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[37] Vláda ČR, Strategie vlády v boji proti korupci na období let 2011 a 2012
http://www.vlada.cz/assets/ppov/boj-s-korupci/Strategie-vlady-v-boji-proti-korupci-na-obdobi-let-2011-a-2012---aktualni-zneni_1.pdf.

[38] Czech version is available here http://www.vlada.cz/assets/media-centrum/aktualne/Eticky_kodex_uredniku_a_zamestnancu_verejne_spravy.pdf, English version might follow.

[39] English version of the Strategy - http://www.vlada.cz/assets/ppov/boj-s-korupci/protikorupcni-strategie/zneni-strategie/Protikorupcni-strategie-aktualni-zneni--anglicka-verze.pdf.

[40] Etický kodex, http://www.vlada.cz/assets/media-centrum/aktualne/Eticky_kodex_uredniku_a_zamestnancu_verejne_spravy.pdf.

Research Paper 3/2013

Public administration reform in the Czech Republic

–

March 2013

Asociace
pro mezinárodní
otázky
Association
for International
Affairs

explained before, the absence of clear division between civil servants and politicians causes many problems to transparent and efficient governance. The Code itself cannot improve the situation.

Following the publication of central Code of Ethics, Ministries and government agencies were obliged to create their own more specific codes. In case where the ministries already had them, they could either keep them (if they were corresponding with the new Code) or update them. The later was a case of all ministries but not all agencies

4. 7. 1. Ministries

All employees and officials have to sign a memorandum they are accepting rules of the Code. The process is usually carried out during the signature of contract of employment. Many codes remained almost the same as the original one. For instance Ministry of Regional Development[41] published the same text without any significant changes. Similarly, the Ministry of Finance[42] used almost the same version, only omitted the word "civil servant" so it is focused only on "employees" and made some minor changes in wording. This can be understood in a way, that because of the absence of Service Act, there is formally and legally no such a term as "official" or "civil servant" on central level of governance.

Some ministries proceeded further. For instance Ministry of Agriculture[43] created Ministerial Ethical Commission as advisory board to Minister. Commission consists of chairman, secretary and three employees of the Ministry of which one is proposed by trade-union. The Commission deals with conflicts of interests, cases of possible corruption and abuse of powers. Part dealing with corruption (called "Gifts and Other Offers") is more specific than in the original Code. It for instance clearly defines that courtesy gifts (flowers, books etc.) are not considered as bribery and do not have to be announced. In case of doubts, the Commission should be informed and it will decide within 10 days what to do. If any of employees receives and invitation to some public event he/she is obliged to announce this either to the Commission or to his/her supervisor, similarly invitations for working lunch etc. are dealt with as well.

4. 7. 2. Municipalities and Regions

Municipalities and regions are obliged to create their own Code of Ethics neither by law, nor by governmental decision. However, as already mentioned few times, tighter public scrutiny forces them to do so. This is especially case of capital city of Prague and its districts, as these are often suspected, rightly or not, for corruption. Municipalities are pressured by various NGOs and active citizens to improve their ethical standards and introduce stricter anticorruption measures.

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[41] Etický kodex MMR, http://www.mmr.cz/cs/Ministerstvo/Ministerstvo/Komunikace-s-uradem/Eticky-kodex.

[42] Etický kodex MF, http://www.mfcr.cz/cps/rde/xbcr/mfcr/Eticky_kodex_zamestnancu_CR_-_Ministerstva_financi_2012_pdf.pdf.

[43] Etický kodex Ministerstva zemědělství, http://eagri.cz/public/web/file/6025/ETICKY_KODEX.pdf.

Combination of public distrust and pressure forced political representatives in charge of Prague to publish Code of Ethics for councillors,[44] which is so far fairly unusual. As we stated earlier, the Code of Ethics usually focus on employees and officials, not politicians in leading (or elected) functions.

Among obligations, councillors have to do, is to disclosure their business activities (including business activities of their partners) of whether is it involved in any civic association which are financially supported by the City. Councillors have to announce whether they have obtained any new possessions (such as real estate) etc.

5. Smart Administration

Increased effectiveness of governance is inevitably connected with strengthening of computerization of state authorities' processes and activities. During 1990s and 2000s various governments proposed different strategic documents supporting computerization, however it was not until 2006 the process was finally started, as the center-right government of Mirek Topolanek (ODS) prioritized this issue high on its agenda and placed a full political support behind it.

Development of e-Governance is to certain extent a showcase, how to promote modern visions of state administration in highly conservative public administration which is generally opposed to new ideas. The first step was to bring sufficient numbers of experts both to the Ministry of Interior and to cooperating bodies. These experts created a modern oriented environment focused on ICT. Because of their contacts and interests, they came up with an idea that something like Smart Administration should be introduced to governance. However, to proceed further this idea, they needed a strong political capital and backing, which they received from Ivan Langer, Minister of Interior (ODS).

E-Governance was also lucky because it was strongly promoted by Ondřej Felix who has been working from different position with almost all governments in last 15 years and was responsible for the master plan. He embraced Ivan Langer and provided him with necessary know-how. Langer had then strong expert backing which he could use in political campaigns. Apart from this, IT sector has had potential financial benefits – for the state in terms of savings and for political parties in terms of potential financial benefits for party treasury (almost surely illegal, although never confirmed at that time). Financial potential of public procurement for IT companies, whose employees many experts were, created a supportive window of opportunity as well.

In 2007, the Government created a new organ – Government Council for Information Society – interdepartmental body, whose main task is to prepare expert background for government's decision on e-Government and ICT. A few days after the creation of this new body, the so far not very successful Ministry of Informatics was dissolved. The Ministry of

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[44] Etický kodex člena Zastupitelstva hlavního města Prahy,
http://www.praha.eu/public/73/bb/38/1463673_303730_Priloha_c__1_k_tisku_Z_1384.pdf.

Interior was newly appointed as a supervising organ for e-Governance and Information Society.

Presently, the e-Government concept builds on following pillars:[45]
- Creating universal points of contact CzechPOINT (a place where a citizen can access different registries and sort out many administrative issues regardless of the place where he/she is).
- Creation of communication infrastructure of public administration intermediating data circulation.
- Enabling electronic communication through data boxes.
- Creating basic public administration registers (register of territorial identification, addresses and real estate; citizens register; register of persons; register of rights and obligations).

The development of modern information technology is the reason for the removal of condition of the local jurisdiction at selected agendas. In other words, thanks to the e-Government, citizens can access various services anywhere in the Czech Republic, not only in administrative bodies affiliated to their place of residence. The local jurisdiction is however still relevant in cases where there is any connection to rights and obligations of other people or public interest. IT Services are dominantly operated by Ministry of Interior and Czech Post, which is a state-owned enterprise.

We provide here only a few projects which might be of interest for Ukrainian and Belarusian public administration.

5. 1 Communications Infrastructure of Public Administration

Communications infrastructure of public administration (using Czech acronym KIVS) unifies different data networks of different public administration bodies into one data network. This theoretically leads to higher efficiency and cheaper operation.

Creation of KIVS was started in 2001 with all parts of state administration obliged to join in 2007. Before, many data networks operated next to each other. In general, every ministry or state body had its own data network and these networks were not interconnected. There were two reasons behind the idea of KIVS creation – 1) creation of secure, interconnected and efficient network, 2) elimination of data providers' monopoly.[46] Public tender on data services attracted four competitors. Recently, the Office for the Protection of Competition stopped the tender on supplier of internet and telephone connection through central electronic auctions. Until the problem is resolved, the state is losing money due to much less favourable conditions of old agreements.

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[45] Ministerstvo vnitra ČR, Analýza aktuálního stavu veřejné správy, 2011, http://www.mvcr.cz/soubor/analyza-aktualniho-stavu-verejne-spravy-pdf.aspx.
[46] Ministerstvo vnitra ČR, Komunikační infrastruktura veřejné správy, http://www.mvcr.cz/clanek/egon-symbol-egovernmentu-komunikacni-infrastruktura-verejne-spravy.aspx.

5. 2. Electronic Library of Prepared Legislation (eKLEP)

Government's legislative regulations oblige policy-makers to publish legislature on the Internet. For this purpose, a special electronic library (eKLEP) has been created. This public portal was established by government resolution (no. 816) in 2007, i.e. at the same time when e-Government's processes were created. The basis for the decision was Action Plan of State Information Policy. It is subordinated to Office of the Government which monitors the state of legislative proposals, their circulation among various authorities, Parliament and President. EKlep simplifies comment procedure as it allows the relevant bodies to access documents and upload their commentaries. The library contains materials under interministerial comments, comments, settlement of comments, materials presented during the cabinet meeting and materials which were rejected to be negotiated by the cabinet meeting.

The library has its public part and part opened only for officials with an access, which is for security reason limited only to certain IP addresses The library is operated via HTTPS protocol.

EKlep contains also a smaller database called eVlada (eGovernment) containing only documents designated for government's meetings and edited by the Office of the Government. Apart from the texts, it contains graphics showing the state of various tasks assigned to ministries and agencies with deadlines and interim reports showed.

5. 3. Digital Map of Public Administration

Digital Map of Public Administration (Czech acronym DMVS) will provide unified data from various geographical information systems in one application. The project should make public administration easier and make data available for both central and regional authorities and general public following the concept of Smart Administration.[47] The main purpose for all these activities is to optimize management of buildings in public ownership (state, municipal…) so the one institution knows where free capacities exists and how they can be utilised.

The project is operated by Ministry of Interior in cooperation with Ministry of Environment, Ministry of Regional Development, Ministry of Agriculture, Czech Office for Surveying, Mapping and Cadastre (COSMC), Union of Towns and Municipalities of the Czech Republic and Association of Regions of the Czech Republic.

The basis for DMVS are existing digital maps provided by COSMC. The DMVS will be created through merging orthophotomaps and existing digital and digitalized cadastral map as well as other sources such as digital technical maps. All data will contain metadata. DMVS will also incorporate Registry of Territorial Identification, Addresses and Real Estate.

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[47] Ministerstvo vnitra ČR, Digitální mapa veřejné správy,
http://www.mvcr.cz/clanek/digitalni-mapa-verejne-spravy-2749.aspx.

Unfortunately, current state of the project is similar to many other major modernisations of state processes. Its realisation waits for completion of Strategy for the Development of Infrastructure for Spatial Information in the Czech Republic until 2020, which should set new channels of coordination. As this has not been completed yet, the project is currently on hold, waiting for results.

5. 4. Basic Registers Information System

Digitalization of basic registers could be considered as another e-Government's crucial pillars. Creation of the Basic Registers of Information System was started in 2009 and it has not been finished yet. Its main goal is to minimize total amount of visits a citizen has to make to obtain public administration services, and to allow an access to on-line registers anywhere and anytime. The technical aspects of the solution are rather complicated but the system ensures that any official who looks into registers obtains only data he is allowed to obtain and through the system of identifiers, it is tracked which part of registers he visited. This should avoid misusing personal data.[48] Generally, public administration has to ensure secure, efficient and transparent exchange of precise and up-to-date data (so called reference data). Reference data are currently divided as follows with responsible body noted.[49]

- Citizens Register (Ministry of Interior) – updated reference data on Czech citizens, foreigners with a residence permit or foreigners with granted asylum.

- Register of Rights and Obligations (Ministry of Interior) – data on scope of state power, rights and obligations of persons.

- Information System of Basic Registers (Ministry of Interior) – the framework in which the main registers function.

- Register of Persons (Czech Statistical Office) – information concerning legal persons, self-employed individuals or public authorities.

- Registry of Territorial Identification, Addresses and Real Estate (Czech Office for Surveying, Mapping and Cadastre) – data on basic territorial elements such as the state, regions, municipalities or their parts.

- Transmitter of Individuals' Identifiers (Office for Personal Data Protection) – key project for personal data protection which prevents to obtain personal data from any registry with using only an identification number.

Transformation of public services into more user-friendly and modern services has brought many complications in terms of human capital. Civil servants had to be prepared for the changes by a series of trainings and information conferences. These were however not

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[48] Mates, Pavel and Smejkal Vladimír, E-government v České republice: Právní a technologické aspekty, Příbram: Leges, 2012, p. 92-94.
[49] Businessinfo.cz, Základní registry veřejné správy, http://www.businessinfo.cz/cs/clanky/zakladni-registry-verejne-spravy-20575.html.

Research Paper 3/2013

Public administration reform in the Czech Republic

–

March 2013

Asociace
pro mezinárodní
otázky
Association
for International
Affairs

centralized and coordinated and allowed significant potential for both corruption and inefficiencies. Currently, both general public and officials can familiarize themselves with new registers at the main webpage of National Register Authorities.[50] Following the principles of transparent governance, many basic and additional materials, such as some trainee programs, architecture of basic registers or impact assessment as well as technical and operational documentation are available.

In order to have a direct access to public administration, Ministry of Interior runs Public Administration Portal.[51] Citizens can access information provided by the public administration (social, healthcare, public procurements and many others), they can access their data boxes or services of CzechPOINT and reach information provided by third parties (such as regional information).[52]

5. 5 Data Boxes Information System

In November 2009, Data Boxes Information System came into full operation, legally supported by the Act n. 300/2008 Coll, on Electronic Transactions and Authorized Conversion of Documents. Data boxes are one of main information system of public administration and they are from global perspective a rather unique mean of communication. They can be used to send electronic documents to various public administration bodies as well as to receive them. Currently, they are supposed to supplement traditional paper communication as they are legally considered as equal. Legal entities and public authorities receive the data box for free (they are obliged by law to have them), other entities (such as individuals or civic associations) receive it after completing an application process.

Users access the data box through simple webpage and its interface which is to certain extent similar to classical e-mail mail box. It shows received and sent massages and contact lists of subjects user can contact. Similarly, the interface allows user to create a data message and to attach attachments. All these functions are defined and guaranteed by law.[53]

In 2013, the Ministry of Interior introduced an amendment to Act no. 300/2008 Coll. on Electronic Transactions, which is currently on interministerial comments. It he Act is approved and successfully voted on, starting from January 2014, not only companies and public authorities will have to use data boxes to communicate with public administration, but all entrepreneurs as well. There is a possibility all individuals with age of 18 and higher will automatically receive a data box. Whether they want to use it or not would be still up to them and they would be still allowed to use the traditional channels of communication. If any citizen decided to start using data box, it would have a right to stop using it as well.

Data boxes are necessary for electronic communication conducted via CzechPOINT. Businesses, entrepreneurs and individuals are able to obtain a certificate of incorporation,

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[50] National Registers Authority, http://www.szrcr.cz/index.php?lang=2.

[51] Portál veřejné správy, http://portal.gov.cz/portal/obcan/.

[52] Mates, Pavel and Smejkal Vladimír, E-government v České republice: Právní a technologické aspekty, Příbram: Leges, 2012, p. 71-2.

[53] www.datoveschranky.eu.

Research Paper 3/2013

Public administration reform in the Czech Republic

–

March 2013

Asociace
pro mezinárodní
otázky
Association
for International
Affairs

excerpt from the Trade Register and few other registers in electronic form without going to any of CzechPoints offices. The document is sent for free into data box.

Although the system does not function well,is often unavailable and offers only a small fraction of all services theoretically available it has its advantages. For instance, it is very successful in delivering documents, which recipients either try to avoid or do not have a chance to receive in written form (e.g. when they move their business). According to official statistics, around 97% of all messages sent through data boxes is successfully delivered.[54]

5. 6. Evaluation

All above mentioned projects of e-Government might look like isolated steps in the public sector reform. They are all however necessary for further modernization. Without digitalised interconnected basic registers, it would not be possible to make process analysis which helps to make the public administration more efficient., Czech experience with information systems is rather appalling (for instance big project of Prague public transport card "OpenCard", and card for social benefits "sCard" are currently under investigation for corruption) as these are often overpriced, non-transparent and what is probably the worst - dysfunctional. On the other hand, completion of many of them is absolutely necessary for modern state administration.

Data box allows citizen's easy access registers and creates thus a bridge between state administration and individuals. Equality between documents in electronic and paper form tries to strengthen this bond. Other databases help, through the Internet, to improve communication and decrease the number of people needed to proceed various responsibilities. Functioning of this basic systems allows future development of other fields, such as e-Justice (an important project, however omitted here due to lack of space). These steps will create an infrastructure for data circulation and, ideally, stimulate creation of other systems within other authorities. However, there might still be the omnipresent problem with coordination, as these systems should be compatible with each other.

In 2012, UN e-Government Survey[55], which evaluated 193 countries, positioned the Czech Republic on the 46th place, falling down by 13 places since the last survey. One of the worst results was achieved in a field of electronic democracy, so called e-Participation, which has been discussed since late 2000, however no legislative steps have been taken so far.

How is e-Government used and evaluated by general public, business sector and public administration itself? According to Czech Statistical Office, in 2012, usage of its services decreased by more than 10% compared to 2011. In 2011, approximately 39,8% of individuals used the Internet for communication with public sector. In 2012, it was only 29,4%. However, in 2011, the results were influenced by census which could have been

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[54] Mates, Pavel and Smejkal Vladimír, E-government v České republice: Právní a technologické aspekty, Příbram: Leges, 2012, p. 167-8.

[55] United Nations E-Government Survey 2012,
http://unpan1.un.org/intradoc/groups/public/documents/un/unpan048065.pdf.

Research Paper 3/2013

Public administration reform in the Czech Republic
–
March 2013

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filled in online.[56] Generally, numbers indicate there is a demand for online services, however the Government is not capable of satisfying this demand as demonstrated by latest scandals of Vehicle Register and electronic Health Book – which were both extremely expensive and dysfunctional.

6. Conclusion

The policy paper clearly shows the reform process in the Czech Republic is far away from being completed. Many of important reforms introducing modern approaches to public administration have been started only recently, with e-Governance approximately six years ago and introducing of efficiency measurements last years. Therefore, many of practises, which might be inspiring, are still in a phase of preliminary analysis or project planning. Moreover, some, as for instance the reform of communication infrastructure have been delayed by investigation performed by state authorities.

This leads to a situation, when many of the projects (efficiency measurements, HR management) could be hardly comprehensively evaluated, if we do not want to limit ourselves to the critique, that these projects should have been started a decade earlier and more vigorously. Nevertheless, possible dark sides of planned projects such as a vast space for corruption, lack of coordination or overreliance on partial steps have been identified and warned against.

This is not the case of decentralisation, financing and inspection authorities on one hand, and e-Government on the other. These areas show clear examples of successful and efficient reforms (parts of e-Government) and problems which should be avoided (problems related to creation of regions and their duplication).

Czech reforms' overall picture based on this paper will be probably not very positive. This is partly due to the topics chosen and to some extent because the fact that central administration is definitely falling behind lower authorities such as municipalities in introduction of new approaches and few of their positives examples are demonstrated throughout the paper. Many observers of Czech politics and policies would probably agree, that the overall picture is worse than its parts. After all, a simple fact that governmental services have not collapsed during various reform attempts could be considered as a success.

7. Policy Recommendations

7. 1. The State of Public Administration
- Regional division according to traditional or historical areas respecting regional centres of medium importance allows policy-makers to bypass many obstacles of negotiating artificial units and negative public sentiments.

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[56] http://www.czso.cz/csu/2012edicniplan.nsf/p/9703-12.

- Parallel existence of various regional structures (14 and 7 regions and counties and municipalities with extended power in the Czech case) have grief consequences for public acceptance of this decentralisation, it also stirs up confusion. Any reform must avoid this state.
- Central control of regions must be clearly defined and transparent, otherwise regions will be more prone to corruption.

7. 2. Effectiveness of Public Administration

- Czech Republic has only recently started its projects on measuring and improving public administration's efficiency. The idea that public services should have certain standards which are applicable anywhere and anytime on the same level seems to be correct and potentially beneficial in the long run.
- Both the Effective Public Administration and Catalogue of Public Services sound like interesting projects which are worth of observing. However, as both of them have been just started, it is too early for their evaluation and conclusion, whether they are transferable or not.
- The concern of high initial costs of introduction of standardised measures such as CAF or ISO seems to be overestimated and the main purpose for their lack of implementation is the unwillingness of central authorities. These standards should be implemented in Ukraine and Belarus.

7. 3. Contemporary Approaches to Human Resources Management

- Prompt introduction of Service Act with clearly defined role of civil servants is a precondition for introduction of modern approaches to HR management in public sector. Without the depoliticisation of public service, no HR management can be introduced for higher level officials.
- The Act should lead to establishment of officials as civil servants, not solely employees of the state. However their financial remuneration should be to certain extent based on their performance and tasks fulfilled, as used in some Czech municipalities.
- Code of Ethics should be legally binding and their violation should be considered as breach of discipline with appropriate consequences. However, the Code itself is only a partial step for efficient administration, which starts with effective legal background to deal with officials.

7. 4. Smart Administration

- In order to successfully carry out modernisation, a combination of strong political leadership, experts' support and backing and potential financial benefits for both the state and actors involved (legally) is needed.
- Existence of too many reform programs which depend on each other to proceed further is overall harmful to the reform process as this might be halted easily.
- Services such as CzechPOINT or eKlep are functioning well and they can be followed or copied. Other projects such as Basic registers still have many problems and controversies and it is necessary to wait for their results.

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