

Annex No. 2: Impact overview and implementation schedule for Council recommendations for 2013

CSR number	Recommendation	Resp.	Measure name	Measure type	Measure description	Target status	Expected impacts of the measure	Impacts on the state budget	Contribution to fulfilment of Europe 2020 goals	Progress up to now	Current status and further planned steps including timeline	Identification of possible risks of the measure's implementation
1: Budget strategy	a) Implement the planned budget for 2013 so that the excessive deficit is eliminated in 2013 and structural adaptations listed in the Council's recommendations within the scope of procedures for an excessive deficit are achieved	MF	Consolidation strategy fulfilment	Legislative (approved state budget for 2013, Act No. 504/2012)	Pursuant to the notification of the government deficit and debt of 2014, management of the government sector in 2013 achieved a deficit of 1.5 % of the GDP.	Completion of the procedure for an excessive deficit commenced with the Czech Republic in 2009.	Consolidation of budget management for the government institution sector.	The state budget deficit was originally expected to be 100.6 billion CZK. According to current data, it was 81.3 billion CZK. This deficit figure has not been adjusted to eliminate the effect of financial operations and does not take into account the effect of transactions of the National Fund and privatization income.	Strengthening and thorough implementation of the budget strategy overall supports the fulfilment of the goals of the Europe 2020 strategy.	The target set in the Convergence Programme shall not be exceeded.	The 2013 budget year has already been completed.	The decision to end the excessive deficit procedure is fully within the authority of the EU Council. It depends not only on the results of the April notification of the GDP, but also on an assessment of the sustainability of keeping the governmental institution budgetary deficit under 3 % of GDP in the coming period. This is assessed based on the spring fiscal prognosis performed by the European Commission.
	b) For 2014 and later years, reinforce and strictly implement the budget strategy, accompanied by sufficiently defined measures in order to ensure a fiscal effort appropriate for sufficient progress to achieve the mid-range budget target.	MF	The 2014 state budget and the mid-term outlook for 2015 and 2016.	Legislative (approved state budget for 2014, Act No. 475/2013 and Act No. 218/2000, on budgetary rules)	The binding nature of the mid-term expenditure framework ensues from Act No. 218/2000, on budgetary rules and its amendments (Act No. 501/2012) governing the contents of expenditure framework amounts.	The current fiscal strategy presented in the Czech Republic's 2014 Convergence Programme with a government sector deficit of 1.8 % of GDP in 2014. In 2015 and 2016 we expect deficits of 2.3 % of GDP, then in 2017 a decline to 2.0 % of GDP.	The government is planning measures in the area of direct and indirect taxation as well as component modifications on the government expenditure side. An important step is the decision to repeal Act No. 458/2011. However, the government continues to consider increasing public sector and tax collection efficiency as important. The government's strategy is counting on a slightly expansive fiscal policy in the mid-term outlook.	REVENUES In connection with planned VAT measures, a decline in revenues is expected in 2015 and 2016, when the 2nd reduced rate on selected goods will be implemented, and subsequently the base and reduced rates will be reduced by one percentage point. The impact of the government's discretionary measures at the level of direct taxation will be significantly smaller. EXPENDITURES On the expenditures side, the end of restriction of the valorization formula for increasing pension from 2015, a slight increase in social support and state administration wages will have an effect. The increase shall also affect expenditures in the area of healthcare.	Strengthening and thorough implementation of the budget strategy overall supports the fulfilment of the goals of the Europe 2020 strategy.	In its Resolution No. 729 of 25 September 2013, the government approved the draft mid-term state budget outlook and draft mid-term expenditure frameworks for 2015 and 2016. The government's new fiscal strategy is described in the Convergence Programme updated for 2014-2017.	The Chamber of Deputies of the Czech Republic (CD CR) approved the state budget via Act No. 475/2013. It approved overall 2014 state budget revenues of 1099.3 billion CZK. It also approved overall 2014 state budget expenditures of 1211.3 billion CZK. The new government has also avowed to maintain the government institution sector budget deficit under 3 % of GDP. Regarding the government's stance on the Single Collection Point (SCP), see Part 2. Tax Policy.	Although the proposed state budget for 2014 and the mid-term budgetary outlook have been set to support the economy and maintain the government institution sector budget deficit under 3 % of GDP, completing of the procedure for an excessive deficit in the case of a positive assessment by EU institutions that this is taking place in a trustworthy and sustainable manner will only be the first step. For the Czech Republic, it continues to be the case that in the mid-term outlook it should achieve the mid-term budget target, which is a structural deficit of 1 % of GDP.
	c) Give priority to expenditures supporting growth.	MF	The 2014 state budget and the mid-term outlook for 2015 and 2016; the budgets of individual state funds.	Legislative (approved state budget for 2014, Act No. 475/2013 and Act No. 218/2000, on budgetary rules, Act No. 501/2012)	The budget respects the need to invest into education, science, research, transportation infrastructure, and other pro-growth measures. Disbursement of EU funds for these purposes is also expected.	Due to an unfavourable economic trend, the Czech Republic's fiscal strategy has been configured, within the scope of its limited options, to support the improvement of the Czech economy. This is why the amounts of the mid-term expenditure framework for 2014 and 2015 were	The measure should contribute to improving the economy and its competitive ability.	Public expenditures for research, development and innovation (RDI) will represent, sans pre-financing from European funds, 26.6 billion CZK in all three years 2014, 2015 and 2016. For 2014, these expenditures, including estimated EU funding, will	It will contribute meeting goal 1 in the area of employment, goal 4 in the area of education, and goal 2 in the area of research, development and innovation.	The 2014 state budget and the mid-term outlook for 2015 and 2016 were approved – see part 1(b).	See part 1(b). When putting together the state budget (for 2015 and subsequent years), the government will strive to, among other things, support economic growth. (The government's aim is also	Possible problems with timely and successful implementation of projects co-financed from the EU budget.

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						increased.		be 34.6 billion CZK. The share of GDP for 2013, including European funds, will be 0.86 % according to current calculations; without these funds it will be 0.66 %. Published data does not take into account the entire government institution sector (e.g. public universities, public research institutions – only their subsidies from the state budget). It also does not include claims from unspent expenditures and possible higher pre-financing from EU funds. There is also a year-over-year increase in expenditures for transport infrastructure financed from the State Fund for Transport Infrastructure, which in 2014 will be 46.6 billion CZK (compared to expenditures of 44.7 billion CZK in 2013). Expenditures in the Ministry of Industry and Trade chapter of the budget are also increasing due to support of renewable resources.			to support employment, families with children and a functional state.)	
	d) Commit remaining projects co-financed from EU funds within the existing financial framework.	MT, ME, MIT, MRD, MEYPE, MLSA	Continue to sign Contracts/Decisions on providing subsidies with recipients from EU funds.	Non-legislative.	Managing bodies of 2007-2013 operational programmes should issue final invitations, create and utilize project reserves so that the overall allocation is used up.	V Use up allocation for the 2007-2013 programme period and meet goals set at the level of operational programmes.	An impact assessment for interventions during the 2007-2013 programme period will be performed after some time has passed.	In the case of recommitment of 2007-2013 operational programmes, obligations from Contracts/Decisions on providing subsidies from national public resources (i.e. also from the state budget) should be paid.	The 2007-2013 programme period was primarily tailored to the needs of the Lisbon Strategy. Nevertheless, some supported activities during 2007-2013 also contribute to fulfilling the Europe 2020 strategy.	From the beginning of the programme period up to 3 January 2014, the subsidy Decisions/Contracts cover 91.4 % of allocations for the 2007/2013 programme period.	The date for conclusion of subsidy Contracts/Decisions depends on the final date for expenditure eligibility, 31 December 2015. All recipients must pay all eligible expenditures by this date.	
2: Tax policy	a) Reduce the high level of taxation of labour by shifting taxation to areas the restrict growth less, for example regular payment of property tax and road transport taxes.	MF	Increased property tax rates from 2013 onward.	Legislative (Act No. 500/2012, the "Anti-deficit Package", Act No. 344/2013, a Legal Measure of the Senate on changes to tax laws related to recodification of private law, and on changes to some acts)	In 2013, the real estate transfer tax rate increased by one percentage point.	The goal of increasing the real estate transfer tax rate was not only to increase state budget revenues, but also to increase the share of property taxes, which in the Czech Republic is relatively low compared to other countries.	Increasing the share and the amount of property taxes can contribute to making room for a reduction of taxation of labour. Any reduction in the taxation of labour will reduce companies' overhead and improve their competitiveness in an international context.	A real estate transfer tax increase effective 2013 has a budgetary impact of 1.8 billion CZK.	A contribution to meeting goal 1 in the area of employment and to meeting goal 5 in the area of poverty reduction. Also an impact on fulfilment of recommendation no. 1.	See passed legislation.		
			Exemption of some	Legislative (Act No.	In 2014, the exemption			The measures reduce	A contribution to	See passed legislation.		

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			income from taxation or increasing tax deductions.	500/2012, the "Anti-deficit Package", Act No. 344/2013, a Legal Measure of the Senate on changes to tax laws related to recodification of private law, and on changes to some acts)	limit for some occasional income was raised, and for the limit for deduction of gifts was raised by 5 percentage points.			government sector revenues by approx. 0.3 billion CZK beginning with 2014.	meeting goal 1 in the area of employment and to meeting goal 5 in the area of poverty reduction. Also an impact on fulfilment of recommendation no. 1.			
			Implementation of sector taxation is being considered.	Legislative	Sector taxation for some regulated areas such as finance, energy, telecommunications and gambling is being considered.	Achieving the same effective tax burden as in other sectors.	Achieving the same effective tax burden as in other sectors. Boosting the revenue side of public budgets.	Boosting the revenue side of public budgets by several billion CZK.	Can contribute to fulfilling recommendation No. 1.	Up to now only analyses are being made, a decision will be made in the future regarding adoption of these measures.	Up to now only analyses are being made, a decision will be made in the future regarding adoption of these measures. Measures will come into effect in 2016 at the earliest.	Will be added based on further developments.
	b) Further reduce differences in the taxation approach to employees and self-employed individuals.	MF	Set a ceiling on flat rate deductions (within the scope of the "Anti-Deficit Package")	Legislative (Act No. 500/2012)	The measure reduced the tax disproportion between self-employed individuals and employees by setting a ceiling for flat rate deductions for entrepreneurs. If he uses these flat rate deductions, the taxpayer is restricted in the use of some tax benefits (deductions for child support, a husband or wife without their own income).	Reduce differences in the taxation approach to employees and self-employed individuals.	Reduce differences in the taxation approach to employees and self-employed individuals.	The expected budgetary impact in 2013 is +2.5 billion CZK.		Implementation of measures to set a ceiling for flat rate deductions for entrepreneurs effective as of 1 January 2013.	The measure is effective as of 1 January 2013.	
		MF	Harmonization of the tax and insurance base.	Legislative	Parametric changes in harmonized tax and insurance rates, which are expected to come into effect in 2016, would reduce differences in taxation levels between the self-employed and employees.	Narrowing the tax burden gap between employees and the self-employed.	After an analysis of contributions for employees and the self-employed into public budgets, the government shall propose measures that will contribute to a more just distribution of the cost of financing public services.	Will be possible to state only after the relevant analysis have been performed.		Work on harmonized tax and insurance bases continues.	Parametric changes in harmonized tax and insurance rates, which are expected to come into effect in 2016. An analysis of contributions for employees and the self-employed into public budgets is currently taking place, based on which changes will be proposed.	Will be added based on further developments.
		MF	Restriction of flat-rate deductions for the self-employed.	Legislative	Parametric changes in harmonized tax and insurance rates, which are expected to come into effect in 2015, would reduce differences in taxation levels between the self-employed and employees. A ceiling of 2 million CZK annually will be set on income for which a flat-rate deduction can be used (60 %). Taxpayers utilizing flat-rate deductions will be able to claim only the basic personal deduction.	Narrowing the tax burden gap between employees and the self-employed and a more just distribution of the cost of financing public services.	Reduce differences in the taxation approach to employees and self-employed individuals.	An increase to government sector revenues by approx. 1.3 billion CZK in 2015.		Starting in 2013, ceilings were put into place and restrictions implemented on claims for supported children and spouse. Work on harmonized tax and insurance bases continues.	Parametric changes to harmonized base rates is expected beginning in 2015.	Will be added based on further developments.
	c) Increase the degree to which tax regulations are complied with and reduce the cost of compliance by	MF	The Single Collection Point project. Extended transfer of tax liability for some fulfilment within the	Legislative (the government proposes that Act No. 458/2011, on restricted SCP functionality, be	The project's goal was not only to increase the effectiveness of tax revenue collection or to reduce the administrative burden on taxpayers, but	Continued implementation of tax measures to reduce tax evasions. Maximum possible harmonization of tax and	A reduction of the risk of tax evasion.	<i>Cannot be specified without a more in-depth work on the government's goals.</i>	A contribution to fulfilment of initiative 5 in the area of improving the business environment.	<i>For now at the level of government intent, details are yet to be worked out.</i>	Submission of the draft act changing insurance premium parameters from 2016 to the government is expected during the first half of	<i>It will be possible to assess risks only once the intent is worked out in greater detail.</i>

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	creating a single collection point and harmonizing tax bases for personal income tax and social and health insurance contributions.		scope of VAT.	repealed, but supports the basic ideas of the SCP – a more precise approach is not yet specified; the draft act governing insurance premium parameters from 2016	was also to have improved communication between individual tax administrators, which would reduce the risk of tax evasion. Tax and insurance bases were to have been harmonized as much as possible, and the premium rate for health and pension insurance for employees and the self-employed was to have been aligned, as well as the length of their insurance and taxation periods.	insurance bases.			Also a contribution to the fulfilment to recommendation no. 1.		2014.	
		MF	Effective as well as draft acts related to value-added tax and excise taxes on mineral oils.	Legislative (Act No. 234/2013, changing Act No. 311/2006, on fuels, Act No. 502/2012, changing Act No. 235/2004, on value-added tax, Act No. 353/2003, on excise taxes).	The Act implements stricter conditions for fuel traders and also increases the deposit required for these transactions. In the area of VAT, several concepts have already been implemented that reduce the possible level of tax evasion, such as for example the concept of the unreliable registrant, the obligation to use verified bank accounts, or temporary shortening of the taxation period for new VAT registrants. In the area of excise taxes, the change is in the calculation of the tax deposit required from authorized recipients for repeated purchase of fuels, and the implementation of a register of subjects handling special mineral oils (especially lubricating oils).	Continued implementation of tax measures to reduce tax evasions.	Reduction of the scope of tax evasion.	The budgetary impact of measures that help fight tax evasion is very difficult to express explicitly. In the area of trade in fuels, a positive impact is expected on the revenue side of the budget in the sense of a reduction in tax evasion in the area of fuel trading. According to estimates, VAT evasion related to offences in the area of fuel trading amounts to as much as 8 billion CZK annually.		See column no. 3. Act No. 234/2013 is effective from 1 October 2013, and Act No. 502/2012 from 1 January 2013.	Related legislative is already effective and in force. Changes in the area of the act on excise taxes should be submitted to the government by June 2015.	Risks cannot be identified at this time.
		MF	Digitalization of tax administration		Within the scope of measures to improve tax collection, digitalization of tax administration, performing effective verification of retail revenues from the sale of goods and services, and a lowering of the cash payment limit (from 15k to 10k EUR) are being prepared.	The goal is across-the-board implementation of possible tax statement filing from 2015.	Reduced administrative costs for the tax administrator and the taxpayer alike.	Slightly positive.	Contributes to meeting initiative 5 in the area of improving the business environment.	The measure is being prepared.	Across-the-board implementation of possible tax statement filing from 2015 is being prepared. A possible discount for VAT registrants who submit their tax statements electronically is being considered.	Will be added based on further developments.
3: Long-term public finance sustainability	a) Increase the real retirement age by adapting the retirement age or pension payments by changes to the mean lifetime and reassess	MLSA, MF	Implementation of a mechanism to regularly review the rate of retirement age increase.	Legislative	The measure shall establish the obligation to create a report at regular intervals that assess the demographic trends. The report's main output will	The goal is to entrench a mechanism that will govern regular checks and if required review of the rate of increase of the retirement age so that the average amount of time spent in retirement does not	Via regular assessments, the measure should establish a closer tie between demographic factors (the expected mean lifetime) and parameters of the	The measure should help with the sustainability of public finances (the pension system) in the case of a different demographic trend than is currently expected.	Č Can have a partial effect on the goals of the Europe 2020 strategy in the area of increasing employment (Goal	The Ministry of Labour and Social Affairs (MLSA) has prepared an analysis of experiences of EU member states in the area of linking the expected median lifetime with	The conceptual material is currently in the phase of internal expert consultation between the MLSA and the Ministry of Finance. In the coalition agreement	The main identified risk of implementation is the fact that at this moment there is no definitive agreement on an institution that would have an

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	the pension valorization system.				be a prediction of the trend in the main indicator – the expected mean length of survival after reaching retirement age. If the expected trend in the main indicator deviated from required values (i.e. if the amount of time spent in retirement deviates from required values, and especially if this would mean the threat of increased expenditures in the pension system), a process would commence that would bind the government to produce a proposal for an adequate reaction to the expected deviation of the trend in the main indicator, and submit it to Parliament.	change significantly.	pension system (statutory retirement age).	Specific effects of the measure depend on currently unknown future trends in demographic parameters in the Czech Republic.	1).	retirement age; there is also related internal material for discussion that analyzes the possibility of creation the required mechanism.	the government presumes that a special commission shall be set up under the aegis of these two ministries, which shall then prepare further steps.	optimum form and status to materially and staff-wise secure the functioning of the mechanism under consideration.
		MLSA	Review of the valorization mechanism	Legislative	A draft amendment was prepared concerning the valorization formula according to which pensions will be valorized by 100 % of the growth in the CPI and 1/3 of the growth of real wages. In 2015, it will simultaneously be guaranteed that pensions will increase by at least 1.8 %.	A change to valorization rules with a positive income on the purchasing power of pensioners' households.	The change in pension valorization will help stop the decline in the real value of pensions and to restrict the reduction in pensioners' standard of living.	A negative impact of roughly 5 billion CZK annually.	A positive effect on fulfilment of one of the goals of the Europe 2020 strategy: a reduction in the number of individuals threatened by poverty or social exclusion (Goal 2).	The amended Act on Pension Insurance was adopted by the government on 9 April 2014.	The amendment shall now be submitted to the Chamber of Deputies of the Parliament of the CR. Passage in one reading has been proposed.	if the amendment is not passed in the CD PCR in one reading, the risk that the legislative process will not be completed by 31 August 2014 increases. A later end date for the process would threaten the practical implementation of the change.
	b) Supplement the increase in retirement age with a measure supporting the employment of older workers.	MLSA	"Generational Tandem – Support for Generational Substitution" projects	Non-legislative	Projects focused on supporting intergenerational substitution and solidarity. Workers of pre-retirement age train newly hired employees from the ranks of job seekers who either have no work experience or spent a long time off of the job market (parental leave). The employer will receive a financial contribution for both employees. This is a pilot project in three regions – Karlovy Vary, Olomouc and Central Bohemia.	A greater degree of certainty for pre-retirement age employees on the job market, smooth intergenerational substitution on the job market. Job sharing.	The projects will help keep pre-retirement age employees (about 18 months prior to eligibility for a standard old-age pension) employed and will boost their certainty on the job market. It will also contribute to intergenerational substitution, and transfer of experience and qualifications – qualification requirements on the job market will be aligned.	Pilot projects for three regions were submitted in February 2014 and are now in the assessment and approval phase. The impact on the state budget cannot thus be quantified; the projects will be implemented as individual regional projects financed by the ESF. However, in general it shall be positive, as it will prevent the layoff of pre-retirement age employees (this group has the right to 11 months of unemployment benefits), or their departure into economic inactivity, while on the other hand helping young people enter the job market, as well as those re-entering the job market after parental leave.	The projects will help meet employment level goals for older individuals.	The projects were submitted in February 2014 and are in the assessment and approval phase. Their scope shall correspond to the amount of funds from the OP Human Resources Development.	The projects are in the assessment and approval phase. Pilot verification of the tools shall take place in selected regions with the support of about 1000 pre-retirement age individuals and the same number of new or returning job seekers. The pilot evaluation should commence at the beginning of 2014.	Not identified.
		MLSA	Educate For Growth! – employment opportunities (EFGI – EO)	Non-legislative (Active Employment Policy measure)	An increase to the maximum contributions for an employee who is hired by an employer from	Increased employment of older persons	Positive impact on employment of those over the age of 55.	Cannot be determined, in light of the fact that the volume of persons over the age of 55 actually	Increased levels of employment of older persons	Through Addendum No. 2 to Directive of the General Directorate of the Employment Office of the	Currently the methodology (contribution amount) of the existing project is	Insufficient funds for implementation, insufficient interest on the part of employers

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					among job seekers over the age of aged 55.			supported cannot be indicated.		Czech Republic No. 5/2013. effective 19 September 2013, the text of Annex No. 1 to this directive was changed to increase the maximum contribution limit within the scope of community service jobs and socially specific jobs – reserved for job seekers aged over 55 to 24,000 CZK per month.	being modified.	to hire older workers for subsidized jobs despite the higher contributions.
		MF	Claiming basic personal exemptions for working pensioners.	Legislative	Starting in 2015, working pensioners will be able to claim basic personal deductions.	Return to the status that existed prior to 2013.	A negative impact of approx. 2.5 billion CZK.	A negative impact of approx. 1.5 billion CZK.	Reduction of poverty, increasing employment of older persons.	Discussions are currently being held on effective dates.	Discussions are currently being held on effective dates. The expected effective date is in 2015.	Will be added based on further developments.
		MLSA	Social insurance discount for selected employee categories	Legislative (an amendment to the Act On Social Security Premiums).	A discount on social security premiums in order to increase employment of groups under threat on the job market.	Increased employment of older persons	A positive impact on the employment of older persons	Precise parameters are not defined yet (scope, amount, discount duration). Negative impacts in the form of state budget revenue reductions should be compensated by a reduction in expenditures and increased revenues due to higher employment and lower inactivity and unemployment.	Increased employment of older persons	The measure is in the government's Programme Declaration.	Specific parameters of the measure are currently being defined. The measure could come into effect in 2015.	
	c) Restrict early retirement options. Especially cancel public subsidies for pre-retirement mode.	MPSV, MF	Not expected	During a session of the EU Council, the Czech Republic consistently raised objections to this recommendation, in light of the very small number of citizens who participated in the pre-retirement system (as at 31 December 2013, pre-retirement benefits were being paid out to 274 individuals, which represented a public budgetary outlay for health insurance of approx. 1 million CZK). In light of the negligible impact of pre-retirement on the area of public finance and employment, as well as taking into account consensus by social partners for this measure, no change is expected for the time being. In addition, this is not early retirement, but rather the ability to utilize one's own savings during a time close to retirement age, when it can be difficult to find a job. By taking advantage of pre-retirement, participants in the supplementary pension insurance system can avoid a permanent reduction of their old-age pension, which would take place in the case of early retirement. It cannot be considered a public subsidy for pre-retirement mode, because the state contribution is given to all participants in supplementary pension insurance, regardless of what amount they take out, which can also be pre-retirement (it is just a specific disbursement from supplementary pension insurance that meets specified characteristics).								
	d) Implement measures that would significantly improve cost-effectiveness of healthcare expenditures, especially hospital care.	MH	Reduction of regulatory fees	Legislative (an amendment to Act No. 48/1997, on public health insurance)	Cancellation of fees for outpatient services (except for emergency wards) and for prescriptions	Citizens will not have to pay regulatory fees for visiting outpatient specialists and for prescriptions.	Elimination of the burden of co-payment by patients.	A negative impact of approx. 2.9 billion CZK.	Poverty reduction.	Fees were cancelled as of 1 January 2014.	Legislative changes are under preparation.	
		MH	Increased contributions for those insured by the state and their regular valorization.	Legislative (an amendment to Act No. 592/1992, on general health insurance premiums)	Increased contributions for those insured by the state (children, students, the unemployed, pensioners). Regular valorization of contributions for state employees taking into account growth in the average wage.	An increase in contributions from the current 787 CZK to 845 CZK. A functional system of regular valorization.	Financial stability of the healthcare sector. Adequate income from contributions for those insured by the state.	A positive impact of approx. 2.1 billion CZK in 2014.	Poverty reduction.	The government approved the intent to increase contributions in March 2014.	Submission of legislation to the government of the CR in March 2014. Passage by the Chamber of Deputies in May 2014 (using an accelerated legislative process). Draft legislation for regular valorization will be submitted to the government by 31 December 2014, with its effective date being at latest from 2016.	
		MH	A reduction in health insurance companies' reserve fund.	Legislative (an amendment to Act No. 280/1992, on departmental, sectoral, company and other health insurance companies and to Act No. 551/1991, on the General Health	A reduction in health insurance companies' reserve fund by an entire half, i.e. from the current 1.5 % to 0.75 %.	A reduction in health insurance companies' reserve fund by an entire half, i.e. from the current 1.5 % to 0.75 %.	Partial saturation of the healthcare financial system.	A positive impact of approx. 600 million CZK in 2014.	Poverty reduction.		Legislation is being prepared. It will be submitted to the government by 31 July 2014.	

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				Insurance Company of the Czech Republic).								
		MH	Regulation of health insurance companies' overhead	Legislative	Legislation binding health insurance companies to invest less of their revenues into operations.	Savings will be available in the healthcare system	Financial stabilization of the healthcare sector.	A positive impact of approx. 600 million CZK in 2014.	Poverty reduction.		Materials are being prepared for government discussion. A draft will be submitted to the government by 31 December 2014.	
		MH	A transparent and controllable system for managing public funds.	Legislative (amendment of Act No. 551/1991 and Act No. 280/1992)	Implementation of a transparent and controllable system for managing public funds via mandatory publication of contracts and "production" addenda between health insurance companies and healthcare providers.	A transparent environment, financial savings.	Financial stabilization of the healthcare sector.		Poverty reduction.		Legislation is being prepared. A draft will be submitted to the government by 31 December 2014.	
		MH	Cultivation and development of the DRG system	Legislative	Improving state oversight of healthcare insurance transactions and of health insurance companies via a legislative measure.	Entrenchment of an evidence-based approach and cultivation of DRG. Clear methodology for payment mechanism used in providing healthcare	Health insurance companies will be more efficient in the future.	Cannot currently be quantified.	Poverty reduction.		Preparations for definition of tasks, statutes and procedural code of the planned analytical research institute for economics and quality in healthcare. Will be completed by 30 June 2014.	
		MH	Establish a device commission	Non-legislative	Establish a device commission composed of representatives of the Ministry of Health as well as members of the professional community, the Czech Medical Chamber, etc.	A functional device commission evaluating purchases of healthcare equipment supported by a thorough analysis of needs and options.	Effective use of financial resources.		Poverty reduction.		An internal regulatory measure of the Ministry of Health is being prepared. The commission will be established by 31 December 2014.	
4: Employment and childcare services	a) Expend further effort to increase effectiveness and efficiency of public employment services.	MLSA	Development and modernization of employment services	Legislative (amendment to Act No. 73/2011, on the Employment Office of the CR)	Organizational changes, identification of "basic performance units" in order to have a selected group of Contact Offices participate more in the implementation of employment policy, transfer of administration and responsibility for the information system of the MLSA to the Employment Office of the CR.	An Employment Office providing high-quality individualized services leading to increased employment and reduced unemployment, addressing issues related to regional and local job markets, available to all job seekers, employers and other participants in the job market.	Quantified impacts: creation of new jobs, savings in social policy, reduction of costs to employers. Unquantifiable benefits: better targeting and individualization of active employment policy support, improved availability and quality of services to job applicants and job seekers and employers.	The impact will be calculated after proposals for specific measures have been drawn up. Meeting specific recommendations will require increased expenditures from the state budget to cover additional staff for client-oriented services (advice, agency).	Increasing the rate of employment in the 20-64 age bracket to at least 75 %; the "Agenda for new skills and jobs" initiative; the "European platform against poverty and social exclusion".	A white paper for the legislation is currently being drafted.	The draft will be submitted and approved by the government by 30 September 2014.	Poor configuration of competencies within the organizational structure of the Employment Office of the CR.
		MLSA	Targeted support for active employment policy.	Non-legislative	Increase employers' motivation to hire job seekers with several handicaps for subsidized positions, or job seekers who have been registered at the Employment Office for an extended amount of time, by changing conditions under which Active Employment Policy contributions are provided. An increased percentage of re-qualifications focused on the trades and foreign languages.	More targeted Active Employment Policy support, employers more motivated to hire job seekers, requalification focused on skills in demand on the job market.	Job creation, increased employment, reduced costs to employers. Better targeting and individualization of active employment policy support, improved quality of services.	Within the scope of existing allocations of the budget chapter for active employment policy.	Increasing the rate of employment in the 20-64 age bracket to at least 75 %.	Modifications to guidelines for providing active employment policy contributions, a higher contribution limit for the most threatened groups, implementation of targeted active employment policy tools and measures for specific groups (work experience for young people, generational tandem, activation work opportunities).	In the coming years, better targeting of active employment policy by profiling job seekers and other procedural changes so that contributions amounts better reflect disadvantages on the job market.	

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		MLSA	Development of information systems and the digitization of services being provided	Non-legislative	Implementation of a functional information system that interconnects all data related to employment services, development of self-service electronic systems, advisory and informational tools (aligning supply and demand on the job market, digitization of the initial contact, etc.)	A functional information system interconnected throughout the Czech Republic, quick and available services for clients, i.e. job seekers and individuals in difficult life situations, relevant information on clients and the situation on the job market, as prerequisites for improving and resolving the situation.	Job creation, cost savings in social policy, reduced costs to employers. Better targeting and individualization of active employment policy support, improved quality of services to job seekers and applicants, and to employers.	The impact will be calculated after proposals for specific measures have been drawn up with regards to legislative options; expected funding from the state budget.	Increasing the rate of employment in the 20-64 age bracket to at least 75 %; the "Agenda for new skills and jobs" initiative; the "European platform against poverty and social exclusion".	As of January 2014, the MLSA has temporarily returned to its original information system.	An open tender for a new information system is being prepared. The new system should be implemented starting January 2015.	
		MLSA	Broadening and expansion of advisory services	Legislative (amendment to Act No. 435/2004, on employment)	Changed conditions for implementing individual action plans, better targeting of advisory activities for inclusion among appropriate active employment policy tools, improve individual approach; standardize advisory services, hire more advisory staff, better procedural guidelines.	Functional individualized services, especially in regions and locations with above-average unemployment, with a high percentage of long-term unemployed and a significant percentage of job seekers who are difficult to place and handicapped.	Job creation, increased employment of difficult to place job seekers, cost savings in social policy. Un-quantified benefits: Better targeting and individualization of active employment policy support, improved quality of services to job seekers and applicants.	No direct budget impact if the above measures are implemented.	Increasing the rate of employment in the 20-64 age bracket to at least 75 %; the "Agenda for new skills and jobs" initiative; the "European platform against poverty and social exclusion".	On 8 January 2014, the MLSA issued certified "Methodology for the advisory process applied to job seekers at the Employment Office of the Czech Republic". The methodology was handed over to the user (Employment Office of the Czech Republic) by their originator for implementation in the field.	The methodology was drawn up within the scope of the MIKOP project that have an across-the-board impact on the provision of advisory services at the EO CR. Methodology development will end in March 2014, with subsequent trial verification in the field until August 2014. Final changes may be incorporated based on the results of the trial.	Insufficient staff capacity at the EO CR.
		MLSA	Methodology for individual and comprehensive work with clients of the Employment Office of the Czech Republic	Non-legislative	Creation of new methodology for work with clients of the EO CR and implementation of this methodology in the field. The methodology will cover three areas according to individual departments in the employment division (the Agency and Advisory Department, the Job Market Department, and the EU Projects Department). Resulting measures will be incorporated into internal management rules. The methodology will include an instruction manual for all-embracing work with a wide spectrum of EO CR clients within the scope of comprehensive advisory services, leading to increased staff effectiveness. A capacity increase for services provided by the EO CR by adding staff to regional branches of the EO CR and increasing specialized knowledge and skills of EO CR employees.	Increased quality and scope of activities within the Employment Department of the EO CR through process standardization and integration. The systematic organization of new work procedures so that the entire system of services is as effective as possible. Ensuring clients are provided services or information on the entire range of services provided by the EO CR with the same level of quality at any location (i.e. comprehensive work with the client) while simultaneously ensuring an individual approach to the client.	Increasing the quality of activities and services in the Employment Department at all EO CR locations, increasing employees' professional skills through courses and case study seminars	No direct impact	Increasing the rate of employment in the 20-65 age bracket	The ESF MIKOP project (Methodology of individual and comprehensive work with clients of the EO CR) is being implemented.	The ESF MIKOP project (Methodology of individual and comprehensive work with clients of the EO CR) is being implemented. Methodology development will be completed in March 2014. Trial verification of this methodology will take place from April to June 2014.	Insufficient synergy between the EO CR and the MLSA. Failure to put the new methodology into practice through modification or creation of new management rules. Failure to perform organizational changes and job description changes in relation to the newly designed methodology.
		MLSA	Cooperation between the EO CR and employers in monitoring open job positions	Non-legislative	Establishes appropriate conditions in the area of monitoring and tracking job openings. Reacts to the cancellation of employers'	Better quality services for employers within the scope of monitoring job openings in a comprehensive manner. Obtaining comprehensive	Higher quality public services for work with clients and partners.	No direct impact		Since 1 September 2013, contact locations of the OP CR have added a total of 319 job positions.	Implementation of a project focusing on closer cooperation between the EO CR and employers began,	Insufficient technical provisions for monitoring of open job positions (interconnection of

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					obligation to report job openings to the EO CR. For this reason, the EO CR must change the way it works and establish new processes for services and targeted cooperation with employers.	information on job opportunities. Increased level of information on job openings.					including the monitoring of open job positions	individual information systems, the National Qualification System and the National Profession System, etc.)
	b) Significantly increase accessibility of childcare facilities that support social inclusion and focus on children up to three years of age, and increase the share of Roma children, primarily by passing and implementing a law on childcare services and by increasing the capacity of public and private childcare services	MLSA	A draft act on providing group childcare services and on changes to related acts.	Legislative	The draft act stipulates conditions for the legal area of childcare services for children from the age of one until the beginning of compulsory school attendance, hitherto unregulated, by introducing a new type of service – supervision and care for children in a group. The draft act amends the Income Tax Act, as well as pro-family tax measures, i.e. introduction of tax eligibility of an employer's cost of providing childcare services for his employees, and tax credits for parents who use childcare services in order to enter or return to the job market.	Parents' ability to remain in contact with their employment while caring for a child, and a gradual return or entry onto the job market taking into account their strategy in harmonizing their professional, family and personal life. The goal of the draft act is to broaden the range of childcare services for children from the age of one until the beginning of compulsory school attendance. The measure will also have a positive effect on children, which will receive care of guaranteed quality.	Greater availability of services for parents, harmonization of professional and family life, service flexibility according to their and their children's needs, earlier return of qualified staff. Reduction of training costs for new employees by up to 300,000 CZK per person, the ability to retain talented and experienced employees who are parents, increased company prestige, higher employee motivation and loyalty, clear conditions for caregiving, including setup and facility requirements, and stipulation of responsibilities for individual subjects.	Public budget revenues in connection with parents participating in the job market as payers of tax and insurance premiums (estimated revenue for 2014 is 191 million), public budget revenues in connection with the contribution being included in the insurance assessment base as a non-monetary benefit, and also being subject to income tax. An expected reduction in the number of social support and welfare recipients. State budget expenditure reductions in connection with tracking and checking providers of group childcare services by approx. 1.5 million CZK. State budget expenditure reductions in connection with providing services via state organizations. A reduction in annual public budget revenues in connection with tax breaks to employers who provide childcare to their employees, and in connection with tax relief for employed parents.	A positive impact on goal fulfilment by increasing the rate of employment in the 20-64 age bracket to at least 75 %.	Based on an approved white paper for an act on child groups and on changes to related acts, a draft act on providing group childcare services and on changes to related acts, and on 2 January 2014 this draft act was approved by the government.	The government's draft act was submitted to the Chamber of Deputies of Parliament for debate.	The draft act's effective date depends on its passage through the legislative process of the Parliament of the Czech Republic.
		MLSA	Harmonization of private, work and family life	Non-legislative	Introduction, development and active support for flexible employment. Support (including financial) for improvement of childcare service availability (e.g. nursery schools, childcare businesses, daycare facilities, etc.) and creation of conditions for the setup, operation and development of social services (e.g. care services, drop-in centres, personal assistance and so on, as care facilities for other dependents), evaluate developments in the given area and assess the existing network of	Increase the use of flexible job positions, especially in the civil service. Increase the supply of preschool childcare options and social services.	Increased levels of employment for women due to better opportunities to harmonize their private, work and family lives. A contribution to eliminate inequalities in the job market between women and men.	Revenues for public budgets due to participation of parents and those caring for family members in the job market.	A positive impact on goal fulfilment by increasing the rate of employment in the 20-64 age bracket to at least 75 %.	The government passed the measure on 15 May 2013. In connection with the approval of the professional qualifications of "Nanny for children up until the start of compulsory school attendance" and "Nanny for children's corners" (2012), in 2013 the Ministry of Labour and Social Affairs granted a total of 23 authorizations for the profession of nanny. A total of 32 certification exams took place in 2013, which were passed by 137 applicants.	Implementation status will be monitored during Q1 2014. The MLSA is implementing two projects for the support of equilibrium between work and personal life. The goal of the "Family and Employment Audit" project is to achieve an optimum family-oriented strategy in companies. The goal of the "Harmonization of work and family inspired by examples of good practice in Europe" project is to take advantage of examples	

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					individual types of these facilities from the perspective of quantity, density and accessibility.						of good practice from abroad in the area of harmonization of work and family life to help develop the Czech labour market. Support and development of locally and financially accessible childcare services is part of support area 3.4 Equal opportunity for women and men on the labour market and harmonization of work and family life, OP Human Resources Development. Of 366 projects supported up to now, we evidence 124 projects focusing on childcare services, thus 34 % of projects.	
5: Public administration quality, fighting corruption, administration of EU funds, public contracts	a) Ensure the anti-corruption strategy is implemented for the 2013-2014 period.	OG (ACC)	Implementation of the government's anti-corruption strategy for 2013 and 2014.	Non-legislative	The document identifies and plans specific legislative as well as non-legislative measures that need to be implemented within the scope of fighting corruption.	Less opportunity for corruption; a more transparent public administration; better government projects at lower cost; reduced financial losses from the state budget and other public budgets; better legal enforceability; increased trust by citizens and surrounding countries in the Czech Republic's political system; a shift from corruption to integrity.	Elimination of opportunities for corruption; increased transparency in the public administration; improved services from state officials; a better and more easily enforced legal system; improved social climate. A reduction in the level of corruption in the CR and thus an attendant reduction in costs and consequences of corruption in the areas of the economy, politics and society.	Administrators of individual measures utilize funds from their chapter budgets.		Of 73 tasks (14 legislative and 58 non-legislative), 39 non-legislative tasks were fulfilled. Of the 10 priorities of the Strategy (for example the Officials Act, conflict of interest, whistleblower protection, the Public Prosecutor's Office Act, free access to information), no task has yet been fulfilled that would achieve the stipulated anti-corruption effect.	Some measures (especially those adopted from the previous anti-corruption strategy) are being fulfilled on an ongoing basis. Fulfilment of some measures was suspended due to the political situation. The Strategy continues to be fulfilled, but in May 2014 the government will be approving its updated version, also due to its programme declaration.	Possible lack of sufficient funds for long-term applicability of implemented anti-corruption measures and funds for monitoring (of the implementation and effectiveness of anti-corruption measures). The rules among ministries are not sufficiently aligned, the measures could have differing effects.
		MI	Changes to political party financing rules	Legislative (amendment to Act No. 424/1991, on association in political parties and in political movements)	Primarily establishing legal limits for gifts from natural and legal persons, stipulating the obligation to finance political parties and political movements only via transparent accounts that allow public access to payment transactions	A stricter system of financing political parties and political movements.	Increased transparency in the financing of political parties and political movements.	Will be estimated after specific measures specific measures have been drawn up in connection to legislative options.		After debate of the original amendment ended due to the dissolution of Parliament, the draft amendment is in the government's Legislative Plan for 2014.	The draft act will be submitted to the government by 30 September 2014. It is expected to come into effect in June 2015.	None known at this time, the effective date of the amended act will depend on the legislative process, especially Parliament.
		OG (ACC)	Electronic filling out and publishing of politicians' asset declarations	Legislative (amendment to Act No. 159/2006, on conflict of interest)	Since 2008, the register of notifications of activities, notifications of assets and notifications of income, gifts and obligations must be kept in electronic form; however, these electronic registries are kept separately for individual registry bodies. The goal is to centralize the notification register, thus making all notifications by public officials available at one location.	Easier public access to declarations by public officials. Reduced administrative burden of the current thousands of evidentiary bodies.	Increased public oversight that public officials are fulfilling their responsibilities.	None yet known.		Submission of the amended Conflict of Interest Act is in the government's Legislative Plan for 2014.	Preparation of materials in accordance with the government's Legislative Rules, which will be submitted in September 2014 with a proposed effective date of 1 January 2016.	Resistance from public officials. Insufficient funds to set up a central notification register.
		UV	Protection for	Non-legislative	Finding the most suitable	Setting up advisory centres or	An increase in the	Not yet known.		Performance of an	Preparation of materials	Insufficient funds to set

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		(OKK)	corruption whistleblowers		forms of support and legal assistance to those reporting criminal activity (primarily free legal advice and psychological counselling).	broadening the existing forms of advisory services for whistleblowers. The advisory centre must be a highly qualified, reliable and trustworthy contact centre for everyone who has reported corruption or is simply considering doing so.	number of cases of corruption being reported – a reduction in the level of latency of this criminal activity.			analysis of support and legal assistance options for whistleblowers. Submission of the analysis is in the government's Non-Legislative Task Plan for 2014.	in accordance with the government's procedural code, which will be submitted in December 2014.	up advisory centres. Resistance from subjects who think that protection for whistleblowers is not a good idea.
	b) Pass a law on government officials, which should ensure a stable, efficient and professional civil service.	OG	The Civil Service Act	Legislative (amendment of Act No. 218/2002, on civil servants in administrative offices and salaries of these workers and other employees in administrative offices	The amendment will ensure a high-quality, professional and transparent civil service. New control, organizational and human resources processes will be set up in administrative offices. Implementing regulations will then newly define rules for human resources management and development, systemization, compensation, and education.	A paradigm shift from state administration to civil service. De-politicization of management and human resources processes. Make the management and performance of administrative offices more professional. Set up a Civil Service General Directorate as a methodical, managing and oversight body for official processes, establish state secretary positions at individual ministries. New configuration If all processes related to civil service activities.	Ensure a high-quality, professional and transparent civil service. Impact on up to 80,000 employees in affected areas. Setting up of a new body, the CSGD, with 50 employees and state secretaries.	Depends on a political decision on institutional authority. Impacts will depend on the gradual effectiveness of the Civil Service Act during the transition period. Most of it should be effective as of 1 January 2016.		In January 2014, the first reading took place in the Chamber of Deputies (private members' bill). Currently being finalized.	Submission to Parliamentary committees in April 2014. The Civil Service General Directorate will be set up in June 2014. Analyses, methodologies, legislation for implementation of the Civil Service Act, and transparent selection procedures for state secretaries and directors will be prepared by the end of 2015.	Time pressure, linkage of political decisions (institutional scope of authority, civil service exam, compensation), possible worries regarding excessive cost, the need to establish facilities for the CSGD, the need for political consensus on the general director of the civil service.
	c) Improve administration of monies from EU funds for the 2014-2020 programme period.	MRD	Preparation of common guidelines	Non-legislative	Guidelines will be prepared for individual areas of programme implementation that will reflect proposals for simplification of the EU fund administration system in the Czech Republic.	Manage programme implementation effectively and efficiently, and fulfil the goals of both the programmes and the Partnership Agreements.	Reduced administrative burdens, especially on applicants and recipients, easier orientation by the applicant/recipient in the support allocation system. Improved communication between the applicant/recipient and the support provider. Common and comprehensible rules. Optimization of the administrative period. Simplified administration.	Monies from EU funds will be pre-financed from the state budget (except for the OP Cross-Border Cooperation CR-Poland). After funds are received from the EU, they shall be returned to the state budget. The effect on the state budget is in theory neutral. Corrections or projects pledged above the scope of the operational programme paid in full by the pre-financing subject could be exceptions. Other state budget expenditures also ensue from co-financing requirements. Better financial administration and simplification of administration will result in increased absorption capacity and lower risk of correction.	The focus of European structural and investment funds is directly linked to fulfilment of the Europe 2020 strategy. Improved administration of these monies will thus help achieve these goals.	On 15 May 2013, the government approved the "Concept of a common methodological environment as a component for fulfilling goals of the Partnership Agreement". On 12 June 2013, the government approved the Management and Coordination Rules for the Partnership Agreement for the 2014-2020 programme period. On 9 August 2013, the government approved the Set of methodological documents for the areas of evaluation, creation principles and use of indicators, eligibility of expenditures and their reporting, and risk management for the 2014 to 2020 programme period. On 20 November 2013, the government approved Guidelines for managing calls for, assessment and selection of projects during the 2014 to 2020 programme period. On 15 January	Additional guideline packages are being prepared, with the goal being submission to the government by mid-2014.	If the government of the CR is late in negotiating and approving documents, this could impact their effectiveness and application of rules for the new programme period.

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										2014, the government approved a set of guideline documents for the areas of monitoring (Part 1), public contracts, publicity, and preparation of control documentation.		
	d) Improve capacities for performance of public contracts at the local and regional level	MRD	Increasing the professional level of capacities for performance of public contracts	Non-legislative	For addressees of Act No. 137/2006, on public contracts (the Public Contracts Act - PCA), especially for tendering authorities and for contractors, educational seminars will be held, and methodical support for the general public will be maintained and supported in connection with the awarding of public contracts.	Realization of over 40 educational seminars for over 1600 persons who pass the PCA knowledge exam; methodical support for the general public, thus not only for tendering authorities during the awarding of public contracts, via an information forum on public contracts, publication of methodical texts and now also publication of a regular bulletin on public contracts.	Increased professional level of tendering authorities (capacities); increased tender quality from tenderers, improved control mechanisms during awarding of public contracts, more effective expenditure of public funds with an emphasis on a level and as open as possible competition; motivation of tendering authorities to expend public funds in a targeted, economic and effective manner.	The MRD applied for co-financing of the implementation of the described measure from EU funds (a contribution of 8,797,500 CZK from EU structural funds, a contribution of 1,552,500 CZK from the state budget). If the requested monies from EU funds are not provided for these activities, the measure will be financed to a limited extent from the state budget.	Indirectly contributes to achieving the goals of Europe 2020.	Preparations were commenced for tender proceedings pursuant to the PCA, the subject of which will be the technical facilitation of seminars on the PCA. As at 28 February 2014 it is not yet known whether financial support will be provided from EU funds to implement this measure.	Preparation of the educational seminars (programme) began in October 2013. The next step will be the implementation of the educational programme itself. The expected date of completion of implementation of the educational programme is set at 30 June 2015.	A risk of delay in implementing of the educational programme or tendering the public contract within the scope of implementation of the educational programme; the risk of poor quality or late fulfilment of the public contract by the contractor.
		MRD	Awarding of public contracts – transposition of European legal regulation of the awarding of public contracts	Legislative (a new Public Contracts Act)	Transposition of European legislation (the Directive of the European Parliament and of the Council on the awarding of public contracts, the Directive of the European Parliament and of the Council on the awarding of contracts to subjects in the water, energy, transport and postal services sectors, and the Directive of the European Parliament and of the Council on the awarding of concession contracts.	Easy to administer and apply procedures in accordance with the basic principles of awarding public contracts (equal treatment, non-discrimination, transparency and appropriateness).	Increasing the capacity of tendering proceedings by tendering authorities. Strengthening of control mechanisms during the awarding of public contracts. More effective spending of public funds.		Indirectly contributes to achieving the goals of Europe 2020.			
6: Quality of education, financing of research institutes	a) Create an integrated assessment framework for primary school education and undertake targeted steps to support schools that exhibit poorer results.	MEYPE	Assessment of the results of the education of pupils	Activity of the Czech School Inspectorate	Implementation of computer testing within the scope of testing pupils from Grades 5 and 9	Faster and more reliable electronic testing and processing of test results. Up-to-date data facilitates the adoption of quick, targeted support measures to help schools in which pupils fail to achieve even the required minimum, at the national level, at the founder level and at the level of every school.	Improving feedback for the educational system and its subsequent utilization to create educational policy. Improved quality of education.	Impacts on the state budget are not yet known.	A qualitative contribution to reduce the number of premature departures from education.	The results of the second pilot year of testing, based on a broad database of test assignments, are currently being evaluated, including the evaluation of aspects that allow verification of components of the assessment framework – self-assessment, modifications to the school curriculum, feedback for schools, pupils and their parents.	Experience with pilot testing of Grade 5 and 9 pupils is currently being evaluated. The government that resulted from the Parliamentary elections will decide on the next steps based on the evaluation of the pilot project.	General testing need not have the expected results and can on the contrary cause a premature choice of one's further educational path.
	b) Implement measures to improve the system of higher education accreditation and financing.	MEYPE	Changes to the Higher Education Act	Legislative (amendment of Act No. 111/1998)	Amendment of some key parts of the Higher Education Act governing financing and ensuring quality in higher education. The main areas affected by the changes are accreditation, financing and internal management	Creation of prerequisites for improving quality, relevance and transparency of higher education. The measures will also lead to a reduction of administrative burden, which is common especially with accreditation of individual study programmes.	Creation of a transparent system of higher education and its financing. Improving the quality of higher education. Reducing the administrative burden on both universities and the state.	Impacts on the state budget are not yet known.	A qualitative contribution to the joint goal of increasing the percentage of individuals with a higher education between the ages of 30 and 34.	Over the past three years, the higher education financing system in the Czech Republic has undergone significant modification, especially in connection with improving quality and performance indicators, according to	The amendment prepared during the previous government will be again discussed in 2014 with representatives of universities and social dialogue partners. It will then be submitted to	

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					processes; debates on the amendment will also deal with the subject of the naming of professors.					which 22.5 % of finances intended for institutional funding is currently (2014) being allocated.	the government for approval by 30 September 2014.	
	c) Increase the percent of funds allocated to research institutions based on performance.	MEYPE	New methodology for evaluating results of research, development and innovation and institutional financing of research organizations.	Legislative (implementation of the measure depends on an amendment to Act No. 130/2002, on support for research, experimental development and innovation from public funds, and on changes to some related acts (the Act on Support for Research, Experimental Research and Innovation), as amended.	Preparation of methodology for evaluating results of research, development and innovation and institutional financing of research organizations that will (1) take into account the position and role of various types of research organizations in the Czech Republic's national innovation system, (2) implement evaluation based on informed international peer review, (3) will emphasize the ability to achieve internationally competitive results and transfer skills into practice, and (4) will combine retrospective and prospective principles of institutional financing.	Increased effectiveness of allocation of state budget funds on research, development and innovation to the benefit of research organizations/research teams achieving internationally competitive results, capable of transferring skills into practice, and to obtain funds for research, development and innovation from private and international sources.	Increased effectiveness of the system of expending public funds on research, development and innovation dependent on the ability to achieve internationally competitive results and transfer skills into practice.	Implementation of the measure creates no additional expenditure demands on the Czech Republic's state budget. The measure is addressed via the individual project for a national "Effective system of evaluating and financing research, development and innovation" within the scope of the Education for Competitiveness Operational Programme.	Improvement of overall conditions and access to financing for research, development and innovation so that innovative ideas become products and services that create growth and generate new jobs. The Europe 2020 goal: Increase investment into research, development and innovation to 3 % of GDP.	The project for preparing a new methodology for evaluating results of research, development and innovation and institutional financing of research organizations has been under implementation since 20112 and will continue until 2015.	Pilot verification of the new methodology for evaluating results of research, development and innovation and institutional financing of research organizations is planned for 2015, with full application from 2016.	Implementation of this measure is contingent on an amendment to Act No. 130/2002, on support for research, experimental development and innovation from public funds, and on changes to some related acts (the Act on Support for Research, Experimental Research and Innovation), as amended.
		OG (ACC)	Methodology for evaluating the results of research organizations and evaluating the results of completed programmes (applicable to 2013 to 2015)	Non-legislative	During the interim period, ensure evaluation of results of research organizations and the results of completed programmes in accordance with Act No. 130/2002, on support for research, experimental development and innovation from public funds, and on changes to some related acts (the Act on Support for Research, Experimental Research and Innovation), as amended.	Maintain continuity in the evaluation of results of research organizations until the new system for assessing and financing research, development and innovation is implemented.	Ensure effective use of public funds for research, development and innovation depending on the ability to achieve internationally competitive results and transfer skills into practice.	Approval of the material will not have a negative impact on the state budget – expected expenditures are not over and above approved expenditures, and financial impacts will be covered within the scope of overall expenditures for the support of research, development and innovation without increased requirements on the state budget.	Increased motivation of participants in the innovation cycle to achieve internationally competitive results.	The methodology was approved by the government on 19 June 2013 and it has been implemented.	The methodology has been implemented, its impacts will be assessed after the first year.	None are known.
		OG (ACC)	A new methodology for preparing and evaluating targeted support programmes for research, development and innovation.	Non-legislative	Change the approach to preparation and evaluation of targeted support programmes pursuant to § 3(2)(a) and (b) of Act No. 130/2002, on support for research, experimental development and innovation from public funds, and on changes to some related acts, as amended (hereinafter the "Programmes")	Prepare and evaluate programmes in an ex-ante evaluation structure, ongoing (interim) evaluation and ex-post evaluation. Evaluate inputs, outputs, results and impacts of the Programmes and take evaluation results into account in financing subsequent and new Programmes.	More effective use of public funds for research, development and innovation. Improved quality of results of applied research and its practical utilization. Broader international cooperation in applied research. Increased participation by companies in applied research and improvements to their competitiveness.	The measure will not have a negative impact on the state budget.	Increased competitiveness of Czech research, development and innovation. Broader interdisciplinary and international cooperation.	Up to now, Programmes have been evaluated according to the "Methodology for evaluating results of research organizations and evaluating results of completed programmes" (applicable to 2013 to 2015), approved by the government on 19 June 2013. This document focuses primarily on evaluating institutions, and deals with evaluation of programmes only in a cursory fashion and insufficiently in comparison with countries with a mature evaluation culture in research, development, and	On 14 March 2013, based on a resolution of the Council for Research, Development and Innovation, a work group was set up with representatives of the affected departments. The resulting material will be submitted to the government in the second half of 2014. The new methodology will be applied from 2015 onward.	The measure must be in accordance with EU legislation now under preparation in the area of RD&I (Community framework for State aid for research and development, the General Block Exemption regulation). Insufficient staff and expertise at departments providing support for Programmes, which currently makes it impossible to perform the intended evaluations in a qualified manner.

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		MEYPE	A new methodology for evaluating large research, experimental development and innovation infrastructures	Non-legislative	Preparation of a methodology for evaluating large research, experimental development and innovation infrastructures in accordance with international best practice. Implementation of international peer review into the evaluation process.	Assessment of existing and potential large infrastructure projects for research, experimental development and innovation according to the new evaluation methodology and subsequent update of the Czech Republic's Road Map for large research, experimental development and innovation infrastructures.	Setting up an evaluation process for large research, experimental development and innovation infrastructures using the international peer review method.	The measure will not have a negative impact on the state budget.	Improvement of overall conditions and access to financing for research, development and innovation.	Preparation of the new methodology for evaluating large research, experimental development and innovation infrastructures commenced in Q4 2013. It is expected to be completed by the end of the first half of 2014.	The final phase of discussions regarding the criteria stipulated for evaluation of large research, experimental development and innovation infrastructures will take place. The evaluation methodology will be completed by the end of the first half of 2014.	None are known.
7: Reduction of the number of regulation professions and improved energy efficiency	a) Utilizing the review that is currently underway, continue with the reform of regulated professions by reducing or eliminating entrance barriers and reserved activities, if they are found to be unjustified.	MEYPE	Reduction of the number of regulation professions	Legislative	Cancellation of change of relevant provisions of legislation stipulating conditions for individual professions.	Eliminate disadvantages for Czech graduates, who must generally absolve a longer term of professional work experience than graduates in other member states, easier access to employment, elimination of unreasonable barriers to the free movement of persons within the EU.	Improved labour market flexibility, easier access to employment and entrepreneurship both for Czech citizens and for citizens of EU member states.	No relevant impacts are expected. While deregulation may cause a slight decline in the collection of administrative fees for recognition of professional qualifications, this should be compensated by reduced expenditures in the social area due to easier access to employment.	A qualitative contribution to the common goal of 75 % employment between the ages of 20 and 64.	In 2013, the number of regulated professions was reduced to 38. This took place primarily by eliminating duplication in legislation and professions where conditions for their performance are governed by European legislation.	In 2014, the number of regulated professions should be reduced further. Implementation of a project of ex-ante coordination of economic reforms began, whose goal is the reduction or complete elimination of legal conditions for access and performance of 25 % of regulated professions.	Due to the risk of a reduction in the quality of services provided, the deregulation of each profession must be approached individually and carefully. Professions that could affect health and safety should not be deregulated at all, or only partially.
	b) Adopt additional measures to improve the energy efficiency of buildings and industrial sectors.	MIT	Increasing energy efficiency	Legislative measure (Amendment of Act No. 406/2000, on energy management, Act No. 458/2000, the Energy Act, and Act No. 165/2012, on supported sources of energy (implementation of Directive 2012/27/EU on energy efficiency))	Stipulating mandatory final consumption reduction target by 2020 and an indicative energy savings target by 2020. A National Energy Efficiency Action Plan up to 2020 will be drawn up, which will include significant measures focused on increasing energy efficiency and expected or achieved energy savings, including savings achieved during delivery, transmission or transportation, and distribution of energy. Specific measures have already been delivered to the EC within the scope of implementation of Article 7, and will also be further specified as part of the National Energy Efficiency Action Plan in April 2014.	Reduced energy and resource consumption, cost savings, reduced dependence of the Czech Republic on imports, and increased competitiveness.	End consumption savings of 47.84 PJ will be achieved within the Czech Republic by 2020.	No impact on the state budget over and above existing funding is expected at this time. Funding to achieve the goal is planned predominantly from operational programmes and revenues from emission permits. Most important will be the configuration of individual measures within the scope of affected operational programmes. According to the effectiveness of spent revenues from operating programmes and the New Green Savings programme, it will be apparent how much funding would be required beyond the scope of these planned funds to achieve the goal. Nevertheless, in this case a new system of mandatory energy efficiency increases will be created, which should however be financed by the private sector, not the state budget.	Measures are fully aligned with the Europe 2020 strategy.	The Czech Republic has set an energy savings goal pursuant to Article 3 of the energy efficiency directive. It has sent the EC its first progress report pursuant to this directive. In December 2013, the Czech Republic submitted reports on the implementation of Articles 5 and 7.	Technical preparations are currently taking place for the transposition of these articles of the directive into Czech law. Concurrently, analytical work is being performed for articles whose fulfilment is of a non-legislative nature.	Fulfilment of the goals of the directive (energy savings of 47.84 PJ) could be beyond the economic abilities of the Czech Republic, and can thus threaten the competitiveness of Czech industry. Sufficient funding must be allocated within the scope of operational programmes for 2014-2020 for priority axes that deal with energy efficiency.
		ME	Operational Programme "Environment" 2014-2020 Priority axis 3 Sustainable use of energy resources	Non-legislative	Support for the construction of new facilities and reconstruction of existing ones in order to increase the use of renewable resources for generation of heat, electricity and	Reduced energy use, increased use of renewable energy sources for heat or electricity generation, and effective use of waste heat.	Reduce energy consumption by 2 PJ/year. Increase energy generation capacity from renewable resources by 80 MW.	Co-financing of the operational programme from the state budget. There could be pro-growth effects if savings are implemented for buildings similarly as for the New Green Savings	Reduced energy use by the economy, reduced greenhouse gas emissions.	Funds originally allocated for this priority axis have already been committed. Most projects are still being implemented, and must be completed by the end of 2015.	Currently, the LX. call for subsidy applications within the scope of Priority Axis 3 is taking place.	A delay or halt in the preparation and implementation of some projects.

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					heat/electricity cogeneration. Support for energy savings and utilization of waste heat in the non-entrepreneurial sphere (primarily insulation of public buildings).			Programme.				
		MIT	Operational Programme Enterprise and Innovation, Priority axis Eco-Energy	Non-legislative	Support for entrepreneurial activity in the area of increasing energy efficiency of manufacturing and reduction of the consumption of primary fossil fuels, and support for beginning entrepreneurs in activities leading to higher utilization of renewable and secondary sources of energy.	Reduced greenhouse gas emission, energy savings.	Increased competitiveness of the Czech economy by the end of the programme period, and increasing the innovation performance of industry and services in the Czech Republic to approach the level of leading industrialized nations in Europe.	No impact on the state budget over and above existing funding is expected at this time. For the new 2014-2020 programme period, financing of 85 % from the ERDF and 15 % from the state budget is being discussed.	Reduced energy use by the economy, reduced greenhouse gas emissions.	Within the scope of the third extended call, which was declared as the last one, 245 energy savings projects were supported with investment subsidies of 1,848,569,000 CZK for total eligible expenditures of 4,982,022,000 CZK. Total expected energy savings for these projects should be approx. 3.85 PJ.	The next programme period (2014-2020) is currently being prepared.	Sufficient funds for the next programme period must be secured so that this priority axis can significantly contribute to meeting the energy efficiency goal for 2020.
		MIT	A state programme to support energy savings and utilization of renewable resources – the EFEKT programme.	Non-legislative Specified by Act No. 406/2000	Support for energy savings through information for small consumers, increasing the quality of energy services, and support for the public sector for efficient energy use (capital and non-capital subsidies)	Reduced greenhouse gas emission, energy savings.	Within the scope of non-capital subsidies, increased knowledge of the general public about energy savings and supported energy sources. Within the scope of capital investment: energy savings of 250 TJ by 2016, reduction of CO2 by 6000 tonnes by 2016.	The EFEKT programme is declared each year by the Czech government and funds are allocated directly from the state budget (30 million CZK annually).	Reduced greenhouse gas emissions, energy savings. The EFEKT programme is also one of several tools for implementation of the energy efficiency directive used to achieve energy efficiency targets for 2020.	In 2013, a total of XXX projects were supported by total funding of YYY within the scope of capital and non-capital subsidies.	Submitted applications are currently being evaluated and administered.	None identified.
		ME	The New Green Savings Programme for 2013	Non-legislative (specified by the following acts: No. 388/1991 No. 406/2000, No. 201/2012, No. 183/2013, No. 78/2013 S.,)	Support for implementation of measures leading to energy savings in family homes.	Increased building energy efficiency, reduced greenhouse gas and air pollution emissions.	A significant financial leverage effect (a high degree of mobilization of investors' financial resources), positive impacts/additional revenues on the state budget, GDP, VAT, support and development of industry (construction and other sectors), creation or maintenance of jobs (approx. 2000). Energy savings and improved air quality. Quantified impacts: Sources: 1 billion CZK Env. benefits: CO ₂ reduction... 83 kt/year Heating energy savings... 95 TJ/year Energy production from RR 32 TJ/year	Pro-growth effects: 2.84 CZK of additional GDP for each 1 CZK provided from the NGS programme, 1 CZK of support results in additional revenues to the state budget of 0.96 CZK in the year of investment.	Increased energy efficiency of the economy, reduced greenhouse gas emissions.	Within the scope of the New Green Savings 2013 programme, finances of 1 billion CZK were secured from the State Environmental Fund of the Czech Republic. On 13 June 2013, the 1 st Call for Submissions for support in the family home segment was declared. On 16 August 2013, applications began to be accepted. As at 20 December 2014, the allocation of 1 billion CZK has been used up and applications were no longer accepted. Approximately 13,000 applications were registered.	Submitted applications are currently being evaluated and administered, with the Minister of the Environment having already signed 176 Decisions (RM) to provide support in the amount of 11.1 million CZK.	None identified.
		ME	The New Green Savings Programme	Non-legislative (specified by the following acts:	Support for implementation of measures leading to	Increased building energy efficiency, reduced greenhouse gas and air	Pro-growth measures: a significant financial leverage effect (a high	Pro-growth effects: 2.84 CZK of additional GDP for each 1 CZK provided from	Increased energy efficiency of the economy, reduced	On 20 February 2013, the government approved the White Paper for the New	Applications for the 1 st Call are being accepted from 1 April 2014 until	It is impossible to predict the distribution of revenues from

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				No. 388/1991, No. 383/1012, No. 218/2000, No. 560/2006, No. 406/2000, No. 201/2012, No. 183/2013, No. 78/2013)	energy savings in family homes, residential buildings and public sector buildings.	pollution emissions.	degree of mobilization of investors' financial resources), positive impacts/additional revenues on the state budget, GDP, VAT, support and development of industry (construction and other sectors), creation or maintenance of tens of thousands of jobs (approx. 50k – 60k). Energy savings and improved air quality. Quantified impacts: Sources: up to 27 billion CZK Env. benefits: CO ₂ reduction... 2.2 Mt/year Heating energy savings... 2600 TJ/year Energy production from RR 400 TJ/year	the NGS programme, 1 CZK of support results in additional revenues to the state budget of 0.96 CZK in the year of investment.	greenhouse gas emissions.	Green Savings Programme. On 6 November 2013, the government approved NGS programme documentation (specifically the following sub-programmes: Family Homes (FH) and State Administrative Costs (SAC)). Sub-programmes: Apartment Buildings (AB) and Public Sector Buildings (PSB) were approved on principle, with the caveat that they shall be completed in detail and approved by the government. On 6 January 2014, the 1 st Call was announced, with allocations of 1.9 billion cZK for applications for the FH sector.	the exhaustion of the allocation (1.9 billion CZK) or 31 October 2014. The AB and PSB sub-programmes are being prepared, taking into account specific identification of border areas between programmes of the Ministry for Regional Development and the Ministry of the Environment. On 1 April 2014, applications began to be accepted for support for implementation of energy efficiency measures in family homes.	auctions of emission permits (EUA) for a longer period of time; a number of variable factors come into play such as adoption of back-loading and other measures of the EC within the scope of the European EUA trading system.
		MRD	Panel 2013+	Legislative (Government Decree No. 468/2012, on the use of funds from the State Housing Development Fund through loans provided to legal and natural persons for building repair and modernization)	Modernization of residential buildings which must include measures leading to increased energy efficiency	Comprehensive reconstruction of residential buildings – conservation care for residential buildings, increased energy efficiency of residential buildings, reduction of household energy use, a positive impact on the Czech construction industry and the state budget.	A pro-growth measure with a multiplicative effect – 1 million CZK will bring 4.28 million CZK of investments into the construction industry and 1.5 million CZK back into the state budget. At the same time, residential buildings will become more energy efficient.	Returnable funds from the State Housing Development Fund – low-interest loans, the SHDF's approved budget for 2014 has 1020 million cZK for implementation of Government Decree No. 468/2012 and GD No. 481/2011, of this 600 million CZK is expected for the PANEL 2013+ programme.	Increased building energy efficiency	The Panel 2013+ programme is a continuation of the Panel and New Panel programme; the form of support has changed from interest rate subsidies to low-interest loans. During 2001-2010 interest subsidies were provided within the scope of the Panel and New Panel programme for the repair of 905 505 apartments.	In 2013, the SHDF provided loans amounting to 346,292, 982 CZK for reconstruction of 3011 apartments.	Overlap with the New Green Savings – Residential Buildings sub-programme was eliminated for 2014.

Abbreviations:

ME – Ministry of the Environment
MEYPE – Ministry of Education, Youth and Physical Education
MF – Ministry of Finance
MH – Ministry of Health
MI – Ministry of the Interior
MIT – Ministry of Industry and Trade
MLSA – Ministry Labour and Social Affairs
MRD – Ministry for Regional Development
OG (ACC) Office of the Government (Anti-Corruption Committee)