

# Second Voluntary National Review of the 2030 Agenda in the Czech Republic

(2021)



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# **Opening statement**

"Hope is not the conviction that something will turn out well, but the certainty that something is worth it – regardless of how it turns out.¹ "Face to face with the impact of the Covid-19 pandemic, the words of Václav Havel remain true. 2030 is drawing near, while fulfilment of some Sustainable Development Goals (SDG) is growing more distant. When we launched the Decade of Action in the autumn of 2019 with other heads of state and prime ministers at the SDG Summit, none of us anticipated how quickly we would be transformed into crisis managers. In a globalised world there are always risks we will never be able to prepare fully for. However, we must not start doubting whether such preparation is worth it. Increasing the preparedness and resilience of our system and society as a whole against new risks is linked to fulfilment of Agenda 2030.

Despite all the complications resulting from Covid-19, the Czech Republic has not relaxed its efforts to fulfil Agenda 2030. It placed 8th in the SDG index and is a world leader in sustainability. Since the first voluntary national review (VNR) in 2017, the Czech government has taken a number of steps towards maintaining its position and fulfilling its vision to become a Country for the Future.



Success is a commitment. The Czech Republic has been heavily affected by the Covid-19 pandemic, resulting in irreplaceable losses of life and long-term restrictions, and also required great patience from all its citizens. I am pleased that the Czech Republic is managing to overcome this difficult situation. It has been an example of how Czechs can come together and are both inventive and unselfish. The government created a number of supporting programmes to ensure that no-one was left behind. This is why the Czech Republic's second VNR is confident.

The survey of the fulfilment of SDGs cannot be approached without pointing out our current weaknesses. The impact of the Covid-19 pandemic has intensified issues and structural challenges we already knew about. It has shown us that even though Czech society is egalitarian, a number of people and families find themselves in danger of falling into poverty. Working people with low incomes are especially at risk of poverty. The closure of schools has increased the inequality in education and the persisting connection between a child's socio-economic background and its educational results. The pandemic has reminded us how complex and interconnected the world we live in is, and that well-being is as important as economic growth, if not more important.

The good news is that the Czech Republic recently approved a National Recovery Plan worth approximately EUR 7 billion. I appreciate the fact that Europe has a recovery plan and has directed all its resources towards the socially just and green transformation of our society and economy, which will not exceed the planetary boundaries. A shared effort will be necessary not only to achieve the goals of the Paris Agreement, but also to stop this pandemic.

In the spirit of *leave no one behind*, the Czech Republic continues to support partner states in achieving SDGs and will provide humanitarian aid for immediate aid and the reduction of negative socio-economic impacts in relation to Covid-19.

Recovery will never be complete unless we immunise a sufficient proportion of the population by vaccination on a global scale. This is the only way to prevent further mutations of the virus, something that could relativize all current efforts. This is why we need to promote the most accessible and effective vaccination possible. Team Europe is fighting for the whole world, and through it the Czech Republic is helping not only to partner countries within the terms of bilateral cooperation. The Czech Republic appreciates the fact that it can present its second VNR this year. This is an opportunity to show that SDGs are the blueprint and compass for our joint efforts to achieve a sustainable world at this turning point. I believe this conviction will also be key in making the Czech Presidency of the Council of the European Union next year a success.

Richard Brabec

Minister of the Environment

<sup>1</sup> HAVEL, Václav and Karel HVÍŽĎALA. Remote questioning: (interview with Karel Hvížďala). In Prague: Melantrich, 1989, p. 156-157.

# **Executive summary**

The Czech Republic is presenting its second VNR four years after the first. Compared to the 2017 VNR, this one differs in terms of increased detail and new sources of information. It monitors progress by means of three sets of indicators – the global set of Agenda 2030 indicators, a national set related to the Strategic Framework Czech Republic 2030 (CR 2030) and a set of quality of life indicators that number over 500. This means that the Czech Republic has a clearer idea of where it has remained on track and where its weaknesses are. A network of focal points from all ministries has made the achievement of SDGs easier since 2019. Its purpose is to mainstream Agenda 2030 within government administration and reinforce the whole-of-government approach.

The long-term concept of development based on SDGs is presented in the Strategic Framework Czech Republic 2030. This document has been used to coordinate public policies since 2017 and is fulfilled and developed by other sector or departmental strategies. The Czech Republic carried out its first overview of state budget expenditures in relation to SDGs (SDG tagging) in 2020. Government expenses show compliance with SDG priorities at a level of 75%. However, the creation of a budget on the basis of SDGs requires substantial modifications in the budget structure and the budget preparation process. Hence the Czech Republic welcomes the sharing of experience with other states that have decided to apply SDG budgeting.

Good news is that progress has been observed with eight SDGs. Another eight SDGs showed limited or erratic progress, or there has not been sufficient data for proper evaluation. Only in the case of SGD 5 Achieve gender equality, structural social and economic obstacles have still not been successfully removed, even though valid legislation ensures equal access and rights to all women.

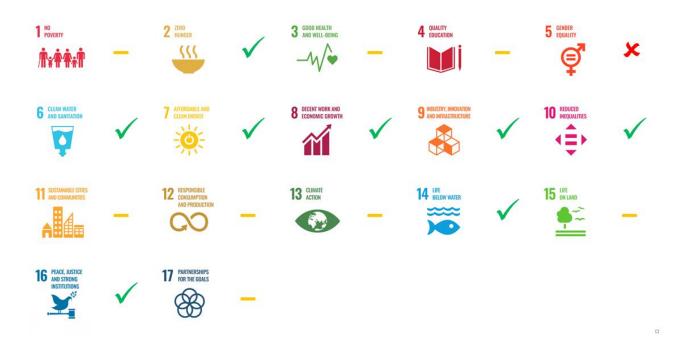


Figure No. 1:

Progress in fulfilling SDGs in the 2017 – 2021 period, source: Report on the Fulfilment of the 2030 Agenda in the Czech Republic (2021).

The crucial factors that enabled this result were long-term and dynamic economic growth and the related low unemployment rate, a robust social system and a functioning legal state. However, some long-term weaknesses persist, e.g. insufficient ex ante impact assessments, continued silos-approach in the public administration, dependence on traditional manufacturing sectors and trade, and the comparatively low percentage of modern and innovative sectors.

The Czech Republic is aware of the urgency of climate change and is fulfilling European climate commitments. The Czech Republic has reduced greenhouse gas emissions substantially over the last thirty years, yet this trend has now levelled out. The main causes are the energy sector and the energy intensive industry sectors. The economy's emissions remain among the highest in the EU, because the Czech Republic is a highly industrial country with an open economy. Decarbonization remains a crucial challenge on both environmental and economic and social levels. This is why the Czech Republic supports the long-term restructuring of coal regions and phase-out can be expected by 2038, at the latest.

The impact of climate changes is tangible in the Czech landscape. 2019 was the hottest year in the Czech Republic since records began, and although annual total precipitation was within normal limits, a substantial part of the country was affected by soil and hydrological drought as a result of high temperatures. The drought, which persisted since 2014, was especially apparent in the mass die-back of forests. The rate of degradation of agricultural land is also increasing and the risk of extreme erosion in particular is rising.

The impact of Covid-19 reminds us of the fragility of our success. This has not resulted in completely new trends as yet, but has brought weaknesses, which have suffered a lack of attention so far, to the fore.

Income inequality in the Czech Republic is low, as is the risk of poverty. This is particularly thanks to a strong social system and also the growth of the minimum wage in recent years. The Czech Republic has been heavily affected by the Covid-19 pandemic, but the healthcare system has stood up to the challenge. However, the pandemic has increased long-standing deficiencies in the availability and funding of social services, which have not been solved. Although the Czech unemployment rate remained at a record-breaking low during the pandemic, socially weak and excluded individuals were the first to lose their opportunity to earn an income, particularly single parents who had to remain at home with their children.

The greatest challenges will soon be placed upon the social system and the state budget, which will have to maintain the current success while coping with increased pressure. Leaving no one behind will now be even more pertinent, particularly with regard to gender equality. Women earn an average of 20% less than men and are more vulnerable overall due to a combination of a number of similar disadvantages. Social impacts will be mitigated by legislative reform relating to the distrainment, which will give many families hope for a dignified life.

The impact of Covid-19 on health also deserves increased attention. The safety measures and restrictions have meant less attention devoted to other illnesses, while preventive examinations have been delayed with an effect in the medium-term. The extraordinary situation has also shown that the issue of mental health should also not be neglected, particularly in relation to younger individuals and women with small children. However, the Czech Republic has made significant progress in psychiatric care reforms in the last four years. A broad, participatory and interdepartmental process initiated the necessary changes for the deinstitutionalisation of psychiatric care. This process involved both experts in the field of psychiatric care as well as representatives of patients.

The Covid-19 pandemic has also become a catalyst for the digitalisation of the public administration system, both in relation to its internal operation and the form of its contact with the public. The public has shown an interest in electronic contact with the public administration (indicated by the increased number of requests for data boxes for natural persons, for instance). What still remains a challenge for the public administration system is the use of new opportunities for more intensive involvement of citizens in decision-making beyond the scope of present active stakeholders. Participative mechanisms involving the public remain the domain of towns and cities. The Czech Republic will be happy to draw inspiration from other VNRs on how to use this opportunity and increase inclusivity and government transparency.

Demands for remote tuition and awareness of the digital gap risk have also grown. In the spring of 2020, during the first *lockdown* an estimated approximately 250,000 pupils fell out of on-line tuition. Although this number decreased to one fifth during the 2020/2021 school year, it is still high. Yet it demonstrates that teachers, pupils and students were able to rapidly adapt to the new conditions. In light of this fact, it is very important to continue reforming education and implementing inclusion mechanisms at schools. Their goal is to eliminate the current high dependence of educational results on the socio-economic background of pupils and break the vicious circle of inequality, when people with lower level of education earn less and have shorter lives.

Partnership between the non-government sector and the state is one of the key principles of public policies. A dialogue among all stakeholders accompanied the preparation of the *Education Policy Strategy for the Czech Republic 2030+*. It was also important to agree upon changes for the assessment of research organisations and support of research, development and innovation valid from 2017 to enable their long-term and conceptual development. There are particular initiatives as well. *The Enough of the Plastic* campaign by the Ministry of the Environment, which began preparing companies and the public regarding the issue of disposable plastics before it was decided to terminate their use, was an example of good practice. This was followed by the *Plant for the Future* initiative, which focused on adaptation measures through the planting of trees and the subsequent care for them. Another area of collaboration that the Czech Republic intends to focus on is the promotion of responsible purchasing and circular public procurements.

The Czech Republic faces the task of fulfilling its long-term commitments to official development assistance. Despite the fact that the financial and technical assistance provided by the Czech Republic increased by one third between 2015 and 2019, it is still not enough. Official development assistance has long made up just 0.13% of gross national income (GNI).



# **Preparation process and information sources**

The Czech Republic is fully aware that the VNR is a rigorous process based on an evidence-informed approach. It began preparing the VNR two years ago so that it could correctly configure information flows and inter-departmental collaboration. This means that the report was successfully connected to the monitoring and reporting of the national strategy for sustainable development with the resulting benefits from this synergy.

The Mechanisms for Promoting Sustainable Development project financed using EU Funds, which provided an inter-departmental base for configuring the implementation of Agenda 2030 supported and accelerated the preparation of the VNR.<sup>2</sup> The Ministry of the Environment (MoE) and the Ministry of Regional Development (MRD), the Czech Statistical Office (CSO) and CENIA, the Czech Environmental Information Agency, all joined forces and share knowledge and experience in this project. In cooperation with other departments, they prepared assessment reports, obtained the required data, ensured their public presentation, and began preparing updates to strategic documents so that these took the impact of Covid-19 into consideration.

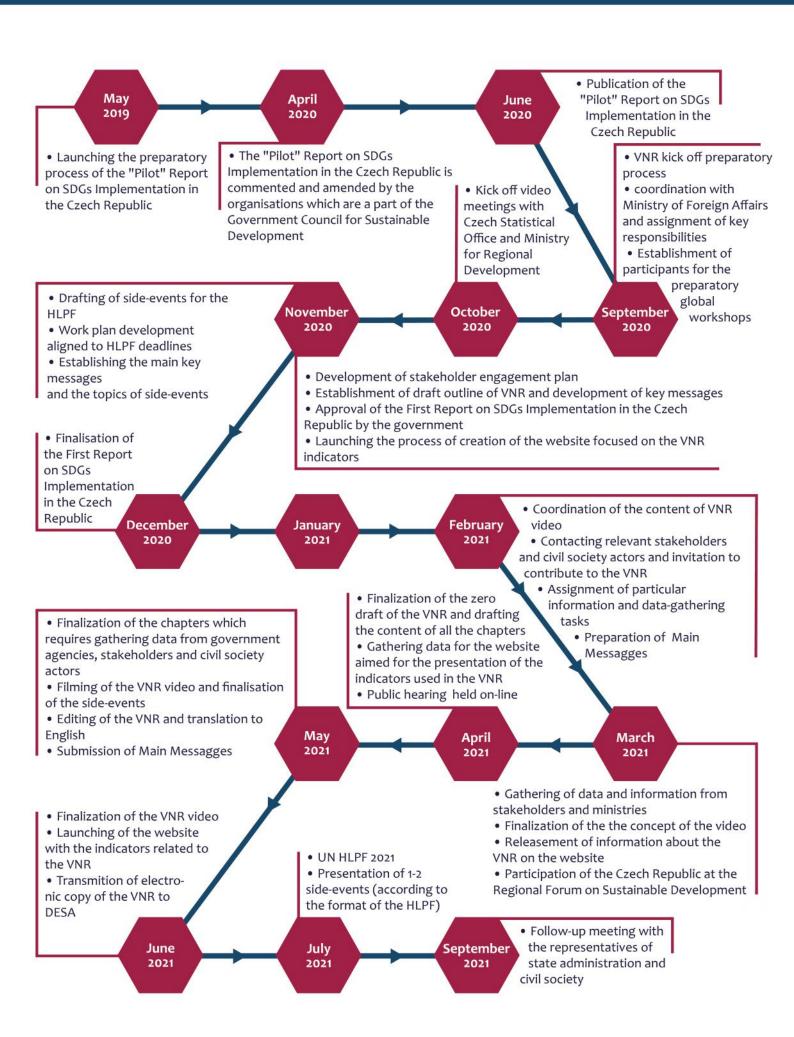
The aforementioned assessment reports are the source of the great majority of the information contained in the VNR, and their full versions are available on-line (in English and Czech – the link to the Czech and English versions will be added). Where possible, the data and information from these reports were updated for the requirements of the VNR in cooperation with the competent ministries and the CSO.

The pandemic markedly limited the participative nature of the VNR and did not allow the original plans to be implemented. The national Report on the Fulfilment of the 2030 Agenda was discussed with the Government Council for Sustainable Development twice in 2020. In March 2021 a round table took place for members of the Government Council for Sustainable Development, at which the impact of the Covid-19 pandemic on the achievement of SDGs and the content of the Main Messages were discussed.

The perspective for young people is mentioned in the report thanks to collaboration with the Czech Council of Children and Youth, which associates over 100 child and youth organisations. In cooperation with this council, a focus group was also organised at the end of April 2021, the outputs of which are included in the form of quotes from the participants. The information concerning the value attitudes of young people or the opinions of specific young individuals quoted in the VNR is based on data, surveys and activities of the Czech Council of Children and Youth. A questionnaire survey regarding perception of SDGs in Czech society and a public hearing, at which the draft VNR was presented to stakeholders, took place in May 2021. Several hundred representatives of various advisory bodies of the government and inter-departmental groups were addressed. This assured a multi-stakeholder approach to the VNR.

<sup>2</sup> The Mechanisms for Promoting Sustainable Development Principles in State Administration project, reg. No. CZ.03.4.74/ v.0/o.0/15\_019/00014042, was funded from Operational Programme Employment, see <a href="https://www.mzp.cz/cz/udrzitelny\_rozvoj\_statni\_sprava">https://www.mzp.cz/cz/udrzitelny\_rozvoj\_statni\_sprava</a>.

# ROADMAP OF THE CZECH VNR PREAPARATORY PROCESS 2020/2021



# **Ownership of SDGs**

#### Government and other state institutions

The Agenda 2030 for Sustainable Development is the most important comprehensive agenda of the United Nations (UN) at this time. The government committed itself to it on behalf of the Czech Republic in 2015. In this way, it followed on from its previous efforts in sustainable development, which it embodied in strategic documents from 2004 and 2010. The Agenda 2030 was also an opportunity for reframing the Czech Republic's development vision to make it capable of reacting to all major megatrends and challenges of the 21st century.

The preparation and adoption of the new *Strategic Framework Czech Republic 2030* in 2017, which was used as the basis for the first VNR in the same year, is an expression of the practical efforts made to achieve the Sustainable Development Goals (SDGs). The strategic framework serves as the Czech Republic's development strategy and reflects its specifics, and also works as a converter of the Agenda 2030 goals at national level and summarises the progress of development in the Czech Republic, what risks it faces and what opportunities it can utilise. The preparation of the *Strategic Framework Czech Republic 2030* was coordinated directly with the Office of the Government of the Czech Republic.

The Ministry of the Environment became the centre for the coordination of the implementation of the Agenda 2030 in 2018, where the entire sustainable development agenda, i.e., a special unit and the Government Council for Sustainable Development (GCSD) were transferred. The Czech government also adopted the Implementation Plan of the Czech Republic 2030 for the 2018-2020 period, as well as the separate Implementation of the 2030 Agenda for Sustainable Development (Sustainable Development Goals) in the Czech Republic (Implementation of the 2030 Agenda). The second named document divided responsibility for all the relevant SDG targets in their internal and external dimensions among the ministries, and also focused on some specific challenges of the 2030 Agenda not included in CR 2030. Prime Minister Andrej Babiš supported the 2030 Agenda concept by making three voluntary commitments for the Czech Republic, which he presented at the UN SDG Summit in September 2019.

# The Czech Republic's voluntary commitments at the 2019 SDG summit

Systemic changes must go hand in hand with changes to individual behaviour to achieve the SDGs. Hence the three voluntary commitments the Czech Republic has adopted.

The first represents a systemic change. The Czech Republic plans to include the sustainable development perspective in the impact assessment system.

The second commitment that will contribute to the achievement of the SDGs may be adopted by any person and any organisation. Simply register at the voluntary commitment platform <a href="https://www.cr2030.cz/zavazky/">www.cr2030.cz/zavazky/</a>.

The third commitment is the coordination of activities by the state and voluntary activities by non-state stakeholders, including individuals. This concerns planting new trees and caring for them. The Czech Republic has committed to planting 10 million trees by 2025 in addition to its regular reforestation to help reduce the carbon footprint and adapt settlements to climate change. A broad range of partners from the public administration, companies, NGOs and individuals are collaborating through the initiative, enabling the carbon footprint to be off-set. Over 1 million trees have been planted to date.

With regard to the scope, depth and complexity of the topics linked to sustainability challenges, the government is aware of the benefits of a society-wide dialogue. As well as a long-term structured social dialogue, there are also a number of thematically specialised government advisory and working bodies. The GCSD associates representatives of the government administration, legislative groups and the CSO, as well as organisations representing various social groups (e.g. women, seniors, employees, employers), topics (e.g. ecology, social issues, etc.), and institutions (e.g. universities and municipal associations).

The work of the GCSD is primarily at the level of thematically specialised committees (e.g. for socio-economic development, sustainable energy, sustainable development indicators, etc.) and working groups (e.g. for cooperation between analytical units). More fundamental and cross-sectional topics are discussed at plenary meetings of the GCSD. The Strategic framework Czech Republic 2030 was prepared in cooperation with the GCSD and it also continues to discuss all the crucial steps.

Independent state institutions are also gradually becoming involved in the implementation of the 2030 Agenda. Although the government cannot give them instructions, they contribute to the achievement of SDGs through their specialisation, just as the CSO does or, like the Supreme Audit Office (SAO), can provide important feedback. The role of the CSO in particular is crucial in a decentralised statistical system because it is thanks to its activity that data for sustainable development indicators are obtained (see the chapter titled Institutional mechanisms). The sustainable development perspective is also evident in some audits by the SAO. For instance, the SAO examined the effect of financial and tax measures implemented by the government in relation to climate protection, and the coherence of the policy in regard to the need to moderate the impact of drought in 2019. The SAO is also involved in the activities of the international Working Group on Environmental Auditing (INTOSAI WGEA). In 2017-19 the SAU focused on improving the procedure for inspections concerning environmental issues in towns and urban agglomerations (e.g. air quality, noise, waste, infrastructure). It thereby continued its efforts from the previous period, which concerned renewable resources and energy savings.

## Parliament and political parties

The Strategic framework Czech Republic 2030 was prepared on the basis of an exceptionally wide-ranging partnership between state and non-state stakeholders, and included two seminars in the Czech Parliament. In the Chamber of Deputies established after the elections in 2017, the sustainable development agenda was formally anchored in the Subcommittee on Sustainable Development established by the Committee for the Environment. MPs from both government and opposition parties participate in the work of both committees. The Report on the Quality of Life and its Sustainability, assessing the fulfilment of CR 2030 for the 2017-2020 period, was also discussed on both platforms.

After the European Commission reflection paper Towards a Sustainable Europe by 2030 was published, the general position was discussed in January 2019 in the Chamber of Deputies of the Czech Parliament (Committee for the Environment and the Committee for European Affairs) and by the Senate of the Czech Parliament. In their resolution, the senators stressed that they considered more emphasis on mitigating climate change impacts, the role of development cooperation, and the crucial role of young people to be important as regards the achievement of the SDGs.

The 2030 Agenda has not yet been subjected to political competition to any significant degree. The parties' programmes do not explicitly refer to SDGs, but a number of policy proposals do concern the achievement of SDGs to various degrees. Individual MPs from various parties, rather than parliamentary clubs or political parties, express an interest in sustainability.

# Society

The achievement of the SDGs is not just a matter for the public administration or political institutions. An appreciation of the urgency of the need to make changes to our current habits is spreading throughout society. An irreplaceable role is played by non-governmental organizations and civic initiatives which, through their long-term activities and projects but also through educational and awareness-raising events, contribute to the achievement of SDGs. The annual Sustainable Development Forums, which provide anyone interested in this topic with an open space for meeting and discussion without links to any institution, can give an idea of this. The forums often address issues for which there is not enough space during everyday politics. Participation by foreign guests, who provide the Czech Republic with good feedback and an objective viewpoint, contributes to this.

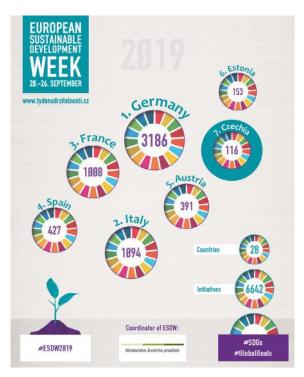




Sustainable Development Forum 2019, American economist Professor Jeffrey Sachs

The European Sustainable Development Week, organised in the Czech Republic by the Ministry of the Environment, also provides a good opportunity to expand the concept of SDGs and the everyday aspect of sustainable development. Conferences, exhibitions, workshops, film screenings, community meetings and open days are held every year during this event. Some stakeholders participate regularly, for instance the Vysočina Region with its centre in the city of Jihlava (see the Little big town box on the p. 22).





Interest in adopting voluntary commitments for sustainable development that afford an opportunity for expressing individual responsibility is also growing in the Czech Republic. Every involved individual, private company, government institution, etc. may adopt a voluntary commitment whose fulfilment it can assess within two years. This may concern limiting consumption of disposable plastic or office supplies, implementing measures leading customers to behave sustainably, or compensatory measures in relation to the transition to carbon neutrality. The database of commitments is publicly accessible at <a href="https://www.cr2030.cz/zavazky/">https://www.cr2030.cz/zavazky/</a> and also contains examples as good practice for inspiration. The Ministry of the Environment administers the voluntary commitments platform.

# There are no small goals: examples of adopted voluntary commitments

Lidl, which decided to reduce the amount of plastics it uses by 20% by 2025, and offer a greater range of sustainable foods and ingredients. Vodafone focused on carbon neutrality in its commitment (with the goal of achieving carbon neutrality by 2040) along with Siemens (with the goal of achieving carbon neutrality by 2030). ČEZ decided to plant a tree for each of its employees through its voluntary commitment, while Makro managed to eliminate the distribution of plastic bags at its stores in 2020. Other examples of commitments include the national Coop retail network, which created a communication campaign about sorting waste in order to educate its customers.

The involvement of the world of business with a more sustainable and responsible approach and the establishment of new partnerships is important. The Czech branch of the World Business Council for Sustainable Development was established in 2012. Its representatives were involved in creation of Strategic Framework of the Czech Republic 2030 and are behind a number of educational activities and specific projects. There are also two voluntary business associations in the Czech Republic whose profile activities include the achievement of SDGs. Business for Society is a platform that helps companies configure and develop sustainable development and corporate social responsibility (CSR) principles and share experience. It is also involved in a number of areas including diversity, inclusion and volunteer work. The Association of Social Responsibility interconnects all sectors under the heading of SDGs. In cooperation with both institutions and the Ministry of Foreign Affairs (MFA), the Ministry of the Environment organised an Evening of Voluntary Commitments in November 2019, which was intended for representatives of the private sector.

Universities are also becoming actively involved. For instance, Masaryk University in Brno has become a member of the Stakeholder Platform on CSR. It has integrated social responsibility and sustainability principles into the *Masaryk University Strategy for 2021–2027*. The Czech University of Life Sciences in Prague has taken a similar path, and has linked its strategy to SDGs and has decided to structure a regular challenge for students and academics in 2021 in relation to the modification of the campus according to SDGs. *The Sustainable Palacky Society* is active at the University of Olomouc. Charles University in Prague is also an example of specific activities. It has established a workshop on its campus at which one can repair items that were, for example, taken to the Prague Waste Management re-use centre and can still be used, and has opened this workshop to the public.

Charles University has also joined the Sustainable Development Solutions Network. The purpose of this partnership is to interconnect universities, as centres of research, with companies, state bodies and NGOs for the purpose of developing and implementing practical sustainable development solutions.

#### Youths' point of view

"It is easiest to talk about sustainable development from the top, on the global level. It is easiest to actually do things on the individual level." Pavla Pokorná, head of the camp-natural science Pionýr club and independent lecturer in environmental educational programmes.

"The Czech Republic has much to catch up on in relation to solidarity with developing countries, for example in efforts to make healthcare accessible. (...) These are often just idle words are spoken at conferences. (...) That is true, but on the other hand the fact that SDGs were actually created is a sign of enormous progress. Activities to promote global health are now based practically exclusively on SDGs." Karolína Lískovcová and Anna Pánková, ambassadors for Structured Dialogue with Young People.

With regard to the general public, approximately half the population is aware of the existence of SDGs or sustainable development in general. Young people up to 26 years old are most informed, and this increases with the level of education. Less than one quarter of the population believes they have basic information about SDGs.<sup>3</sup>

The experience from public attitudes to the environment is thus repeated. The topic is considered important, yet there is little willingness to change one's own behaviour.

In addition, the fact that the topic resonates does not necessarily mean it only resonates positively. For instance, the conviction that climate change is serious is quite widespread.<sup>4</sup> Yet opinions about specific and related issues differ more markedly, and usually reflect existing social divisions (e.g. the socio-economic division between the left/right, centre/periphery, cultural TAN/GAL division etc.).<sup>5</sup>

# The Association of Social Responsibility

The Association of Social Responsibility is an important motor for popularising sustainable development in the Czech Republic. Since 2017 it has organised the SDGs Awards, which recognise the best projects in the field of sustainability in several categories: business, public administration, young leader up to 30 years of age, reporting and official development assistance. The winners are chosen by public voting and a specialist jury consisting of partners and independent experts. The last two years were also preceded by sports events: women's football match in 2019, which was part of the *Global Goals World Cup*, and beach volleyball cup in 2020.

The 2021 SDGs Awards are accompanied by an educational programme about sustainability - SDGs Academy. The Association also plans on opening the *Shop for Good* e-shop with sustainable gifts soon. A new narrative children's book with illustrations by Renáta Fučíková, which will present SDGs to the youngest readers and give them advice on what they can do for sustainability, will also appear in bookshops in the autumn. Aprox. 2 EUR from the sale of each book will be donated to the Scout organisation.

"Changes to thinking across sectors are necessary to achieve important visions such as Agenda 2030," says Lucie Mádlová, Director of the Social Responsibility Association. "The fact that private subjects, NGOs, schools, municipal authorities and ministries meet through the Association is considered a great success. Cooperation between people, nature and the planet—as well as the involvement of businesses, including major players—is the key to changing the perception of the topic and to true sustainability. Members of the Association soon realised that social responsibility does not mean simply organising a few events a year, but that this is a long-term process and efforts need to be made to achieve systemic change, and we are all playing for the same team. This is why I am glad the Association has become one of the initiators of *Changes for the Better* (Změna k lepšímu), which links entrepreneurs, scientists and active citizens in the effort to sustainably restart the Czech economy."

<sup>3</sup> https://www.spolecenskaodpovednost.cz/postoje-cechu-k-sdgs-dlouhodobe-dominuje-zdravi-a-kvalitni-zivot/

<sup>4</sup> Traditional-Authoritarian-Nationalism versus Green-Alternative-Libertarian

From the latest research of this kind, e.g. the regular CVVM Naše společnost, v20-06, see <a href="https://cvvm.soc.cas.cz/cz/tiskove-zpravy/ostatni/vztahy-a-zivotni-postoje/5253-postoje-ceske-verejnosti-ke-zmene-klimatu-na-zemi-cerven-2020">https://cvvm.soc.cas.cz/cz/tiskove-zpravy/ostatni/vztahy-a-zivotni-postoje/5253-postoje-ceske-verejnosti-ke-zmene-klimatu-na-zemi-cerven-2020</a> the research Česká společnost 2020 – klimatická změna prepared for Czech Radio, see <a href="https://www.irozhlas.cz/zivotni-styl/spolecnost/zmena-klimatu-sucho-migrace-vyzkum-rozdeleni-svobodou-datova-zurnalistika-cesky\_2105120534\_nkr?ga=2.210374357.1585981060.1620630804-313725876.1529317218">https://cvvm.soc.cas.cz/cz/tiskove-zpravy/ostatni/vztahy-a-zivotni-postoje/5253-postoje-ceske-verejnosti-ke-zmene-klimatu-na-zemi-cerven-2020</a> the research Česká společnost 2020 – klimatická změna prepared for Czech Radio, see <a href="https://www.irozhlas.cz/zivotni-styl/spolecnost/zmena-klimatu-sucho-migrace-vyzkum-rozdeleni-svobodou-datova-zurnalistika-cesky\_2105120534\_nkr?ga=2.210374357.1585981060.1620630804-313725876.1529317218</a>

# Incorporation of the SDGs into national frameworks

## CR 2030 and Implementation of the 2030 Agenda

CR 2030 is the national strategic document for the 2030 Agenda. This is the starting point for strategic work by the public administration, which is subsequently carried out through individual strategic documents and on which the individual strategies should be based. *Implementation Plan CR* 2030 focused on issues that were either not covered by the strategies at the time or were not sufficiently covered. The first implementation plan was created for the 2018-2020 period and contained measures for filling in blank spaces or removing inconsistencies in the form of specific steps (measures) or emphasis on a specific perspective through which policies must be approached (recommendations).

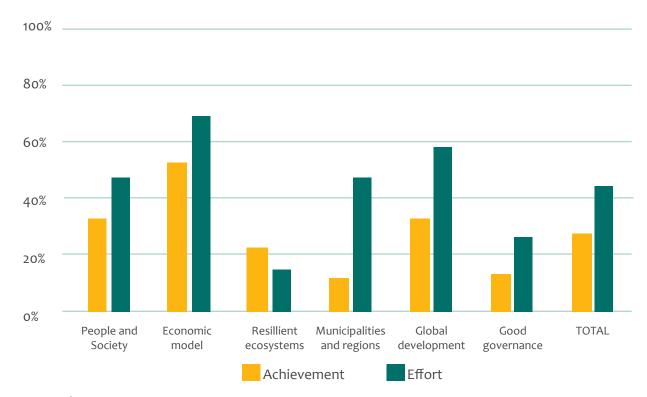
However, the results of the first assessment of the use of CR 2030 showed that the strategic framework had previously played an informative rather than managerial role. Awareness of the existence of CR 2030 has spread across the entire public administration in the last three years, and other strategies are starting to synchronized with it. However, only some ministries have executed their strategies so that they truly align with the goals of CR 2030. Other strategies by the public administration system are not in conflict with CR 2030, but often show only a very general alignment and blank spaces remain. A much greater alignment with the strategic framework is evident in strategies created at the time this framework was adopted in 2017. A qualitative shift is also evident in recent strategies, and strategies intended to govern the development of the public administration system (Client Orientated Public Administration 2030), health policy (Health Strategy 2030), regional development (Regional Development Strategy 2021+), and the employment policy (Strategic Framework for the Employment Policy until 2030) in the coming decades.

# The public administration is on the path to sustainable development

The Client Orientated Public Administration 2030 strategy approved in 2020 offers a vision of government in compliance with the 2030 Agenda. Five strategic goals, divided into additional specific goals, cover the main areas, which were registered in CR 2030 and correspond to SDG 16. This concerns improvement of access to and the quality of services for clients of the public administration, improvement of coordination within the public administration system and strategic management, creation of an environment promoting innovation in public administration and policy-making process, reinforcement of evidence-informed policy, development of education of officials and, finally, simplification of ways in which Czech citizens themselves can participate in politics and policy-making process.

CR 2030 is supplemented by the separate document *Implementation of the* 2030 *Agenda*. While CR 2030 is the main content guide for the achievement of SDGs yet is primarily based on the internal developmental needs of the Czech Republic, *Implementation of the* 2030 *Agenda* is the formal link between national goals and SDGs. It serves as a converter, and is particularly useful for revealing policy gaps and as a retroactive control mechanism. The first assessment reports on both the aforementioned strategic documents were approved by the government in January 2021. The content of the VNR is based on these.

Assessment was chosen in the case of CR 2030, i.e. whether and to what degree the set goals were achieved. The degree of activity in relation to the achievement of goals was taken into consideration as a supplementary criterion, see the sub-chapter <u>Monitoring and reporting</u>. The Implementation Plan CR 2030 for the next period is now being prepared, and its approval by the end of 2021 is anticipated. On the contrary, in the case of Implementation of 2030 the Agenda, assessment focused on capturing trends and the degree of effort.



#### International level

Government activities have both national and foreign dimensions. The Concept of the Czech Republic's Foreign Policy from 2015 defines three global goals through which the Czech Republic also contributes to the achievement of SDGs internationally. These are security, prosperity and sustainable development and human dignity, including human rights. Specific examples of support of the 2030 Agenda are active discussion and presentation of this issue and topics on the soil of international organisations (UN, EU, Organisation for Economic Cooperation and Development, European Economic Commission), including the fact that emphasis on SDG 16 was a priority during the Czech Republic's presidency of the UN Economic and Social Council in 2018. As a medium-sized country, the Czech Republic relies on a system of functional rules in a multilateral environment, and an emphasis on multilateralism and partnership with active participation and activity in international organisations forms an important part of its foreign policy.

As part of the fulfilment of the above-mentioned main pillars, the Czech Republic's foreign policy is guided by several other conceptual materials including, in particular, the *Development Cooperation Strategy of the Czech Republic 2018-2030* and the *Concept for the Promotion of Human Rights and Transformational Cooperation from 2015*. The 2030 Agenda is mostly reflected in the DCS. The Czech Republic focuses on several thematic principles in relation to development assistance. These include proper government and due administration of public matters, sustainable use of natural resources, agriculture and the development of rural areas. The strategy also devotes increased attention to funding development, particularly the involvement of the private sector and support for development investments.

However, the issue of sustainable development is also reflected in bilateral relations, not only in the form of development cooperation. The 2030 Agenda and the achievement of SDGs in their individual aspects are a regular element of bilateral negotiations and exchange of experience with other states. The use of other tools, such as support for open and rule-based trade within the terms of the World Trade Organisation system, also contributes to the fulfilment of the 2030 Agenda in the external dimension. A wide range of economic diplomacy tools also serve to transfer Czech innovative solutions, technologies and know-how abroad.

#### **EU level**

The EU is not only the largest global economy<sup>6</sup> but also a global leader in sustainability. As an EU member state, the Czech Republic shares the ambitions and efforts focusing on a sustainable and just society expressed in the six priorities of the European Union. This is why the Czech Republic became a contracting party to the Paris Agreement in 2017 and also why in 2020 it supported the ambitious goal of achieving carbon neutrality by 2050. The EU's comprehensive approach is a practical example proving that the basis of transformative policies lies in involving civil society and experts, regular monitoring and evaluation of not just the results but the processes (policy coherence), and active diplomacy. Practical expressions of these efforts are the inclusion of SDGs in the coordination of economic and social policies by means of the European Semester and the approval of the taxonomy for sustainable finances determining the sustainability of economic activities.

The shared will to address the challenges resulting from the complexity of global development and finding evidence-informed solutions through discussion led to adoption of the European Green Deal as a flagship initiative with global impact. The impacts of the Covid-19 pandemic should similarly be addressed together. Renewal after the pandemic cannot simply mean returning to the way things were before the pandemic. We must make our society more resilient to similar crises and integrate the resolution of the immediate consequences with our long-term plans. Hence the Czech Republic welcomes the creation of the Next Generation EU programme, which also includes the Recovery and Resilience Facility as a tool for joint and sustainable transformation. It similarly appreciates the creation of the Just Transition Fund, linked directly to the goal of climate neutrality and resolution of the socio-economic impact of the fulfilment of this goal. In 2021 the Czech government approved the National Recovery Plan based on the criteria of sustainability common for the whole of the EU and linked to drawing funds from the EU budget. The plan presents additional investments mainly for a dual transformation: green and digital. Yet no investment may cause significant harm to the EU's environmental goals (Do No Significant Harm). The Czech National Recovery Plan includes climate measures and support for green transformation, digital transformation tools, social measures and support for employment, support for education and increasing the resilience of the healthcare system.

#### Regions and their strategies

The Czech Republic is administratively divided into 14 regions and is distinguished by its high number of municipalities, of which there are over six thousand. This does not prevent the sustainability perspective from being reflected in local policies, however makes it more difficult to gain a quick and simple idea of the localisation of SDGs. Sustainable development is nothing new at the regional and local levels of life in the Czech Republic as development strategies and plans have always focused on all three sustainable development pillars.

Similarly to the state administration, awareness of *CR* 2030 gradually permeated at regional and local levels. Municipalities and regions initially only acquainted themselves with the goals and plans, and have only started to actively support them recently. Some newly created development strategies in individual regions are already based on *CR* 2030, although in most cases not directly but by means of a connection to the current *Regional Development Strategy* 21+, or use the Smart Cities concept. However, the regions often endeavour to apply sustainable development principles throughout strategic management. One example may be the Liberec Region, which has executed a *Sustainable Development Strategy* and a *Strategy for Adaptation to Climate Change*, has established an advisory climate commission and applies sustainable development principles in strategic development and during the creation of regional plans. Other regions also proceed in a similar manner (e.g. the Moravian-Silesian, South Bohemian and Vysočina Regions).

<sup>6</sup> Available at: <a href="https://ec.europa.eu/trade/policy/eu-position-in-world-trade/">https://ec.europa.eu/trade/policy/eu-position-in-world-trade/</a>

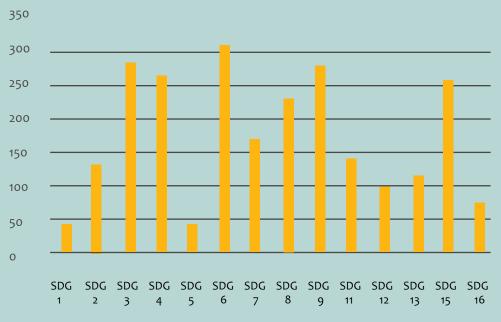
# How do Czech municipalities perceive SDGs?

A survey about SDGs priorities on local and urban level was conducted at the end of 2020 by the Association of Towns and Municipalities. The association consists of over 3,000 municipalities, however, in this survey took part more than 400 municipalities. According to the survey results, municipalities consider water management and the health and quality of life of residents to be important topics, which to a certain degree reflects the current experience with the Covid-19 pandemic. Emphasis on sustainable infrastructure or high quality education arises from the fact that this concerns issues within the competence of the municipalities.

The survey also clearly indicates that the issue of poverty, gender equality, responsible manufacturing and consumption, and emissions reduction cannot be found among the priority topics in Czech municipalities, which also may not primarily apply these in their budget concepts.

89% of Czech municipalities that took part in the questionnaire survey consider sustainable development an important aspect in decisions about development of their municipalities.

# Opinion of municipalities of the importance of the discussed topics in individual SDGs



Source of information: Association of Towns and Municipalities of the Czech Republic, 2020.

### Science and education

It is the Czech Republic's ambition to become a Country for the Future, as declared in its *Innovation strategy* from 2019. In this regard, however, it will require a comprehensive policy for research and innovation connected to the long-term goals expressed in CR 2030 and the 2030 Agenda. The core of this approach should be the focus on the *National Research and Innovation Strategy for Smart Specialisation of the CR 2021-2027 (National RIS3 Strategy)*. This Strategy is intended for managing applied research and within this framework there should be a closer link to selected SDGs. The desired principles are already embedded in some applied research programmes for the public administration under the Czech Technological Agency: most significantly in the ETA and THETA programmes and in the ministerial programmes Environment for Life (MoE) and Earth (Ministry of Agriculture). The current *National Research, Development and Innovation Policy of the CR 2021+* is already based on the 2030 Agenda and CR 2030. It assumes, inter alia, the establishment of a public administration innovation laboratory, support for work-

-life balance in research, and the setting of conditions for the increased employment of women and more support for access to scientific results and information under the *Open Access Regime*. An extension of the assessment of research programmes for the purpose of monitoring their long-term economic, social and environmental impacts, and a redefinition of the system of threats and risks for better focus on crucial social challenges and increase the resilience of society will be significant for the 2030 *Agenda*. The *National Recovery Plan* also assumes support for research excellence in areas relevant to the achievement of SDGs, e.g. healthcare. In this case, focus is both on the diseases themselves (infectious disease, oncology, cardiovascular disease, metabolic disorders) and also on the socio-economic impact of such illnesses. Approximately EUR 197 million will be used for this research.

# A little techno-optimism

Technology is not the only solution to the challenges we face. However, a number of scientific projects on which Czech scientists are collaborating are a source of optimism and hope. *The Solar Air Water Earth Resource* technology allows water to be obtained in inhospitable desert conditions using solar energy and the reproduction of microorganisms. A single system can produce up to 200 litres of water a day and help transform the desert into fertile soil.

Nafigate has developed the <u>Hydal</u> biotechnology, which creates naturally biodegradable bioplastic. Polyhydroxyalkanoate biopolymer produced by bacteria is used to make biodegradable biomaterial that can then be used to produce bioplastics and organic cosmetics without microplastics.

The <u>ERVO</u> technology, which extracts valuable raw materials from waste and ecologically processes them into usable raw materials, is a similarly unique solution. This technology is also emission-free, small and economically effective.

# A wide-open eye into the universe

We do not have a planet B, but we can use the universe as a laboratory when seeking more considerate, sustainable and resilient solutions. Young cosmic engineer Jan Lukačevič is proving this. He participated in developing technology for the European Space Agency ExoMars 2022 mission, and also established the *Marsonaut laboratory*, the goal of which is to develop an aeroponic method for growing crops in a cosmic environment and also in arid areas on Earth.

Along with another thirteen young people from all around the world, since last year he has been a so-called Young Leader, people chosen as consultants to NATO Secretary General Jens Stoltenberg to help him prepare the alliance to face new challenges. In this advisory unit he leads a working group focusing on Emerging and Disruptive Technologies and also contributes to recommendations concerning climate change.

Jan Lukačevič is not alone in working to resolve planetary issues by looking from the outside in. Several companies with potential major impacts on the protection of our planet come from the Czech Republic. The <u>Big Terra</u>, World from Space and Meteo Insight projects also originated from the European Space Agency incubator. All of them are linked by their use of satellite imaging and long-distance observation of the Earth. Big Terra combines satellite images and climate models and has helped sustainable agriculture through projects implemented in Cambodia, Zambia and Moldova. <u>Meteo Insight</u> uses satellite images and meteorological data to improve building design and the energy mix selection. Other companies developing sustainable solutions include <u>SpaceKnow</u> and <u>CleverFarm</u>.

The Czech Republic also recognises the importance of education. Topics linked to the perspective of sustainable development are included in the public administration's strategic materials for education, one of the current strategies being the Education Policy Strategy for the Czech Republic 2030+. The perspective also intersects with guidelines for the goals, forms and content of education, the Framework Education Programmes (FEPs). For instance, the cross-sectional topic of environmental education, which also includes the topic of waste (waste and nature, waste management principles and methods, secondary raw materials) is integrated into the FEP for primary education. Similarly, the FEP also includes the issue of the responsible management of food with the goal of reducing waste. The public administration provides financial and methodological support, e.g. in the form of the National Environmental Education Program or by means of subsidies from the Czech Development Agency (CDA) to support global development education for NGOs and other organisations. However, the FEPs only become tangible in the plans of individual schools and their related activities, and the same applies to environmental education and global development education. The method of learning a topic and the degree to which it is learnt therefore differ between regions and individual schools.

## Helping where we can

Seemingly simple things can be complicated for the disadvantaged. We all need our hair cut from time to time, yet a disabled person may find it difficult to actually get to a hairdresser or barber. Similarly, if you face social exclusion, you have to save what you can for food and housing and you are also viewed suspiciously in hairdressing salons or barbershops. Students at the Štursova Secondary Vocational School in Olomouc drew attention to this, and simultaneously offered the opportunity to get a haircut in a public space, which could be preferable for disadvantaged fellow citizens. This took place on the Get up and Goals platform!

# Integration of the three dimensions of Sustainable Development

Sustainable development is not a section of activities, but rather a point of view – a set of principles that help us make decisions in a reality that is complicated, and seek a balanced solution. We usually talk of the three dimensions on which it is based (environmental, social and economic); however, other comparisons are also used (e.g. doughnut economy or SDG wedding cake). It is important that our actions are not one-dimensional—the often fall within multiple fields and thereby also affect the method of resolving issues.

An expression of the understanding of this issue is the fact that the Strategic framework Czech Republic 2030 is not divided by sector, or by competent ministry, but by issues and major topics. And if the three parts of this framework are similar to the above-mentioned three dimensions (ecosystems, society, economic model), the next three sections are more of a horizontal nature (settlements/regions, global dimension of action, government) and emphasise our skills in governing ourselves at various levels. Mutual interconnection is even more evident at the level of the goals and the corresponding measures of the implementation plan. For instance, the effort to ensure better policy evaluation (good governance) contributes to more effective expenditure of government funds (economic model); and the protection of the atmosphere (ecosystems) enables goals in the field of population health (society) to be achieved.

Yet CR 2030 is a strategic framework and as such it cannot resolve all the individual problems by itself. It is essential to have not only a good strategy of work in public administration in general, but also to reflect the topics in everyday activities. One of the ways of doing this is through institutionalised impact assessment systems. There are a wide range of these in the

Czech Republic. Some focus only on a specific section of topics, such as environmental impact assessment (EIA and SEA) and gender impact assessment (GIA). Others are universal, such as regulatory impact assessment (RIA). Health impact assessment (HIA) and territorial impact assessment (TIA) are of an experimental nature for the time being. All these systems are capable of revealing the negative secondary impacts of our decisions. However, there is opportunity for improvement in their average quality, particularly the only universal assessments (RIA) and newer assessments (e.g. GIA). A closer connection between the RIA or impact assessments in general with the sustainable development perspective, which the CR set in 2019

# Assessment of the impact of policies, projects and investments in relation to the territory

Municipalities and regions can now utilise an on-line web tool and methodology for territorial impact assessment (TIA) of their planned projects or interventions to enhance the sustainable planning of their projects and decisions about investment targeting. The on-line web tool should reveal the potential positive and negative impacts of projects on the specific territory in all three areas of sustainable development.

as a voluntary commitment, is in the execution phase, see the chapter Coordination.

Another way towards mainstreaming is the application of rules that concern only a specific area yet have the potential to positively affect other areas. For instance, from 2021 new public procurement legislation is in effect in the Czech Republic, which has introduced the requirement to observe the principles of awarding contracts in a socially responsible, environmentally responsible and innovation-inclined manner. Not only does this interconnect all three sustainable development dimensions, but it also assumes that the interest of the public administration will generate the development of areas into which private entrepreneurs hesitate to enter.

Public administration in the Czech Republic is decentralised. Local government bodies, regions and municipalities carry out many governmental functions at regional and local levels. These are, for instance, towns as natural points of development of the regions, which may have a considerable influence on the situation through their everyday actions. Towns that do so intentionally and thereby exceed the importance of their regions are for instance Chrudim, Jihlava and Litoměřice.

# Jihlava: Little big town

Every municipality has the potential to integrate the three sustainable development dimensions. It does not have to be a big city, as interest and long-term effort are the foundation. This then leads to the municipality also devoting attention to topics that we are otherwise used to dealing with primarily at national level.

Jihlava is such a town. Its energy demands are reduced through energy-saving public lighting and the insulation of school buildings. There is a waste management plan that determines procedures for avoiding waste creation. This is also why Jihlava has become the town with the smallest amount of waste produced per person in the entire Czech Republic. The town also operates a composting facility and re-use centre, and has monitored the quality of the atmosphere for over 10 years. The town council has created a concept for a climate change adaptation strategy. Jihlava is also successful in fulfilling the goals of the Healthy Town project - it is the only statutory town in the highest rating category.

The Housing First project, which utilises the municipal housing fund, helps resolve the issues of homelessness and social exclusion. The town has an inclusion strategy that focuses on integrating socially disadvantaged citizens and children, with the established crime prevention assistant roles contributing to this.

Jihlava bases its development planning on the participation of residents of all ages, and has launched the Child Friendly Town project. The town has also prepared Principles for Cooperation with Investors, through which it endeavours to intervene to the benefit of the quality of life of its residents and the quality of new projects.

Within the terms of the preparation of its strategic plan, Jihlava has added a cultural dimension to the sustainable development dimensions—the town considers this dimension crucial because culture is the bearer of values and identity, key attributes for the sustainable development of the town. This dimension is fulfilled by the *Jihlava Educates through Culture* project and the planned revitalisation of the former Modeta factory building, which is to become a culture and community incubator.

However, the town, which is the regional centre of the Vysočina Region, would like to progress even further in the localisation of SDGs, and so will also join the URBACT IV – Global Goals for Cities programme network.

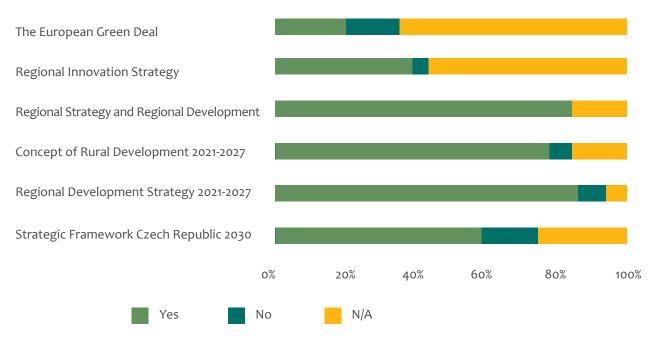


The government provides expert methodological support for municipalities and regions. Municipalities and regions create networks and partnerships for the purpose of cooperation. The Czech Republic supports this horizontal approach, whether this is participation in international networks (e.g. the URBACT IV programme, the Urban Agenda for the EU, and Urban Innovative Action), or national networks (e.g. the network of implementers of the local Agenda 21, the National Network of Healthy Towns, and the Pact of Town and City Mayors for Sustainable Energy and Climate).

Local Action Groups (LAG) also help support endogenic sustainable development in rural regions. This help reinforces cooperation within their regions of competence and also network local

partners, apply an innovative, integrated approach, and mobilise or educate local residents. LAGs execute integrated strategies, which are created from the bottom-up, meaning they synergistically complement the top-down approach. Within the terms of the Sustainable Development at Local Level – Interconnection of Theory and Practice project, LAGs are currently being educated in sustainable development through seminars and also regular dialogue between the state and the LAGs, for the purpose of finding additional opportunities for the application of LAGs as bearers and implementers of sustainable development concepts within the region in which they are active.

# Use of strategic documents from the viewpoint of Local Action Groups



Source: Questionnaire survey among LAGs as part of the TL02000012 Sustainable Development at Local Level – Interconnection of Theory and Practice project, 2021. Available at: <a href="https://starfos.tacr.cz/cs/project/TL02000012?query\_code=wsaiaaclewsa">https://starfos.tacr.cz/cs/project/TL02000012?query\_code=wsaiaaclewsa</a>

# Leaving no one behind

Some people are especially vulnerable and there is a risk that they will remain behind - fall through gaps in the social network and remain out of reach of institutions, in which many of them have lost their trust, and become the cause of increasing social tension. However, no one can be left behind permanently, no one can be excluded from society. Those who are vulnerable must receive special attention. A sign of a modern and solidary society is the quality of life of the most vulnerable.

People excluded from normal life in society and who do

meate each other, increasing their negative impact.

The Czech Republic has had one of the lowest degrees of income poverty and material deprivation in the EU over the long term. Long-term income poverty ranges between 9% and

**Poverty in numbers** 

10%. Material deprivation fell below 3% in 2019. not have the opportunity to reintegrate due to their unfavourable social situation are the most vulnerable. This unfavourable situation most often originates due to their age (e.g. seniors), state of health (e.g. disability), gender identity (e.g. women and also LGBTI+), ethnicity (e.g. the Roma) or a more generally socially disadvantageous environment. Many of these disadvantages often per-

# Other examples of the promotion of sustainable development at local level

MA21 is an institutionalised tool for implementing sustainable development at local and regional levels. It represents a comprehensive systemic approach for development in all areas, based on data and cooperation with experts during their assessment. Strategic planning and management, the involvement of the public, long-term education and education are integral elements. The goal is to improve quality of life while respecting environmental limits. Although MA 21 is a voluntary tool, the quality of the implementers is being successfully improved. 142 municipalities at various levels were involved in MA21 in 2020.

The National Healthy Town Network also contributes to the promotion of sustainable development principles at local level in the Czech Republic. Prague Capital City, 5 regions, 11 microregions, 3 LAGs, meaning a total of 2,424 municipalities, form the membership base of this network. This number represents nearly 40% of all municipalities in the Czech Republic, with nearly 6 million residents (approx. 56% of the population of the Czech Republic). It offers its members both the required supporting materials in the form of methodologies, handbooks and indicators for sustainable development assessment, and also expert consultancy, training and systematic education in sustainable development (mostly in the form of on-line webinars due to the current situation), participative methods, or space for sharing experience and comparing (benchmarking) individual towns in the fulfilment of sustainable development goals.

## Many forms of poverty

Poverty is the common denominator of vulnerable groups. The limit of income poverty in the Czech Republic for 2019 was EUR 500. However, poverty actually takes many forms. Some have a regular but long-standing low income; others are impacted by inaccessible housing; still others suffer from a lack of social contacts, inaccessible quality services or a low chance of quality education. The most important factor that influences the quality of education in individual regions is the destabilisation of families as a result of distrainment. Distrainment is an important structural issue in the approach by Czechs to indebtedness and debt literacy. There is still a segment of the market in the Czech Republic that illegally provides loans at high interest rates or loans with illegal terms and conditions. In 2020 there were 750,000 inhabitants of the Czech Republic facing distrainment of a money judgment. Another complication is the increase in multiple distrainment, or cases when multiple distrainment of an order are directed against a single debtor - authorities registered a total of 4.5 million distrainment in 2020. Whether poverty is the cause or result of social exclusion, both have a significant impact on any chance of equal treatment and opportunities.

Youths' point of view "As a student I cannot afford expensive razors and so use disposable ones, even though this is less ecological. Many people purchase disposable plastic because it is the cheapest option and they simply don't have sufficient funds. If we want to prohibit disposable plastics, we must offer an affordable alternative (...) The alternative must be something new. Sometimes all you need to do is look back and we can find more natural procedures that are not as expensive." Anna Pánková, Structured Dialogue with Young People ambassador, and Markéta Musilová member of Junák.

The data also show that financially very satisfied young people are more interested in waste management, sorting and recycling compared to those dissatisfied with their financial situation. More important topics for financially satisfied young people include ecological packaging, packaging-free products, and (non-)ecological processes in the production of goods.

#### Distrainment

A number of positive measures have been implemented in the field of distrainment and debt elimination in recent years. The standard debt elimination period can be reduced from five to three years for old age pensioners or recipients of invalidity pensions, for instance. The terms for relieving a person of a debt balance have been moderated: the debtor is particularly required to do all they can to satisfy the creditors' receivables, while there is no longer the need for the debtor to pay off 30% of their debts in five years. The Together Through Debt Elimination project, the goal of which is to develop, test and then distribute a tool for identifying high-risk debtors, began being implemented in 2020. The terms for providing a loan were made more stringent legislatively, while non-bank loan providers have to obtain a licence from the Czech National Bank.

## Integration of the Roma

One of the groups at most risk from poverty and social exclusion are the Roma. In 2016, up to 58% of Roma in the Czech Republic were at risk of income poverty, which is six times more than the general population. The Roma make up approximately 80% of the residents in socially excluded locations, and face a number of other inequalities--particularly in the level of education they achieve, which is demonstrably lower than the remainder of the population, or their life expectancy, which is roughly 10 to 15 years shorter than the rest of the Czech population. There are currently also concerns in regard to increasing violence as a result of hate towards the Roma, who face this type of behaviour more than other national minorities in the Czech Republic.

# Women are more vulnerable

Even though the overall risk of poverty and material deprivation in the Czech Republic is quite low, women (14.3%) are more at risk then men (10%) in the long term over practically all age categories. In 2019 women earned 18.9% less than men. In the case of single-member households, the risk of poverty is twice as great for women than for men. Single mothers, 90% of all single parents, and independently living senior females, for whom the risk of income poverty or social exclusion reaches 28.3%, are especially vulnerable groups.

Specific research focusing on young people aged between 18 and 30 has shown that over a fifth of young people in the Czech Republic were at risk of poverty. Approximately 40% of the young people who finish their education without a school leaving examination are at risk of poverty, the same as a third of young parents and 27% of young women. Approximately 20,000 minor children were living in severe housing distress in 2018.

# Discrimination and protection of rights

Poverty and social exclusion are closely related to discrimination, particularly in education, employment, health and housing, in all the above-mentioned groups. Protection against discrimination and equal treatment are mainly assured through the so-called anti-discrimination act, which defines prohibited reasons for discrimination, forms of discrimination, and also the legal resources available to victims of discrimination. The Ombudsman plays an important role in protection from discrimination. Their task is to protect people against actions taken by authorities and other institutions if these are in conflict with the law, and also against the inactivity of these bodies. However, one serious issue is the failure to report discrimination, which is related to the low degree of trust citizens have in the functioning of government institutions. According to estimates, only approximately 10% of cases of discrimination are reported. The Office of the Ombudsman dealt with 384 submissions concerning discrimination in 2017. Direct discrimination was confirmed in 13 cases. In the last five years, courts of law have judged 90 lawsuits with complaints about discrimination, and half the plaintiffs were unsuccessful. Most complaints were filed in relation to work and employment, particularly due to age and gender. The most frequent reason for discrimination in general in the past five years was disability. Victims of discrimination currently only receive monetary compensation if other claims (e.g. an apology) are not sufficient to compensate for the discrimination. The Ombudsman points out that this situation is in conflict with EU rights and the practice of the Court of Justice of the European Union, according to which a court of law should always provide financial satisfaction to the victim. Czech practice shows that compensation of non-proprietary harm is not acknowledged very often and, if it is acknowledged at all, it is inappropriately reduced. Anti-discrimination claims therefore have no preventive, satisfaction or sanction effect.

#### Mental illness

In addition to the general group of people with a medical disability, people with mental illness specifically face discrimination, stigmatisation and poverty. The low level of mental health literacy among the population which, along with stigmatisation, leads to this illness being hidden and an unwillingness to seek professional help, all play a decisive role here. The system of psychiatric care in the Czech Republic is still based on large-capacity facilities in which people with serious mental illness are sometimes hospitalised for more than 20 years. Long-term hospitalisation does not meet the principles of the Convention on the Rights of Persons with Disabilities and has an impact on the risk of suicide by patients after they are discharged from care. The suicide rate was above the average of EU Member States even before the Covid-19 pandemic. Long-term ward care in facilities is also very cost-ineffective compared to community care. The network of ward facilities is distributed non-uniformly, the number of acute care beds is inadequately low, and these beds are not yet integrated into general hospitals.

The reform of psychiatric care launched in 2013 brought about systemic changes in mental health. The basic idea of this transformation is to support quality and locally available services that respect human rights. The reform is being implemented by means of projects financed mainly from European structural and investment funds. The implementation of projects in the first phase of the reform, during which 30 mental health centres, uniformly distributed throughout the Czech Republic, should be established by 2022, began in 2017. 21 centres had begun their activities by 2020. The most significant projects include Deinstitutionalisation of Services for the Mentally III, Support for the Establishment of Mental Health Centres I – III and Support for New Services in Care for the Mentally III. The future direction in this area is defined by the cross-sectional National Action Plan for Mental Health to 2030, which also focuses on implementation deficits in the Psychiatric Care Reform Strategy.

# Steps towards improvement

The Czech Republic is aware of all the aforementioned issues and knows that their resolution requires a long-term and coordinated approach in a number of fields with the participation of a number of stakeholders. The procedure for addressing the issues of poverty and social exclusion is formula-

ted by the Strategy for Social Inclusion 2021-2030, which focuses on reducing the risk at nationwide, local and regional levels by means of a conceptual approach. It also focuses on the development and professionalization of social services, with an emphasis on local disparities, cost reduction and improving the effectiveness of distrainment. In subsequent years it will focus on strictly eliminating illegal practices and the analysis of detailed data relating to the distrainment and insolvency. Finally, it will also be necessary to devote attention to the regulation of non-bank loans. Equal opportunities for the disabled are monitored by the National Plan to Support Equal Opportunities for Disabled Persons and partially also by the National Action Plan for Mental Health 2020-2030. The goals of these two strategies include, for instance, effective support for the employment of physically and mentally disadvantaged persons, ensuring available and adequate care, and also providing them with maximum access to buildings and information.

# Focusing on gender equality

Gender inequality goals are outlined in the *Gender Equality Strategy* 2021-2030. This strives for instance to increase the numbers of women in executive positions, to eliminate inequality in compensation, and to increase the availability of care for children up to 3 years of age, which will help women specifically.

The state plays a crucial role in this area. In recent years, gender equality in state administration has become mainstream. In 2018 the government approved the Standard for the post of gender equality departmental coordinator. This embedded this post in all the ministries, and coordinators were thereby provided with practical instructions for improving the existing situation. In the field of assessment of strategic documents, emphasis has begun to be placed on the presence of assessment of the impact on gender equality.

The effort to promote appropriate gender equality policies is however often complicated by the fact that financial flows intended for this agenda cannot be precisely traced. During the assessed period, a lot of effort was devoted to informing the public of the benefits and actual purpose of the Council of Europe Convention on preventing and combatting violence against women and domestic violence. Although the Czech Republic has already signed the Convention, it has provoked controversy and has not yet been ratified. The state administration also devoted attention particularly to violence against women and their representation in decision-making positions through educational and media campaigns. The most distinctive campaign is This is Equality!, which is communicated through social media, a website, workshops and international festivals. Another significant project that focuses on detailed mapping of the differences in compensation between men and women is 22% to equality. The Action Plan for Preventing Domestic and Gender-based Violence, the primary goal of which is education of society, prevention, the compilation of data and the availability of programmes addressing violence, originated in 2019. The issue of domestic violence has grown as a result of the Covid-19 pandemic. Organisations active in helping victims of domestic abuse registered an increase in demand for their services by up to 60% in 2020. The Czech Police also confirm an increase in incidents related to violence but where the aggressor was not asked to leave the home.

## The standing of migrants

Citizens of other nationalities are a fairly specific vulnerable group in the Czech Republic. Migrants experience discrimination through hate speech for instance, hateful statements by politicians, inappropriate detention of families with children, and the intimidation of reporters. The discriminatory approach in relation to efforts by people without citizenship to obtain public health insurance and documents is also pointed out. However, the employment of people from other countries is also an important element of the Czech employment market, particularly in positions requiring moderate or lower qualifications. However, migrants often find themselves in a weaker position and are at risk of abuse through the grey economy. The percentage of foreigners suffering a fatal occupational injury is disproportionately high in the Czech Republic. Intensive support for legal forms of migration for work, sufficient information provided to foreign workers about their rights and duties, and strict

inspections of working conditions serve as prevention of the illegal employment of foreigners. The exclusion of foreigners from society should be prevented by the fulfilment of the Concept for the Integration of Foreigners – In Mutual Respect, which was last updated in 2016. Migration for work is currently controlled mainly through the government's Programme for Economic Migration. The International Organization for Migration rates the Czech management of its migration policy at 87%, or successful, according to its criteria.

# Youth is not just school

The state administration is also active in protecting children, whether this is from discrimination, endangerment or high-risk behaviour. In general, children (under 18 years of age) are legislatively protected in the Czech Republic from abuse, exploitation and various forms of violence. In practice, the role of socio-legal child protection bodies functions on all levels, from municipal to national. Thanks to the fulfilment of the *National Child Rights Protection Strategy 2012–2018*, the entire system has undergone a positive transformation. Within the terms of this strategy, national campaigns such as *A Right to Childhood* have been implemented. Additional material for the 2021-2029 period, which chiefly focuses on supporting children's best interests, safe care in a family environment, and equalizing opportunities for disadvantaged children, is currently being prepared. Children whose family has found itself in a long-term unfavourable financial situation are offered support through school meals for instance, which are co-financed through repeated subsidy calls by the Ministry of Education, Youth and Sports.

A specific topic for the Czech Republic is the threat to children and young people from alcohol consumption. Alcohol is more accessible and cheaper in the Czech Republic in comparison to more mature EU Member States. Young people therefore start drinking alcohol at a young age. The state administration implements preventive programmes on the basis of the *National Strategy for the Primary Prevention of High-risk Behaviour in Children and Young People for 2019–2027*, however a great degree of social tolerance persists and insufficient attention is paid to this issue.

# The future from the youth's point of view

90% of young people feel that the people around them are interested in their future. However, two thirds of them do not think that society or the system are interested in them. If so, then only generally from the aspect of future generations. This is why young people would welcome predictable behaviour by the government in pension and tax policy issues. They also feel uncertain in relation to the overall economic situation of the state.

# Institutional mechanisms

The Czech Republic is striving to develop a concept for Policy Coherence for Sustainable Development created by the Organisation for Economic Cooperation and Development (OECD). In order to fulfil this concept, it is necessary not only to have a vision, such as CR 2030, but also strong political leadership and coordination to overcome silos-approach, strictly assess procedures, and project the perspective of sustainable development into the distribution of funds.

## Coordination

The Ministry of the Environment coordinates the achievement of SDGs at the highest level, in cooperation with the Ministry of Regional Development, which methodologically manages strategic work in public administration and strives to improve it in the long term. Examples are the Methodology for the Preparation of Public Strategies, the function of the Database of the Public Administration Strategies, and the STRATeduka educational programme. However, strategic work continues to encounter a number of obstacles, and CR 2030 faces similar challenges as other strategies – from coordinating strategies to the strict interconnection of strategies with distribution of funds. Nevertheless, the efforts to fulfil CR 2030 have brought a new impulse to the endeavour to carry out good strategic work in public administration, and plans for further improvement are also included in the recently adopted Client Orientated Public Administration Concept 2030 under development. As well as the mutual coordination of strategies and the link between strategies and funds, this also concerns strategic management innovation.

A network of focal points for the sustainable development agenda at all ministries, established at the beginning of 2019, helps comply with the requirement that the state administration acts in compliance with CR 2030 in practice. The network character has also helped spread information about the strategic framework, effective communication and cooperation on the related tasks. It is thanks to this network that assessment of the aforementioned strategic materials could be coordinated as best as possible and their updates prepared.

The Czech Republic is moving towards a situation where the sustainable development perspective is also becoming part of normal everyday activities by the public administration. The mechanisms for such impact assessment should function independently and on daily basis. Comprehensive evaluations, such as reports on which is the VNR based, assess the situation retrospectively over several years. This is also why attention mainly focused on the established RIA system. A simple manual to guide RIA authors at ministries through the sustainable development perspective on specific cases (topics, approaches, methods) focusing on defining the issues of formulation of variants, is currently being created.

## Monitoring and reporting

CR 2030, like the *Implementation of the 2030 Agenda*, is assessed every three years. The first assessment took place in 2020. The reports were approved by the government in January 2021, and the preparation of a new *Implementation Plan CR* 2030 began on their basis.

In its own assessment, the Czech Republic did not limit itself to just the data based on international comparison (OECD Measuring Distance to SDG targets, SDG Index, EU SDG Index). The government expressed the will to go into greater detail, set the data into the specific Czech context, and to also include areas where there is no international accord on the method of their measurement as yet. Hence it requested information that would enable it to practically manage the subsequent procedure and change what has not been corroborated.

The CSO, which coordinates the compilation of data for indicators in the case of CR 2030 and also in the case of the 2030 Agenda, also plays an important role in monitoring. In fact this con-

cerns an extraordinary volume of data: a total of 192 indicators for CR 2030 and 247 indicators for the 2030 Agenda. Another 140 indicators of the national set for quality of life, i.e. indicators that attempt to integrate the viewpoint of the citizens themselves, i.e. how they perceive the impact of policies, into the assessment, must also be added to this number. There is not enough experience with the latter approach in the Czech Republic, and the public administration is just now learning to work with this perspective.

In addition, relevant data could not be obtained for many indicators. For instance, in the case of the 2030 Agenda only approximately half the indicators have sufficient data. In this aspect, the Czech Republic faces similar issues to all the other states implementing the 2030 Agenda.

# The current availability of 2030 Agenda indicators





# Structural issues

#### Decarbonisation

Emissions of greenhouses gases in the Czech Republic fell by nearly 36% between 1990 and 2018. However, in the 2017-2018 period the reduction in greenhouse gases practically stopped, nevertheless the anticipated reduction in 2019 and the impact of Covid-19 as of 2020 will most probably reduce these emissions significantly. The Czech Republic will fulfil its EU commitments, while the fulfilment of the more ambitious national goal of 114 Mt CO2 is achievable. The emission intensity of the Czech economy is decreasing, but remains one of the highest in the EU. On a per capita basis, the Czech Republic was 47.1% over the EU average in 2017. The main causes are the energy sector, the energy intensive industry sectors, and the fact that the Czech Republic is an export economy in which industry plays a crucial role. Fossil fuels therefore played and continue to play an important role. However, the Czech Republic's share in global CO2 emissions is only approximately 0.3%. Since 2017, the negative impact of the LULUCF sector (terrestrial carbon sinks through land-use, land-use change and forestry) is also present. As a result of the bark beetle calamity and forced logging, this sector has ceased to absorb carbon and has instead significantly contributed to the production of CO2 emissions since 2018. The volume of emissions from transport also continues to grow and the percentage of consumption of renewable energy sources (RES) in transport remains insufficient compared to EU goals. That is also the reason why The National Recovery Plan will offer EUR 158 million to the public and private recharging infrastructure and dynamic charging for public transport.

Decarbonisation therefore remains a major challenge for the Czech Republic. One of its dimensions is economic and technological. Due to the increasingly stricter emission limits alone (particularly SO2 and  $\mathrm{NO_x}$ ) it is assumed that up to 3.9 GW (approximately 38%) of the installed output of solid fossil fuel sources will be shut down by 2030. Natural gas will continue to play a crucial goal as a transitional fuel during decarbonisation. The price of emission allowances in the EU, increasing in the long-term, will reduce the economic profitability of the fossil energy sector and the heating sector overall, and companies are already reducing the originally expected length of operation of fossil fuel plants in their plans. This is also why the percentage of renewable energy sources (RES) continues to grow gradually. As of 2019, RES accounted for over 16%, particularly due to use of biomass for heat production. This means that the Czech Republic exceeded its commitment for 2020 determined by the EU energy-climate goals. One of the main conditions for the Czech Republic's successful and safe transition to a climate-neutral energy sector and economy is nuclear energy.

Due to the strong industrial base, the decarbonisation process will have a relatively significant impact on sectors such as vehicles and energy-intensive industries. The rapid decarbonisation of industry is also challenging due to the likely increase in production-related operating costs and the impact on competitiveness. However, other sectors will also need to make changes in technology and procedures to survive in a future climate-neutral society. Decarbonising agriculture will be a challenge, as no significant reductions in greenhouse gas emissions can be expected if production is to be maintained. Last but not least, changes in the current patterns of societal behaviour, especially consumer behaviour and the promotion of circular economy principles, will also be fundamental.

The second dimension of decarbonisation is social. In relation to the phase-out of coal, there is a risk that unemployment will increase in the so-called coal regions, which are undergoing significant economic transformation (Karlovy Vary, Ústí and the Moravian-Silesian Region). This concerns regions that are already facing higher unemployment (some municipalities are at

around 9% to 10%) more than other regions in the Czech Republic. At present just under 14,000 people are employed in the coal mining sector. Action plans for the transformation of coal regions (RE:START) have existed since 2019, to be supplemented with Just Regional Transition Plans from 2021. Nevertheless, the social impacts of decarbonisation will be felt throughout the Czech Republic, which will be proportionally more affected than other EU Member States due to the structure of its economy. Projects supporting this green transformation in the affected regions and throughout the Czech Republic will be supported using finances from cohesion funds, the Just Transition Operational Programme, the National Recovery Plan and the Modernisation Fund.

With regard to the above-mentioned challenges, the Coal Commission, as the advisory body to the government, recommended 2038 as the deadline for terminating the use of brown coal for generating electricity and heat. The government has taken note of this recommendation.

# Transformation of coal regions

The Moravian-Silesian Region, one of three structurally disadvantaged regions, successfully began its transformation by defining new energy, environmental and economic challenges. For instance, it decontaminated and transformed the "Lower Vítkovice District" extensive complex of blast furnaces, coking plant and black coal mine into a cultural-historic centre of regional importance, hosting many important events, while a new city district has also been created there.

Through the <u>POHO 2030</u> programme for transforming the post-mining landscape, in the area of the closed mining complexes, the most modern industrial zone with elements of modern power engineering and cross-border impact into neighbouring Poland and Slovakia should be completed in 2030. Projects should contribute towards enhancing cooperation between stakeholders in the region, the innovation potential of the specific region and, especially, bring new job opportunities and the related potential influx of new residents. This will also include the EDEN project: a complex of giant greenhouse biomes in which scientific research on flora by a completely new faculty of the Silesian University in Opava, will take place.



<sup>8</sup> Ministry of Industry and Trade (2019) Employment in the mining sector. Accessible from: <a href="https://www.mpo.cz/cz/stavebnictvi-a-suroviny/surovinova-politika/statni-surovinova-politika-nerostne-suroviny-v-cr/tezba-nerostnych-surovin-v-ceske-republice-a-zamestnanost-v-tezebnim-sektoru-248701/">https://www.mpo.cz/cz/stavebnictvi-a-suroviny/surovinova-politika/statni-surovinova-politika-nerostne-suroviny-v-cr/tezba-nerostnych-surovin-v-ceske-republice-a-zamestnanost-v-tezebnim-sektoru-248701/</a>

# Society 4.0

Digitalisation is permeating human life to an increasing degree. This affects not only industry and the job market, but also the healthcare sector, sales, financial services, education, and the function of the public administration. The impact of the Covid-19 pandemic has been a significant impulse in this direction, intensifying the use of existing digital services (e.g. an application for prescribing medication) or leading to accelerated digitalisation in new areas (e.g. the transition to remote tuition throughout the education sector).

The Czech Republic has already started the path to Society 4.0 from the technological aspect. Internet access was provided to 3.2 million active connection points in 2018, of which 2.7 million were non-business (residential) connection points. However, the percentage of active connection points with a speed of over 30 Mbit/s in relation to all active connection points is just 55%. The percentage of people with a connection of this high-speed compared to the total population of the Czech Republic is just 16.3%. Coverage by mobile networks also achieves particularly good parameters in general. 99.8% of the population is also covered by LTE (4G) standard networks. However, proper 5G network development is only expected for the upcoming period.

Digitalisation is not just a technological change—it is mainly a social one. It does not bring the same benefits to everyone, and may even restrict some people. This is evident, for instance, in the population's access to the internet. 81.1% of households had internet access as of 2019. The percentage of households with access to and that use the internet rises rapidly along with income and education. Only half of the poorest fifth of households have access to the internet and use it. The negative aspect of digitalisation also had a significant impact on the economic platforms on the housing market in larger cities, particularly in Prague. Social networks also promote confirmation bias and retreat into social bubbles, intensifying the erosion of social trust and increasing the impression of a divided society.

The frequency of electronic contact with the public administration provides a similar image. Act No. 12/2020, on the right to digital services, which can considerably simplify the lives of a great number of people, was adopted in 2020. On the other side, unemployed people communicate electronically significantly less than employed people, for instance, despite the fact that it is the unemployed who need to use many public services and the support of the state to a much greater degree. If specific public or private services were only provided digitally under this situation, new clear social inequality would be caused. Digitalisation can also increase other inequalities. For instance, the numbers of women in ICT fields and in research and development is only 9% of the total, and a gender pay gap is already apparent.

The Czech Republic is aware of the danger of the digital gap/divide. It seeks a solution in parallel support for technological development and forms of social adaptation. A unified framework for digitalisation in all areas (*Digital Czech Republic*) from the establishment of an infrastructure to a legal framework has existed since 2018. The adaptation steps particularly include digital literacy, anticipating changes on the employment market, and corresponding models for requalification and the digitalisation of the public administration. The new *SMART Cities concept* captures the regional dimension. Attention is also devoted to new risks brought about or significantly increased by the digital world (e.g. cybercrime, fake news etc.) Diverse strategies such as the *National Cybernetic Security Strategy* and the *National strategy for Combating Hybrid Effects* on the one hand and the *Digital Literacy Strategy* (*DigiStrategie*) on the other, take these into consideration. However, the adaption of the tax system or the social support system to digitalisation, is only at the discussion stage (e.g. digital taxes).

# eNeschopenka (eSicknote)

A system of fully electronic notifications and records of temporary sick leave was launched in 2020. Employees continue to inform their employer of the specific situation (e.g. by e-mail, SMS, by telephone) but do not have to have paper forms filled in and hand them physically over to their employer. Information can automatically be received by employers from physicians through their data boxes. Compensation of wages and sickness benefits are similarly automatically sent to employees. This plan has already existed for several years, but the Covid-19 pandemic demonstrated not only its usefulness but also its necessity in some cases.

The National Recovery Plan, which contains significant support for digital transformation, also addresses this subject. A number of projects are being implemented by the public administration to provide quality digital services to end users. The purpose of these projects is the significant expansion of the opportunity for electronic submissions and simultaneously the strict application of the once-only principle, i.e. that information provided once will be shared by the public administration and be automatically entered into forms for citizens. eHealth projects for providing digital services, telemedicine and a modern digital healthcare portal project will all be implemented. The newly approved Strategy to Support Cultural and Creative Sectors controls investments into regional cultural and creative centres. Employment services to develop modern educational centres in support of digital skills and reskilling and upskilling employees will be modernised. Education will move into the digital age and will modernise techniques, modify curricula, increase the digital skills of teachers, and establish a Fund of Digital Devices for Disadvantaged Pupils. Infrastructure projects for digital high-speed networks in areas not covered (white spaces) and schools will be implemented. The establishment of a branch of the Samuel Neaman Institute in the Czech Republic, which will ensure sufficient monitoring and assessment and propose solutions to the impacts of the digital transformation surge on society, will be particularly important.

# **Inequalities**

Income inequality in the Czech Republic is guite low. Compared to other European Member States, the Czech Republic has one of the lowest income inequality coefficient values (S80/2S0 ratio), namely 3.34 in 2019. The income poverty risk was similarly relatively low. 10.1% of the population of the Czech Republic lived in income poverty in 2019, and there was no extreme poverty at all. The universal social system contributes to this in particular, along with the increase in the minimum wage in recent years. However, the long-term elimination of some inequalities has not been successful. The risk of social exclusion has fallen overall since 2015, yet regional differences persist or even increase. Gender inequality remains considerable. For example the difference in compensation for women and men (the "unadjusted" GPG) is approximately 20%, caused by the greater number of women in jobs with worse pay (typically social care services) and the significantly minority share of women in higher positions in general. Women are even disadvantaged in terms of compensation when performing the same job at the same workplace. The "adjusted" GPG is approximately 10%. When we examine gender inequalities, we also see that one inequality often leads to others. Inequalities on the employment market (GPG, vocational sector segregation, leaving the employment market as a result of caring for children) result in a situation where the old age pensions of women are on average 18% lower than those of men, and women are more at risk of income poverty.

The Covid-19 pandemic has impacted this situation. The healthcare system survived the onslaught, but the pandemic emphasised some long-term issues, such as the situation in social services and nursing care, and the issues of socially weak and excluded people. The number of people exposed to unequal treatment or disadvantaged through unequal opportunities will probably rise as a result of the anti-pandemic measures and economic decline, as already shown by the initial data. Two fifths of single parents state that their financial situation has worsened as a result of government measures. A quarter of the single parents questioned had problems repaying borrowed money in 2020.9 The engagement of pupils in remote learning, which replaced school attendance for most of 2020 and the first third of 2021, emphasised even more clearly the long-standing dependence of education on socio-economic standing.10 In addition to the unemployment rate, the category of economically inactive people (not employed and not looking for a job), also started to grow during 2020. While this concerned individuals of pre-pension age in men, in women this mostly concerned the group aged up to 29 and with higher education, therefore most probably women who were forced to care for their families and children to an even greater degree than previously.11

The Czech Republic is working to moderate the social impact of the pandemic by providing compensation for wages, benefits, loans and relief. The Antivirus programme, which helped maintain jobs for over 1 million people in the private sector, and the crisis care benefit programme, which moderates the gender inequality in childcare, had a great impact. However, this mostly concerns solutions to the immediate issues. The Czech Republic will face an extraordinarily difficult task in the coming period: it will have to eliminate long-term issues where they exist (e.g. gender inequality) and will have to maintain its existing successes where they exist (e.g. poverty elimination) under increased pressure. Not leaving anyone behind will be even more important than before.

# When a parent fails to pay maintenance, the state will pay on their behalf

Single parents—predominantly single mothers—are the people most at risk in the long term from income poverty. Not just because they depend on a single income, but also because their partners often fail to comply with their maintenance duties towards their shared children. Maintenance can be claimed before a court of law and by distrainment, but this may take much longer than is tolerable. Hence the Czech Republic is implementing so-called substitute maintenance from 2021. If a parent does not pay maintenance at the prescribed amount, even though they could, the state will help by providing a special contribution. It will also be the state that then assumes the duty of recovering this amount instead of the single parent.

<sup>9</sup> https://www.ceskenoviny.cz/zpravy/stem-pulka-samozivitelu-resi-financni-potize-setrenim-na-jidle/2019050

<sup>10</sup> https://www.csicr.cz/html/2021/TZ Distancni vzdelavani v ZS a SS/html5/index.html?&locale=CSY&pn=19

<sup>11</sup> CSO (2020) Development of the Czech labour market - 4th quarter 2020. https://www.czso.cz/csu/czso/cri/vyvoj-ceskeho-trhu-prace-4-ctvrtleti-2020

# Sustainable Development Goals





1.1 There is no extreme poverty in the Czech Republic.

1.2 In the case of the Czech Republic, it will be very difficult to reduce the percentage of people living in relative poverty to one half because this percentage (10%) is already one of the lowest in the EU and world. However, one third of the population lives just above the poverty line.

- **1.3** The basic social protection system fully covers all vulnerable groups.
- **1.4** Equal rights in access to economic resources, basic services and ownership are legislatively enshrined. The unavailability of social housing and the indebtedness of socially excluded persons is increasing.
- **1.5** In the Czech Republic there is a functional framework to reduce the risks associated with natural disasters and technical accidents.
- **1.a** The share of official development assistance (ODA) to GNI is not approaching the commitment of 0.33% of GNI. The average ODA contribution for the Czech Republic ranges at around 0.14% of GNI. An example of a current development cooperation project is inclusive education for vulnerable children in Bosnia and Herzegovina.
- **1.b** The internal dimension of the target is covered from the strategic aspect, but the results of the activities are not completely clear. Selected SDGs are covered by the Development Cooperation Strategy CR 2018-2030 from the external dimension, nevertheless gender equality and poverty are not among development cooperation priorities.

#### Dense social protection network

The basic social protection system fully covers all at-risk citizen groups (children, the unemployed, the elderly, people with disabilities, pregnant women, new-borns, victims of work injuries, poor and vulnerable people). Ensuring a minimum income (living and subsistence minimum) and assistance in material need are legislatively regulated in

the Czech Republic's social protection system. Benefits in material need (a subsistence allowance, housing supplement and a lump sum for emergency immediate assistance) are paid out on the basis of these legal regulations. According to the Act on State Social Support, so-called family benefits (child allowance, birth allowance, funeral allowance, housing allowance and parental allowance) are paid out. The law also stipulates the conditions under which unemployment benefits and employee protection if the employer is insolvent can be

#### Data deployment

One weakness of public policies is the availability of current and relevant data on their actual impact, as these are not processed in a coordinated manner in the public administration system. One example is social exclusion, where there is a lack of interconnection of statistics on poverty throughout the territory and the related social phenomena between individual departments and institutions. The absence of some data concerning ethnic groups in the Czech Republic in particular is generally sensitive and complicates the resolution of this issue. There is a shortage of studies focusing on the systematic assessment of the impact of social policies, including the regulation of benefit systems, in general. In addition, only a few of the studies concerning excluded locations discuss the procedural aspects of creating policies, for instance the issue of public participation in decisions or the active involvement of target groups. Despite this, attention is paid to the creation of analyses, the compilation of data, and work with data in a number of newly approved strategic materials at national level across areas.



- 2.1 The Czech Republic has eliminated hunger. Obesity and the affordability of quality foods are however ongoing challenges. There are, however, targeted programmes for poor and vulnerable people ensuring access to quality and safe foods.
- 2.2 Neither the population in general nor children in the Czech Republic suffer from malnutrition as a whole. The slight occurrence of malnutrition and health risks is linked to disadvantaged persons and food intake disorders, particularly in young women. Outpatient care was provided to 3,731 individuals with a diagnosis of food intake disorders in the Czech Republic in 2017.
- 2.3 The Czech Republic guarantees everyone the right to use and own land. Overall productivity in agriculture and work in agriculture reaches only approximately half the average productivity in the EU. Targeted programmes and tools from the EU's Common Agricultural Policy are used to support agriculture and rural areas.
- **2.4** The Czech Republic supports organic farming, and 13.2% of its land is farmed organically. Innovations and agro-environmental measures have long-term support.
- **2.5** The Czech Republic successfully protects the genetic diversity of animals and plants.
- **2.a** Support for agriculture and rural areas is one of the priorities of foreign development cooperation. The Czech Republic spent EUR 3.7 million on this priority in 2019
- **2.b** The Czech Republic supports and actively promotes the elimination of trade restrictions, combats dual food quality, dumping and export subsidies, and unfair business practices.
- **2.c** Agriculture comprises an approximate 5% share in Czech international trade in the long-term. Czech exports of agricultural commodities to third countries show a dynamic increase, and the volatility of agricultural producer prices is low in the Czech Republic over the long term.

#### Hunger no longer exists as a social issue

The Czech Republic has successfully eliminated hunger and ensures a high level of food safety. Shortages of food and malnutrition are rather marginal issues in the long term, which food aid and material assistance through social support, school meals and support by regional non-profit organisations helps resolve. Food banks, which provided help to 100,000 applicants in 2019, have proved a crucial measure. These banks registered a substantial increase (60%) in the number of people requesting food aid in 2020 as a result of the Covid-19 pandemic.

#### **School lunches**

The state has helped children whose parents cannot afford school lunch fees since 2015. It specifically contributes towards school meals. The basis of this project is a contribution provided by the state, however individuals can also contribute. The project was originally a civic society initiative by the Woman for Woman organisation, with the state subsequently also becoming involved. All the regions were involved starting in the 2019/2020 school year, as a result of which 9,600 disadvantaged children received support.

#### **Ecological farming is expanding**

Conventional farming is often a problem in terms of soil degradation, particularly through soil compaction, soil erosion, and the substantial use of pesticides and fertilisers. Hence the Czech Republic actively promotes ecological agriculture, which covered 13.2% of the total area of agricultural land in the Czech Republic in 2019. In this, the Czech Republic ranks 6th of all EU Member States, and the percentage is well above the European average of 8.5%. However, it lags significantly behind in the area of arable land in ecological agriculture. The number of eco-farms has been increasing in the long term, with their number reaching 4,690 in 2019. Permanent grassland (80%) is dominant in Czech ecological agriculture and this has a positive impact on the adaption to climate change and the water management in the landscape. Ecological agriculture initially spread most quickly in highland and foothill areas. Over 40% of the agricultural land in protected areas is farmed through ecological agriculture. In recent years there has been an evident positive trend in the increase in the percentage of arable land: from 10% in 2008 to 16% in 2019. This trend also corresponds to the goal of increased production on arable land with a primary focus on organic food, where the Czech Republic set the goal of increasing the percentage of arable land under ecological agriculture to 30% by 2027. Yields correspond to the EU average and reach 50% to 85% of those of conventional agriculture.

## We protect the genetic resources of Czech nature

In a situation where many species are rapidly dying out, the climate is changing and yields from traditional crops are declining, steps must be taken to ensure the genetic diversity of the natural environment. As well as protecting biodiversity itself, one of the ways to do this is to preserve plant and animal genetic resources. Here, the Czech Republic has a long-standing tradition. The amount of plant genetic resources in gene banks has been increasing for some time and consisted of 55,000

samples as of 2019. 62,000 animal samples for reproduction have also been preserved. Traditional breeds are also preserved under in vivo conditions by more than 1,000 farms and breeders, with support from the national resource conservation programme.

## The Czech Republic supports sustainable agriculture in less developed countries

Agriculture and rural development are priorities of the Czech development cooperation. In 2019 the Czech Republic provided EUR 3.7 million to support related research. Projects to increase the effectiveness of agricultural production at small farms, ecological agriculture and to strengthen the capacities of educational and consultancy services, were primarily supported. The main guiding principles are adaptation to climate change and food safety. One example of a multi-year project is support for agricultural cooperatives and small cattle farmers in Zambia, which allows them to maintain milk production even during droughts.

#### Agriculture 4.0

Effective irrigation, effective fertilisation and simultaneous inspection of water pollution by nitrates, safe storage of crops, land records, and the automatic generation of property tax returns. The common denominator in all this is the data that can be obtained from various sources and interconnected within a digital environment. This means that agriculture can be precise and in accordance with the SDGs. This is the approach adopted by the Clever Farm platform.



- 3.1 Maternal mortality has been kept at low values in the Czech Republic over the long term. An average of 2 women have died per 100,000 live births per year from 2015.
- **3.2** Neonatal mortality has been kept below 2% since 2008. Child mortality is declining in the long term and was 3.1% in 2019.
- 3.3 The dominant method of HIV infection is sexual contact between men. On the other hand, most hepatitis C is transferred as a result of infections from drug use. The number of men newly infected with HIV rose by 30% between 2015 and 2018. The number of people newly infected with hepatitis also doubled, to 724 in the case of type A, and from 739 cases to 840 in the case of type C, between 2013 and 2015. On the contrary, the number of type B hepatitis cases fell. The occurrence of tuberculosis has now been declining for 20 years.
- 3.4 The proportion of premature mortality as a result of non-communicable disease in relation to the total number of all mortalities fell by 6% between 2005 and 2019. The suicide rate in the Czech Republic remains above the European-wide average in the long term, and the risk of suicide has also grown rapidly as a result of the Covid-19 pandemic and the related government measures.
- **3.5.** Excessive alcohol consumption is common in the Czech Republic and is socially tolerated to a great degree. The average consumption is around 10 litres of pure alcohol per person per year (including children) in the long term, and around 1.6 million people who abuse alcohol are registered.
- **3.6.** The number of deaths and injuries from road traffic crashes has not been reduced by half as yet, but their number is falling. 618 individuals died in this manner in 2019, which is significantly above the EU average.
- **3.7.** Most women of reproductive age (15 to 49 years of age) use modern family planning methods. The Czech Republic's family policy goals include the prevention of infertility and improving the financial availability of assisted reproduction.

- **3.8** The right to healthcare and its availability from the location and time aspects are stipulated by law in the Czech Republic. The persisting shortage of healthcare personnel is currently intensified by the Covid-19 pandemic.
- **3.9** In 2019 the increase in premature deaths due to air pollution was estimated by 3%, i.e. by 3,100 individuals.
- **3.a** Within the terms of fulfilment of the WHO Convention on Tobacco Control, a nationwide prohibition of smoking in interior areas was implemented in 2017. Prevalence of current tobacco use was 31.5% of the population in 2018, and there is a clear declining trend in this area.
- **3.b** The Czech Republic's ODA in support of medical research and basic services in the healthcare sector differs from year to year depending on the actual implementation of projects. EUR 0,45 million of aid was provided in 2018, and EUR 2.34 million a year later.
- **3.c** The Czech Republic is unable to directly influence the form of healthcare funding in developing countries, but is involved through government scholarships allowing students from developing countries to study medicine in the Czech Republic.
- **3.d** The 13 core capacities for preparedness for health emergencies were fulfilled form 68% in 2019.

#### Non-infectious diseases and prevention

The probability of death as a result of cardiovascular disease, cancer, diabetes or chronic respiratory illness has been falling in recent years. Specifically, the mortality rate from tumours has been stabilised overall, even though the number of new cases per year is actually rising. The growing number of reported cases can be partially related to the aging population of the Czech Republic (the average age, or specifically the age at death, is rising). Age is the main risk factor in cancer, partly through the accumulative effect of risk factors. Other potential reasons for the rising absolute incidence are the increased occurrence of physical and chemical carcinogens, which also pollute the environment, and lifestyle changes. Healthcare in the Czech Republic has high quality in this area. The diagnosis of cancerous tumours and the overall quality of medical care is high. In relation to the improved diagnostics, one cause of the higher number of reported cancerous tumours may also be the nationwide state oncological screening programmes. Mammographic screening was officially launched in the Czech Republic in 2002, cervical screening in 2008, and screening for colorectal cancer in January 2009. As well as skin tumours, tumours of the large intestine and the rectum are typical for the Czech Republic.

Unfortunately, an unhealthy lifestyle (insufficient exercise, stress, high alcohol consumption and smoking) contributes to the occurrence of non-infectious disease as well as age. Solutions include public campaigns and an emphasis on physical activity with at least moderate exertion for children, and promotion of a healthy lifestyle. The implementation of programmes to support health (food labelling, the promotion of exercise as an integral lifestyle element) and the aforementioned screening programmes are priority areas of the Health 2020 programme and include the Health 2030 strategic framework, a basic health policy strategy in the Czech Republic for the next decade. Although these programmes are more effective in the long term and considerably cheaper than subsequent treatment, the implementation of these programmes faces a lack of funds.

#### Strengthening oncology

During the Covid-19 pandemic, only urgent health care was provided and preventive examinations and check-ups for oncological patients were limited. This may subsequently be reflected in an increasing incidence of tumours, their more advanced state, and higher treatment costs.

The Czech Republic wants to prevent a longterm impact from the pandemic in this area, particularly with regard to the aging population. Using reforms and investments, it plans to contribute towards increasing the resilience of the oncological prevention and care system. In compliance with national and European strategies, attention will be devoted not only to primary and secondary prevention, but also to health literacy.

The overall investment costs are estimated at around EUR 394 million (National Recovery Plan).

#### **Tobacco control**

31.5% of the population aged 15 years and over were tobacco users in 2018, and this number is slowly falling. A law prohibiting smoking (with the exception of hookahs) in restaurants and bars came into effect in 2017. The excise duty rates on tobacco products were also increased. A further increase in excise duties on tobacco products is foreseen in the next three years to ensure they do not become more affordable. The new National Strategy to Prevent and Reduce Damage Linked to Addictive Behaviour 2019–2027 and its action plan focus on tobacco control, among other things.

#### Youths' point of view

22% of young people stated that they smoke (or otherwise use tobacco) (practically) every day.

#### A clearer view of the world

The <u>DOT Glasses</u> project helps people with poor eyesight in developing countries. Thanks to adjustable glasses frames and a radically simplified lens concept, 90% of the population can now enjoy sufficiently good eyesight. Over a million poor people will have access to better healthcare by 2022 thanks to glasses. The final price of these glasses is around USD 3 to USD 5.



- **4.1** Free primary and secondary education is provided by law in the Czech Republic. Even though the law also ensures formal equality in access to education, their socio-economic background still has a great impact on the educational results of pupils.
- **4.2** Compulsory pre-primary education was implemented in 2017, and 93.8% of five-year-old children participated in this system in 2018. However, a persisting lack of pre-school care availability is a general problem.
- **4.3** With some exceptions, the public education system—including tertiary education—is free. The number of women who participate in tertiary education has doubled in the last decade, while the number of men has increased by approximately one third.
- **4.4** The younger population and people with a higher level of education show an evident increase in information and communication technology skills compared to the overall population.
- **4.5** In fifteen-year-old pupils, gender gap in basic proficiency (reading, mathematics, science) are not significant and are around the average for OECD countries.
- **4.6** In 2018 fifteen-year-old pupils demonstrated above-average reading and mathematical literacy compared to the average for OECD countries.
- **4.7** The issue of knowledge and skills needed to support sustainable development in the Czech Republic is currently in the implementation process. This is thematically contained in the new *Education Policy Strategy* for the Czech Republic 2030+ and some parts are already covered in education programmes.
- **4.a** The area of inclusive education was regulated in 2016 so that pupils were entitled, for example, to the free provision of support measures. Funds for inclusive education were also increased, amounting to approximately EUR 210.6 million in 2018.
- **4.b** Within the framework of development coperation, the Czech Republic offers support to students from developing countries. Between 2015 and 2019 it supported approximately 130 scholarship students every year. However, the number of scholarships did not significantly increase year-on-year.

**4.c** Within the framework of the programme for sending Czech teachers to developing countries, 11 projects were implemented in 2018. Recipient countries included the least developed countries, e.g. Ethiopia, Afghanistan and Zambia, but also Ukraine and Georgia.

#### Inclusion in education

In the last five years, significant systemic changes have taken place in inclusive education, and have contributed towards improved education for pupils with special educational needs. Inclusion takes place mostly in primary schools, whereas the availability of support measures, such as teacher assistants, teaching intervention and special didactic aids for teaching reading and writing, are crucial in this regard. For instance, over 9,000 teacher assistant jobs and nearly 3,000 special aids were reported for the 2016/2017 school year. As of the autumn of 2017, over 42,000 primary school pupils were provided with nearly 100,000 support measures. The number of primary school pupils with special educational needs increased between 2015 and 2017. The most frequent diagnoses in these years were developmental learning disorders (over 44,000), developmental behavioural disorders (3,000) and light mental disability (12,000). The implementation of inclusive education both reveals and resolves issues that were previously a great burden for schools, children and their parents. Inclusion is currently on track in the Czech Republic and knows where it is going. It is essential to systematically discuss education, to support projects explaining the positive points of inclusion, and to create a climate in society that respects the right of all individuals, without distinction, to education because this concept of education is not always seen in a positive light. In the future, it will be necessary, for example, to improve the quality of consultancy services and ensure their sufficient staffing.

The National Recovery Plan includes the preparation of innovations in the field of education digitalisation for the following four years. Investment of nearly EUR 193 million should ensure the availability of digital equipment for all pupils, particularly those who are disadvantaged, and improve the level of digitalisation in schools. The modernisation of teaching capacities at public universities is also planned, with the goal of creating conditions for further education and to implement up-skilling and re-skilling, particularly for rapidly developing professional branches and those with links to the National RIS3 Strategy. It will then be necessary to ensure suitable conditions and equipment at schools, and teacher competence, without which increasing the availability and quality of further education will not be possible. The estimated cost for adapting the capacities of schools is EUR 516 million.

#### Women and education

From the perspective of basic skills (reading, mathematics, science), the gender differences between pupils of up to fifteen years of age are not significant in the Czech Republic and are average compared to other OECD countries. However, at subsequent levels of education, the system shows some selectiveness through a tendency of pupils with similar results (and therefore also backgrounds) to accumulate in the same schools. Children from lower social classes mostly accumulate in vocational educational facilities, while those with high socio--economic status tend to accumulate at 8- and 6-year grammar schools. Even though gender practically does not affect tuition at primary schools, it does affect tuition at secondary schools, particularly from the aspect of profession, with girls progressing to secondary vocational schools with school leaving examination more often than boys. The number of women at university is logically greater than the number of men. The number of women completing tertiary education has doubled in the last decade, while that of men only increased by one third during the same period. However, differences appear after the completion of master's study programmes and during doctoral study programmes, when women are aged between 25 and 30. In doctoral studies for instance, the number of women in natural science, mathematics and statistics is 47%, i.e. 15 pp below their percentage at master's level. The situation is similar for doctoral studies in technical disciplines (down by 11 pp) and trade, administration and law (down by 20 pp compared to master's studies). These differences are some of the greatest among OECD countries.

#### Teaching through the eyes of young people

Young people would prefer more logical activities instead of mechanical ones with a less authoritative approach by teachers, more opportunity for creativity, and more modern methods. The desired methods included school trips, the interconnection of formal education with informal extra-curricular activities, group tuition and discussion. They want to be more motivated and to know the purpose of what they are learning.



- **5.1** Even though the Czech Republic has committed to promoting gender equality, the unequal standing of women and girls persists not only on the job market but in other areas of social life. The Czech Republic regularly rates near the bottom of the EU Member States on the Gender Equality Index.
- **5.2** The number of cases of violence against women where the offender is a person close to them increased by nearly 400 registered incidents, to 3,877 cases, between 2015 and 2019.
- **5.3** In early marriage and female genital mutilation, the Czech Republic supports EU activities and international cooperation.
- **5.4** The family arrangement of "the father as the breadwinner and the mother as carer" predominates in the Czech Republic. It is women who in most cases assume the role of household carer, and therefore significantly more often face the issue of balancing their professional and personal lives.
- 5.5 The number of women in executive positions in the Czech Republic has not exceeded 30% over the long term. Although the number of women in local government is increasing regularly (28% in 2019), the percentage of women in the Chamber of Deputies has never exceeded 22%.
- **5.6** Information about reproductive and sexual health is available in the Czech Republic by law, but there are no public standards for care of a woman and child during pregnancy, childbirth and the puerperium. There is no concept for sexual education within the educational framework in the Czech Republic.
- **5.a** Women have equal rights. However, legislation does not reflect some life phases or situations experienced by women, which subsequently leads to a greater risk of unemployment and a high risk of income poverty, particularly for single mothers and pensioners.
- **5.b** There are very low numbers of women in ICT professions and in research and development (91% of ICT experts are men).
- **5.c** A 7-day postpartum care allowance for fathers was introduced in 2018. This was used by approximately 40% of fathers in 2018 and 2019.

#### Work versus care

The Czech Republic does not distinguish itself in the field of the work life balance when compared to the rest of the EU. The stereotypical viewpoint of the family arrangement of the "father as the breadwinner and the mother as carer" predominates. In the majority of cases, women go on parental leave, take care of the household and possibly of other family members. The difference in gender employment has been to the disadvantage of women over the long term, and was 15% in 2019. The greatest decline in the employment of women is during the period after their 30th birthday, namely the age at which it is assumed they will be caring for a child. Women also devote themselves to care in their professions, with 80% of employees in care professions and 97% of nurses and midwives being women. Even though care is irreplaceable, it is part of the feminised professions with below-average wages. The difficulty of balancing professional and family lives, partly due to unequal financial compensation, is therefore a much greater challenge for women.

#### **Gender in numbers**

According to the Gender Equality Index for 2019, the Czech Republic was awarded 55.7 points and therefore rates below the overall EU average (67.4 points). The GPG was 18.9% in the Czech Republic in 2019.

It is assumed that the government amendment of the Labour Code, effective from January 2021, which implements the new institute of shared jobs, will contribute to improving the work-life balance. Increasing the

capacity of childcare groups, which are an alternative to the overcapacity nursery schools, will help women in particular return to the job market. The initial evaluation reports by the Ministry of Labour and Social Affairs indicate that the engagement of mothers on the job market has doubled during the use of such childcare groups. Another improvement in this area is the increase in parental benefits from the current EUR 8,699 to EUR 11,822. In 2018 a new benefit for postpartum care by the father was introduced, and the speed at which the parental benefit could be drawn was also modified. The shortest period for drawing the entire parental benefit is now six months. The Regulation of the European Parliament and of the Council on the work-life balance of parents and carers is currently being transposed, with the goal of enabling more active involvement by fathers in childcare. The interest of fathers in their more extensive involvement in child care to the detriment of their job is not very high due to concerns that they will lose income and interrupt their career growth.

#### Youths' point of view

Approximately 40% of young people believe that gender discrimination does not exist. However, they simultaneously believe that it is particularly important to receive the same wage for the same activity.

#### Reproductive and sexual health

The relevant legislation in the CR is the Fundamental Charter of Rights and Freedoms, which guarantees all people the right to the protection of health and the right to education. All women and men over 15 years of age have available information about reproductive and sexual health by law. However, this field still lacks public standards for care of the woman and child during pregnancy, childbirth and the puerperium. There is a lack of public results on the quality of provided care during birth and ensuring postpartum care at home. Another challenge remains inclusion of the care provided by independent midwives in the public health insurance system and the expansion

of options in relation to the issue of selecting the place, method and circumstances of giving birth. One incredibly positive turning point for Czech maternity care was the opening of the first midwifery centre in the Czech Republic in 2019. This centre was established in Prague and is a response to increasing social demand for respectful maternity care and to the recommendation of the Government Board for Gender Equality for independent midwifery centres from 2018. As a pilot project, the model centre offers healthy women respectful care, the possibility of having the birth guided by a midwife, and also serves as a source of information for the establishment of additional centres in the Czech Republic.

#### Lack of concept

There is no concept for sexual education in the Czech educational system. This means that schools can choose how and whether they will discuss this topic at all.



**6.1** Nearly 95% of Czech citizens have water supplied through water water-supply systems. The average price of water is rising, however it does not exceed the socially tolerable limit of 2% of average net income. The Czech Republic continues to primarily use drinking water in households, and so there is a significant opportunity for the use of grey water in this field.

**6.2** Over 85% of the population lives in houses connected to a sewerage system, however this percentage differs by region. Defecation in public areas mainly involves homeless people in large cities, but this is a marginal phenomenon.

**6.3** There is a high rate of wastewater treatment in the Czech Republic—nearly 98% in the case of municipal wastewater. Most watercourses are in class 3 (polluted water) according to the basic classification system, but the number of watercourse sections in class 1 and 2 (unpolluted and moderately polluted water) is rising.

**6.4** The water stress is around the European average. Total water consumption is declining in the long term, however individual water consumption is rising slightly, and approximately 90 litres of water were consumed per person per day in 2019.<sup>12</sup>

**6.5.** Integrated water resource management is of high quality in the Czech Republic – as of 2020 this index achieved a value of 89 out of a 100 possible points.

**6.6** The landscape's ability to retain water is significantly deteriorated, which may impact the availability of drinking water for humans as well as the ecosystem. The character of agricultural management and the modification of watercourses—including the removal of a number of natural drainage barriers and the drainage of wetlands—has historically contributed to the current situation.

**6.a** Sustainable management of natural resources is one of the priorities of Foreign Development Cooperation. In 2019 funds totalling EUR 1.95 million were used to support projects focusing on water management and sanitation.

**6.b** The public is able to participate in consultation mechanisms within the framework of the impact assessment system (SEA and EIA). The option of participating in the preparation of river catchment administration plans is the most important.

#### Enough drinking water, sanitation and hygiene facilities for everyone

The Czech Republic has sufficient safe drinking water for its entire population. Water mains for public use provide drinking water for 94.6% of the population (2019), and the percentage of the population supplied in this manner is rising in the long term. Households primarily use drinking water and so there is significant opportunity for the use of grey water in this area. The average price of water in the Czech Republic continues to rise, but it does not exceed the socially tolerable limit of 2% of average net income. The percentage of people connected to a sewerage system (average 85.8%) is also high. A large number of dwellings connected to a sewerage system is connected to a wastewater treatment plant, but there is still approximately 18% of the Czech population not connected to a wastewater treatment plant.

## The landscape's ability to retain water is reduced

Rising air temperatures combined with a constant volume of precipitation mean the volume of evaporation from the landscape is increasing. The volume of precipitation is not declining from the long-term aspect, howe-

<sup>12</sup> CSO (2021) Available here.

ver the distribution of precipitation throughout the year is changing significantly, and the frequency of torrential rain is increasing. There is subsequently a shortage of water in the landscape, while drought is more frequent and more intensive. The number of days with snow cover, which acts as a moisture reservoir, is also decreasing, in turn increasing the risk of drought in the spring. We cannot yet determine the changes in the scope of water ecosystems over time. More consistent data only exist about ground water volumes, and these clearly indicate that the volumes are fluctuating and falling over the long term. The framework for adopting effective measures to minimise the impact of drought and water shortage is the Concept for Protection Against the Impact of Drought in the Czech Republic. The Czech Republic has also focused on motivating households by announcing a subsidy programme (called 'Dešt'ovka') that promotes sustainable rainwater management. The purpose is to reduce the amount of drinking water abstracted from surface and ground sources. To promote water soaking into the ground and being retained in the open landscape and in urbanised areas, the Czech Republic has distributed over EUR 370 million since 2014.13

## Sustainable management of natural resources in developing countries is a Czech priority

The Czech Republic supports improving supplies of drinking water, protecting water sources, developing waste management and the sharing of Czech experience and know-how. A total of EUR 1.95 million has been drawn for projects in the water management and sanitation sector. One specific example of a project implemented within the framework of Czech humanitarian aid is the Adra non-profit organization's initiative for the construction of a water tank and artesian well in the Lebanese town of Douris, which supplies water for up to 15,000 inhabitants in the most fertile area of Lebanon.<sup>14</sup>

<sup>13</sup> Available from: https://www.mzp.cz/cz/news\_20200204-Startuje-Velka-Destovka

<sup>14</sup> More at: https://adra.cz



7.1 All inhabitants of the Czech Republic have affordable, reliable and modern energy services at their place of residence. Only 10% of the population does not use clean fuel for heating.

7.2 The Czech Republic is increasing the proportion of RES within energy mix. In 2019 this reached 16.2% of final energy consumption, during which time the national goal within the shared EU effort for 2020 was 13%.

**7.3** The energy intensity of the economy is falling in the long term. It fell by more than 20% between 2010 and 2018.

**7.a** + **7.b** Through development cooperation, the Czech Republic promotes renewable resources, affordable and sustainable sources of energy, modern energy engineering and energy self-sufficiency in developing countries. In 2019 it invested EUR 1.1 million in renewable energy production and research and development in this field in developing countries.

#### Energy services are highly accessible

All inhabitants of the Czech Republic have access to electricity at their place of residence, while 2/3 of the population lives in towns. Electricity is used for all lighting in the Czech Republic. The vast majority (over 97%) of the population uses clean fuels for cooking. Approximately 10% of the population uses liquid and solid fuels for heating and this percentage is falling as a result of government intervention, led by efforts to effectively protect the atmosphere. The Czech Republic has a highly developed heat supply system that supplies over 1.5 million households. The challenge is to modernise and decarbonise this otherwise highly effective method of heating. Annual household costs for fuel and energy are rising in the long term and are now EUR 17.1 per m2 of floor area. However,

the percentage of citizens who cannot afford a sufficiently comfortable temperature in their homes was just 2.8% as of 2019, which is one of the best results in the EU.

## The Czech Republic supports RES development

The percentage of RES in the energy mix is slowly rising and is now 16.2%, mainly thanks to the use of biomass (65%) for heat generation. This means that the Czech Republic exceeds its commitment (13%) as of 2020, as determined within the framework of EU energy-climate goals. However, it simultaneously faces an insufficient proportion of RES in transport. In the case of electricity generation from RES, the sources are uniformly distributed between biogas, photovoltaic systems, biomass and hydroelectric plants. The Czech Republic subsidises investment construction, particularly of small PV systems on the roofs of buildings. Operating support, particularly for larger power generation plants, is considered, however public opinion is somewhat against this, partly due to the negative experience from the operating support of PV power generation plants from the 2009 to 2011 period.

#### Renovation wave

The National Recovery Plan will provide EUR 946 million to accelerate the renovation of public and private residential buildings, to replace unsatisfactory sources in households, and to support energy-efficient public lighting. These projects will save approximately 216 TJ of energy in state buildings, 390 TJ in public buildings, 286 TJ of energy in public lighting and 5,1 PJ of energy in residential buildings.

The energy industry is also a development coperation priority. A total of EUR 1.1 million was provided to support power industry projects in developing countries in 2019. Within the framework of this priority, there is particular support for alternative sources of energy, such as geothermal energy, biogas and biomass boilers, the modernisation of energy systems, and the energy self-sufficiency of minorities. An example of such a project is support for energy self-sufficiency for minority returnees to western Bosnia, which established solar systems for 40 households through which it enabled better subsequent economic interconnection with the agricultural cooperative.

## The Czech Republic is constantly reducing the energy intensity of its economy

It reduced its energy intensity by 20% between 2010 and 2018. The intensity mainly fell as a result of economic growth. Total energy consumption, driven by households and the transport sector, continues to grow. The Czech Republic has significantly higher energy intensity in relation to its economy than the European average, partly due to the high energy intensity of its industry. One positive trend is the annual energy intensity reduction rate, where the Czech Republic is faster (2.7% per year) than the European average (2% per year).

## 8 DECENT WORK AND ECONOMIC GROWTH

- **8.1** As a developed country, the Czech Republic is achieving good economic growth for its region. In 2019 this was 1.92% of the gross domestic product (GDP).
- **8.2** Work productivity is rising in line with economic growth, however it is not sufficient for convergence with more developed EU Member States.
- **8.3** The Czech Republic supports innovation and small and medium-sized enterprises through a number of programmes. The Czech Republic has an extensive trade licence sector (self-employed people) compared to the rest of Europe.
- **8.4** The Czech Republic supports increasing energy and material efficiency. Despite the long-standing positive trend, the economy continues to be rather energy and material intensive. Annual material consumption is 16t/person.
- **8.5** The Czech Republic has the lowest long-term unemployment rate in the EU. At the end of 2020, despite the impact of the Covid-19 pandemic, the unemployment rate was only 3.2%.
- 8.6 The proportion of youth not in education, employment or training has fallen and was 5.7% in 2019.
- **8.7** The Czech Republic is meeting its international commitments against human trafficking, and provides targeted programmes for assistance to human trafficking victims.
- **8.8** The number of fatal work injuries in the Czech Republic is low. 123 fatal injuries occurred in 2018, while approximately one quarter of these injuries were suffered by foreigners.
- **8.9** The Czech Republic is beginning to systematically support sustainable tourism and has begun work to monitor it.
- **8.9** Financial and insurance services are very accessible for Czech citizens and correspond to the global average.

- **8.a** Czech support for developing countries through the Aid for Trade programme is increasing in the long term and exceeds pledges of Czech Republic. There is a stable and increasing trend in allocated and drawn funds.
- **8.b** Attention is being paid to the employment of young people in the employment policy over the long term.

## Long-term solid economic growth, but with a slump due to the Covid-19 pandemic

The Czech Republic has achieved dynamic and long-term economic growth, primarily driven by domestic consumption and investment. The growth of the Czech economy reached 1.92% of GDP in 2019, however it was significantly impacted by the Covid-19 pandemic in 2020. In 2020 GDP slumped by 5.6% and the recovery of the economy to its level in 2019 will take until 2023 at least. Foreign capital and foreign markets are especially important to the small and open Czech economy with its substantial GDP exposure to imports and exports. Recovery therefore depends on the situation in international trade, where Germany—to which the Czech Republic exports approximately one third of its exports in the long term—plays an important role. The situation on the global market and the activity of foreign investors have a significant impact on whether the Czech economy does well or not. Innovation activities in the Czech Republic are quite average compared to other countries and the main innovation executors are major companies, most often companies under the control of foreign capital.

Economic growth in the Czech Republic is closely linked to the job market. Productivity in the Czech Republic has been rising slightly in the long term and approximately corresponds to GDP growth, however it is not achieving

the growth levels necessary to converge with more developed countries. The unemployment rate is low in the long term and consistently the lowest in Europe. In 2019 the unemployment rate was 2% and during the Covid-19 pandemic it reached its highest value in December 2020, still only 3.2%, particularly thanks the Antivirus programme (the Czech version of Kurzarbeit/ Furlough). The most heavily affected region was Ústí Region with an overall unemployment rate of 6.1%. The National Recovery Plan assumes crucial modernisation of the employment policy. The Czech Republic will support requalification and professional education and will ensure modern equipment for requalification centres to ensure the services correspond to current needs.

#### **Cultural and creative sector**

The crisis caused by the Covid-19 pandemic has increased the differences in the nature of jobs and between the cultural and creative sector and other sectors. Even the rescue programmes intended to provide immediate assistance to maintain the employment rate and keep the economy operating had difficulties addressing specific professions and sectors. The Czech Republic decided to take advantage of this situation and actively support cultural and creative sectors in the *National Recovery Plan*.

The approach will be governed by the Strategy for the Development and Support of the Cultural and Creative Sectors discussed in 2021. Important elements of this strategy include the legislatively enshrined status of artists, taking into consideration their unusual mode of employment, and support for the fair use of intellectual property. The strategy also focuses on the regional infrastructure of cultural and creative centres, which has the potential to generally increase the resilience of these sectors to crises, and also on the development of a creative ecosystem. Important elements include the digitalisation of cultural content and investment into the dissemination of advanced technologies in existing cultural institutions.

Investment of EUR 291 million is anticipated (National Recovery Plan).

#### Young people in the Czech Republic mostly study or work, however women are in a worse position

The number of young people aged between 15 and 24 who are not in education, employment or training, is declining in the long term. It was just 5.7% in 2019. However, there is a clear gender difference, particularly as a result of childcare, which is mostly provided by women in the Czech Republic. In 2020, young women aged 29 and under (40% of all new economically inactive individuals in 2020) and men aged over 60 (20%) were affected more seriously as a consequence of the Covid-19 pandemic.

#### From the youths' point of view

"Young people are often only seen through the lens of education and the education system. We do not discuss them in general. For instance, discrimination on the job market is not only based on gender but age. We also saw this during the Covid-19 period. Young people are the ones most often fired from their jobs because they have the least experience. Karolína Lískovcová, ambassador for Structured Dialogue with Young People

#### Czech Republic contributions to the Aid for Trade programme are increasing

The Czech Republic provides developing countries with growing long-term support through financial contributions towards bilateral assistance (Aid for Trade). In 2019, actual expenditure through this programme was EUR 0.4 million. The transfer of know-how and the reinforcement of institutions to promote business activities in developing countries were supported in particular. This concerns for instance projects for the digitalisation of companies and the strengthening of eGovernment in the Republic of Moldova, and the establishment of a technological centre for innovation in Bosnia and Herzegovina. However, the Covid-19 pandemic has meant that the implementation of most projects was suspended or delayed in 2020.

# 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

**9.1** The Czech Republic has a dense and stable transport infrastructure, yet its modernisation is protracted and financially demanding. Passenger transport performance is improving, particularly thanks to the railways and suburban transport systems. Freight transport performance is falling.

- **9.2** The importance of industry for the economy and the employment rate in the Czech Republic is among the highest in Europe. Modernisation and decarbonisation is a challenge.
- **9.3** The availability of funding for small and medium-sized enterprises in the Czech Republic is good in a European ranking (at the boundary between the first and second third of the countries).
- 9.4 The emissions intensity of added value creation is declining in the long term but remains very high and was 22.5 kg CO2/CZK thousand in 2018.<sup>15</sup>
- **9.5** Expenditure on research and development in the Czech Republic is rising in the long term and is 1.9% of GDP, mainly thanks to increases in corporate expenditure. The number of research workers (FTE) is 3,877 per 1 million inhabitants.
- 9.a The Czech Republic supports ODA infrastructure projects, contributing EUR 1.9 million in 2019.
- **9.b** The Czech Republic supports high-tech technologies in industry and promotes a free market through a common trade policy. Innovative production is also supported through development assistance.
- **9.c** The Czech Republic supports improving the quality of education in developing countries and know-how transfer. The Czech Republic contributes to the International Telecommunications Union every year, and part of this contribution is used for development activities.

growing at a rate of few kilometres a year. The goal is to reach 2,096 km of motorway. The railway network in the Czech Republic is one of the densest in Europe with a length of 9,575 km. However, a significant part of the system is only of local interest, only a third is electrified, and only a small part (818 km) allows a speed of 160 km/h. The vulnerability and sensitivity of the transport infrastructure to climate change is currently low. Transport infrastructure and network connectivity, including the main corridors, is vulnerable to one-hundred-year flooding.

The average household expenditure on transport services is 1.45% of the consumer basket, yet expenditure on individual motorised transport is many times higher (8.6%). Passenger transport performance in passenger-kilometres is growing in the long term (by approximately 24% between 2010 and 2019), particularly thanks to an increase in the number of passengers, not the distance travelled. However, individual car transport retains its dominant position. In the case of rail transport, the number of people on the main long-distance transport routes and in suburban transport is rising significantly, but this is offset by a decrease in the passengers transported on regional and local lines that have not yet been modernized.

## A dense and abundantly used transport infrastructure

The Czech transport infrastructure is stable and relatively dense. The motorway network reached a length of 1,251 km in 2018 but is

<sup>15</sup> Based on Eurostat data estimates for 2019, Czech emission intensity of added value creation is 0,496 kg CO2/EUR (chain linked volumes 2010).

#### Safe and modern railways

The National Recovery Plan will provide EUR 946 million of investment into modernisation of the railway infrastructure and in making services more accessible for disadvantaged and vulnerable people. At the same time, it will promote projects to increase the safety of railway traffic using modern technologies.

## Changes to the structure of industry as a challenge

The importance of industry to the Czech economy is traditionally very high. The Czech Republic has one of the highest proportions of industry in GDP generation in Europe (24%). The manufacturing industry also has a leading position in employment (26.3% of employees). It is therefore not desirable to increase the proportion of industry, and the Czech Republic is instead striving to modernise it and improve its sustainability. One long-term risk, for instance, is Czech industry's increased orientation towards the automotive industry, where production has begun to stagnate in recent years, and which was also affected by the Covid-19 pandemic. The decarbonisation of industry is also an increasingly important challenge because the energy industry and other high energy intensity sectors in particular will have to undergo crucial and very rapid transformation to meet the social climate neutrality goals. The Czech Republic met its EU climate obligations as of 2020.

Expenditure on research and development exceeded the one hundred billion CZK mark for the first time. The Czech Republic is gradually increasing its expenditure on research and development, and in 2019 this amounted to 1.9% of GDP, particularly thanks to an increase in expenditure by major companies and companies under foreign control. The orientation of the manufacturing industry on advanced technologies is a long-term positive development. Medium high-tech and High-tech products, which are subsequently chiefly exported abroad, already account for half the added value of the Czech manufacturing industry.

#### A high-speed internet connection for everyone

The National Recovery Plan will provide EUR 228 million to complete a high-speed internet system, so that the primary socio-economic subjects (schools, transport nodes, public social services providers) have access to a gigabit internet connection by 2025. All households, rural and urban, should have access to optical networks with a download speed of at least 100 Mb/s, with the option of upgrading to 1 Gb/s.



**10.1** Income inequality is relatively low in the long term. In 2019 the coefficient of income inequality (S80/S20) was the lowest in the EU, with only Slovakia having the same coefficient.

**10.2** The threat of social exclusion fell after 2015, but regional differences persist or are actually increasing.

**10.3** Opportunities for some social groups are not equal and, despite current efforts, there is still discrimination on the basis of gender (women) and ethnic affiliation (Roma).

**10.4** Policy measures adopted in recent years have the potential to reduce social inequality (particularly by increasing the minimum wage).

**10.5** The Czech financial market is stable and regulated according to international standards.

**10.6** The Czech Republic promotes the decisive role of collective organisations when dealing with international issues and thereby also the corresponding participation by developing countries.

**10.7** The Czech migration policy significantly meets IOM standards.

**10.a** The Czech Republic supports a system of preferential agreements between the EU and developing countries, which also includes the topic of sustainable development.

**10.b** Czech entrepreneurs are invited by the state to make investments into developing countries to the benefit of those countries.

**10.c** Remittances by Czech citizens flow mostly from European Union Member States, while the costs for these fund transfers are negligible.

#### Income inequality is relatively low

In comparison to other European Union Member States, the Czech Republic reports one of the lowest coefficient of income inequality (S80/S20) values, i.e. the total income of the 20% of individuals with the highest income to the 20% of individuals with the lowest income. Between 2010 and 2019, this coefficient reached its highest value of 3.51 (2015) and

lowest value of 3.32 (2018). The Gini Index has also remained at values of around 24 to 25 points on a scale of 0 to 100 since 2010, where the value 0 is the lowest inequality and the value 100 the highest inequality. The Czech Republic's result is one of the lowest in Europe.

We see a similar situation when we look at the proportion of labour income to capital income. Labour income (e.g. wages, pensions) is usually distributed more evenly throughout society than capital income (e.g. rent, profits, interest). If the share of capital income on household income increases, or is generally high, it leads to a long-term increase in social inequality. The more developed economies have usually a greater share of capital income in GDP. This is the same in the Czech Republic but, unlike other countries, the proportion of labour income has been growing since 2016 and was 44.6% of GDP in 2019.

The social security system substantially contributes to the low-income inequality, along with the increase in the minimum wage in recent years. However, the minimum wage and minimum wage as proportion of median gross earnings still remains one of the lowest in the EU.

#### Youths' point of view

66% of young people are convinced it is important that everyone has equal opportunities in life. Women are statistically significantly more often convinced of this than men. The willingness to take part in activities that endeavour to eliminate inequality in society is lower, but still 55%. Women again express a slightly higher degree of willingness.

## The Czech Republic invites entrepreneurs to invest in developing countries

Sustainable development faces financial obstacles in less developed countries, despite development cooperation (ODA) and the increasing volumes of funds sent to their native countries by people working abroad (remittances). The influx of direct foreign investment into less developed countries is declining. The Czech Republic is working to deal with this issue. The state provides subsidy support for mapping business opportunities in developing countries (B2B programmes under the administration of the CDA). The Czech Republic offers guarantees for loans to companies that have decided to invest, under the condition that their investment will have an impact on development (e.g. local employment, or the sustainable use of natural resources). The Českomoravská záruční a rozvojová bank provides guarantees of up to half of the value of a loan. The first call of EUR 1.95 million was announced in 2019. Czech companies expressed interest, but measures related to the Covid-19 pandemic delayed implementation.



- **11.1** The Czech Republic is facing long-standing issues relating to the availability of housing for low- and medium income groups.
- **11.2** The Czech Republic has a relatively stable and interconnected public transport system consisting of buses, trolley-buses, trams, railways and the metro (in the capital city).
- **11.3** Spatial planning documentation for municipalities covers 93% of the country.
- **11.4** Cultural and natural heritage is protected by law and the cultural and methodological activities of state institutions, supplemented by the activities of the NGO sector.
- 11.5 There is an interconnected system for addressing crisis situations and disasters. The numbers of fatalities as a result of natural disasters and industrial accidents or emergencies were only in single figures per 100,000 inhabitants in 2016 and 2017.
- 11.6 Municipal waste is regularly collected everywhere and the sorting rate is high, however overall production has continued to grow in recent years. The proportion of landfilled municipal waste has been falling since 2015 in favour of its material and energy
- 11.7 Urban green spaces, which are an integral element of climate change adaptation mechanisms and efforts to improve the quality of the environment for residents, face consistent and strong urbanising influence and pressure to change their character.
- **11.a** The Czech Republic is reacting to the position, specifics and needs of individual regions in the Regional Development Strategy 2021+, inter alia. There are a number of initiatives that will continue to help develop the links between the regions.
- **11.b** Many Czech towns and regions have started to create adaptation strategies, although the degree of involvement in European environmental initiatives is low.
- **11.c** The Czech Republic mostly tends to support less developed countries by providing technical assistance.

#### Young people: town or country?

Most young Czech people would rather live in a town or its surrounding area. They miss many services in rural areas - leisure time and educational activities, quality transportation and internet connections. On the other hand, they believe that Czech rural areas are a suitable place for a quality and healthy lifestyle.

#### The pollution we breathe

The total production of pollutant emissions is falling. A significant decline was observed mainly between 1990 and 2000, when the Czech economy was undergoing restructuring, however the declining trend is continuing. This concerns for instance emissions of SO2, NOx and volatile organic substances. However, emissions from local heating and increasing emissions from transport remain a problem. Particularly in densely settled areas, emissions of pollutants have a negative impact on human health. The presence of particulate matter (especially PM2.5 and PM10) and benzol(a)pyrene remains high in Czech municipalities. These particles and pollutants originate chiefly in old diesel and petrol engines or when burning coal and wood in households. These emissions were temporarily reduced in 2020 as a result of restrictions linked to the Covid-19 pandemic and good dispersal conditions.

#### **Boiler replacement scheme**

Households with local heating significantly contribute to the production of emissions and air pollution. This has a negative effect not only on the environment, but also on human health.

The Ministry of the Environment has run a programme to replace obsolete, non-ecological boilers in households for several years. Between 2014 and 2020, the goal was to replace 80,000 boilers to improve air quality. Between 2021 and 2027, the replacement of another 158,500 unsatisfactory boilers will be supported through the Operational Program Environment and the *National Recovery Plan*.

## Cleaner air and environmentally-friendlier transport in the Moravian-Silesian Region

As regards the provision of services for citizens, the city of Ostrava and the entire Moravian-Silesian Region have chosen environmental quality and the reduction of the carbon footprint as priorities for changes to the public transport system. In 2015 they initiated the process of massive replacement of the vehicle fleet: the transition to buses propelled by compressed natural gas and the introduction of electric buses. In 2021 Ostrava became the first city in the Czech Republic to eliminate diesel buses. Another goal of this region is to become the first so-called "Hydrogen Valley in the Czech Republic". The required infrastructure is currently being constructed.

#### Housing availability issues persist

The rate of construction of housing is average when compared to the rest of the EU. For instance, around 3.6 flats per thousand inhabitants were completed in 2019.16 However, a particularity of the Czech Republic is the high proportion home ownership and interest in it, to the detriment of renting. Owned homes have some benefits. They provide a level of stability in the event of a unfavorable life situation. However, the strong focus on home ownership, along with cheap loans, is leading to rising housing and rental prices. Properties are also being purchased as investments (so-called financialization). Just 20% of the population of the Czech Republic lives in rented homes and this percentage continues to fall. The greatest proportion of rented homes (around 30%) can be found in Prague Capital City, which also has the greatest rate of housing financialization. For instance, the number of flats rented out through the Airbnb platform is greater than the number of flats rented out by Prague Capital City itself, which is approximately 8,000.17

The relatively low proportion of state flats contributes to the so-called 'trade in poverty',

expressed as the rent for flats being disproportionately high and often under disadvantageous terms. Up to 7.3% of residents lived in defective housing in 2019, and 10% of residents had excessively high housing expenses. There were around 12,000 individuals without a home registered in the same year. Obstacles to the effective prevention of loss of homes and homelessness in the Czech Republic are the insufficient use of, and systemic lack of interconnection of, tools to prevent loss of homes.

The Covid-19 pandemic will most probably have a significant impact on housing. In Prague Capital City for instance, the number of properties being offered for rent at affordable prices and the interest in investing savings in real estate has substantially increased. The number of people incapable of paying their rent or mortgages as a result of losing their job or other negative effects of the pandemic may also however rise.

#### On the way to ending landfilling

The total production of waste is rising in the Czech Republic, and has increased by 17.1% since 2009. However, landfilling still predominates in the disposal of municipal waste. This method is cheap but unsatisfactory. The goal remains to landfill a maximum of 10% of municipal waste and to recover 65% of municipal waste for material use in 2035. Hence legislation has stipulated a prohibition on landfilling usable waste by 2030 and a gradual increase in landfilling fees. The degree of sorting waste is relatively high and continues to grow slowly. Every individual in the Czech Republic sorted an average of 51 kg of waste in 2019. Weaknesses exist in the material use of waste, with only approximately 39% of municipal waste being recycled at this time.

<sup>&</sup>lt;sup>16</sup> Statistics and us (2020) Housing development in 2019. Available at: <a href="https://www.statistikaamy.cz/2020/04/30/bytova-vy-stavba-v-roce-2019/">https://www.statistikaamy.cz/2020/04/30/bytova-vy-stavba-v-roce-2019/</a>

<sup>&</sup>lt;sup>17</sup> Institute of Sociology of the Czech Academy of Sciences (2018) How to ensure affordable housing? Available at: <a href="https://www.soc.cas.cz/sites/default/files/publikace/samec\_ed.--jak\_zajistit\_dostupne\_bydleni.pdf">https://www.soc.cas.cz/sites/default/files/publikace/samec\_ed.--jak\_zajistit\_dostupne\_bydleni.pdf</a>

# 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- **12.1** The Czech Republic has a number of national strategies focusing on sustainable consumption and production. Some examples are the State Environmental Policy and the Secondary Raw Materials Policy.
- **12.2** Material consumption has unfortunately been increasing in recent years and remains above the European average. Although domestic material consumption fell by approximately 10% between 2005 and 2018, it started to increase again from 2012.
- **12.3** Major retailers have been required to use food banks since 2018 with the goal of preventing food waste and providing food to vulnerable people.
- **12.4** The Czech Republic monitors and ensure the safe handling of hazardous waste and chemicals. However, these rules are violated, mainly by foreign products on the Czech market.
- **12.5** The Czech Republic uses only 8.3% of recovered materials in its economy and is only just starting out on the path towards a circular economy.
- **12.6** The Czech Republic supports corporate social responsibility and the voluntary integration of ESG criteria in corporate decisions.
- **12.7** The Czech Republic supports the voluntary use of green and social criteria for public contracts. All public contracts must be awarded responsibly from 2021.
- **12.8** Ecological education is part of educational programmes.
- **12.a** The Czech Republic supports national applied research and key technologies to improve competitiveness and promote sustainable production and consumption. The Czech Republic also actively supports foreign science-research cooperation and knowledge sharing with other countries (South Korea, Israel, Vietnam, the USA, China and others).
- **12.b** The Czech Republic is beginning to take sustainable development principles into consideration in its tourism strategies.
- **12.c** The Czech Republic provides a low amount of fossil subsidies on an international scale, mainly in the form of tax relief. The monitoring of fossil fuel subsidies and their modification has begun and is reported within the framework of the *National Climate* and Energy Plan (NCEP).

#### Material intensity remains high

The Czech Republic has been reducing its material intensity in the long term, mostly thanks to the growth of GDP in recent years as material consumption still continues to increase. Each resident of the Czech Republic consumed 16 tonnes of raw materials in 2018. The proportion of raw materials returned into the economy is only 8.3%, below the EU average (12.4%). The challenge is to double this value, and the National Recovery Plan and cohesion funds will contribute to this goal. Industry is already prepared to implement circular projects, but a lack of demand for secondary resources and recyclates is an obstacle to this transformation. However, the new legal duty that imposes compulsory criteria for socially and environmentally responsible public procurement from 2021 should increase demand. The implementation of new waste legislation and the planned circular economy strategy (Circular Czech Republic 2040) will bring about fundamental changes.

The Czech Republic also supports activities in the field of education for sustainable development, for instance environmental and climate education and awareness, education about food, nutrition and food waste, and has integrated these topics into educational plans at schools.

#### Circular economy

In 2021 the Czech Republic will create a strategic framework for a circular economy under the title of Circular Czech Republic 2040, as a result of which the circularity of materials in the economy will be increased and material efficiency improved. The National Recovery Plan will support projects to increase waste recvcling infrastructure capacity by 250,000 tonnes and to integrate biological waste (compost) into soil as an organic material. It will also support the infrastructure for the energy use of infectious hazardous waste from hospitals and increase its capacity by 3,000 tonnes. Finally, it will also support commercial circular projects for more intensive use of recyclates and circular design in production. EUR 173.4 million has been earmarked for this area.

#### Fossil fuels subsidy support is negligible

The Czech Republic is a minor international provider of support for fossil fuels. According to OECD and EC estimates, this support is in single billions and just under 0.2% of GDP. It is mostly in the form of tax exceptions, not transfers. The Czech Republic began monitoring these harmful subsidies in 2020 through the National Climate and Energy Plan (NCEP). Through regular revisions, the NCEP will also include proposals for their elimination.

## 13 CLIMATE ACTION

**13.1** The Czech Republic is systematically reducing the risks related to natural disasters and technical emergencies in compliance with the global Sendai Framework.

**13.2** The issue of climate change is comprehensively covered by two strategic frameworks, the Climate Protection Policy Czech Republic and the Strategy on Adaptation to Climate Change in the Czech Republic

13.3 Standards in the improvement of education about climate change and increasing awareness of this topic in the Czech Republic are set by means of outputs from the newly appointed Government Council for Sustainable Development working group for climate education, one of the advisory bodies to the government.

**13.a** Through ODA, a total of EUR 7,2 million was expended in 2018 on activities to mitigate the impact of climate change and to adapt to climate change.

13.b In relation to development cooperation, the Czech Republic focused on the reclamation of degraded soils, improvements in forestry planning, and the renewal of local tree ecotypes. Humanitarian aid in the Czech Republic focuses on measures to mitigate the negative impacts of climate change, and to enhance resilience and prevention (Disaster Risk Reduction).

## The Czech Republic has reduced greenhouse gas emissions, but development recently stagnated

The Czech Republic acknowledges its obligations arising from international climate protection agreements (Framework UN Convention on Climate Change, Paris Agreement and obligations arising from EU legislation). Greenhouse gas emissions fell by nearly 36% in the Czech Republic between 1990 and 2018. Emissions fell in all areas with the exception of transport and waste until 2018. However, this decline has practically ceased in recent years. Increased logging and wood

processing as a result of the bark beetle calamity (LULUCF sector) had a significant impact on this trend. Although the Czech Republic only produces approximately 0.3% of global greenhouse emissions, the emissions intensity of the Czech Republic per inhabitant in 2017 was 47.1% above the EU28 average. The main reason for this is the structure of the economy and the energy mix. The termination of the burning of fossil fuels, particularly brown coal, which is anticipated for 2038 on the basis of recommendations by the Coal Commission, will be crucial in this aspect in the future. Increased use of RES and nuclear power will serve as a replacement for fossil fuels. In order to ensure the transition to a more sustainable economy, the Czech Republic will allow an estimated EUR 5.9 billion to be drawn from the Modernisation Fund, which should come mainly from emissions permits. These funds will be targeted, for instance, into the modernisation of thermal energy supply systems, new renewable resources in the power sector, improving energy efficiency, reducing greenhouse gas emissions in industry, and the modernisation of transport.18

<sup>&</sup>lt;sup>18</sup> Available at: <a href="https://www.sfzp.cz/dotace-a-pujcky/modernizacni-fond/">https://www.sfzp.cz/dotace-a-pujcky/modernizacni-fond/</a>

## Climate change Education and the values of young people

Progressive climate change does not concern just remote areas of the world—its impact is also felt in the Czech Republic. Why climate change is happening, the outlook of the young generation, and what young people themselves can do for the environment and a better future are topics that also resonate in the Czech Republic. Education of young people about the climate is offered by the non-profit organisation People in Need, which has prepared on-line courses for pupils and teachers on the topics of the impact of climate change on agriculture, the international aspect of climate change, transformation of the landscape, and the importance of active citizenship. The EUROPEUM Institute for European Policy also offers secondary schools workshops on climate change. The Fridays for Future initiative, a Czech branch of the international Young People for Climate Protection movement, is an activity established by young people themselves, for example.

Young people in the Czech Republic have a positive relationship to the environment and sustainable development in general. They want to choose a way of life that is environmentally friendly, for instance preferring public transport or energy conservation. They consider it important to live in such a way that they serve as a good example. They express their opinions and standpoints regarding the environment in front of their friends, acquaintances, at their leisure-time organisations and in front of the general public. Some respondents also stated that participation in voluntary events, such as collecting waste, is important. According to young people, it is important to guide society towards economising and not throwing away damaged items that can be repurposed. Companies and states should take more responsibility for addressing the current state of the environment. Young people, however, do not renounce personal responsibility either. Only 9% of young people believe that an individual bears no responsibility for the environment.

#### Climate change Education

Hope for implementing quality education on the aforementioned issue is provided by the appointment of the Government Council for Sustainable Development working group for climate education. This issues recommendations in the form of policy papers and prepares a path towards systematic education about climate change, particularly in schools, but also in informal education. A secondary effect is work to ensure that the broadest possible group of citizens understands the issue of climate change, its causes and consequences, and also ways to become involved in climate protection.

## The Czech Republic contributes to the Green Climate Fund (GCF)

The Czech contribution to the GCF was EUR 4 million in the 2014 to 2018 period, while another EUR 1.5 million was provided for projects to prepare developing countries to get access to GCF funds. 19 The Czech Republic was therefore one of the first countries to contribute to the GCF and was also involved in the faster use of climate funds. No decision has yet been made about another contribution to the GCF for the 2020 to 2023 period on a political level, but the proposal is for an annual contribution of EUR 1 million to 2030. The source of the funds should be proceeds from emissions permits. It is a good idea to remind people that the Czech Republic also contributes to climate funds by participating in bilateral projects, in Ethiopia and Mongolia for instance, and supported the creation of a sustainable system for supplying drinking water, reclaiming damaged soil, reforestation and support for the development of local forest ecosystems.

<sup>&</sup>lt;sup>19</sup> More detailed information about the Czech Republic's contribution to funding climate protection is available on the Czech Forum for Development Cooperation website. Available at: <a href="http://www.fors.cz/odborna-sekce/klimaticke-finance-pro-rozvojo-vy-svet/#.YIgcreczXIV">http://www.fors.cz/odborna-sekce/klimaticke-finance-pro-rozvojo-vy-svet/#.YIgcreczXIV</a>



**14.1** The Czech Republic is a land-locked country and indirectly addresses pollution of the seas and oceans, as well as the quality of water in rivers. The quality of water is improving in the long term, however, a great number of watercourses are still considered polluted.

**14.2** The Czech Republic participates in international inspection activities (Joint Danube Survey 4) that monitor pollution of the Danube and the Black Sea basin.

**14.6** The Czech Republic does not participate in sea fishing.

**14.a** The Czech Republic supports compliance with the UN Convention on The Law of the Sea and freedom of navigation in the area.

Some SDG 14 targets are irrelevant to the Czech Republic as a land-locked country. These include for instance minimisation and resolution of the impact of acidification of the oceans, administration and protection of seashore ecosystems, conservation of at least 10% of seashore and marine areas, and the economic benefits from sustainable use of marine resources.

#### Management of rivers, seas and oceans

The Czech Republic's participation in the overall pollution of the seas cannot be determined precisely because it is a land-locked country. Despite this, the Czech Republic does not deny responsibility. It endeavours to improve the quality of water in its own watercourses. Even though the degree of pollution is falling, a great number of watercourses in the Czech Republic remain rated class 3 (polluted water) or worse. This concerns pollution by nitrates, phosphates and pesticides used in agriculture, and also micro-plastics, pharmaceuticals etc. The Czech Republic is also involved in international activi-

ties. It is involved in the Joint Danube Survey 4 taking place under the patronage of the International Commission for Protection of the Danube River (ICPDR). The subject of interest is the Danube River and the Black Sea basin, which covers two thirds of the territory of the Czech Republic.(ICPDR).<sup>20</sup>

## The Czech Republic is involved in the Joint Danube Survey 4

The Czech Republic is involved in an extraordinary river survey that is providing new information about the quality of the water and the state of ecosystems in the Danube, including its main tributaries. During a survey of the Morava and Dyje Rivers, a Czech team tested methods for using e-DNA analysis of flora and fauna for comparison with conventional monitoring methods to assess the ecological situation, or analysing samples of micro-plastics in surface water for example. Special samplers captured micro-plastics of various composition - PE (polyethylene), used to make plastic bags and the caps of PET bottles for instance, was found in the greatest percentages. Research focusing on zooplankton and testing the resistance of bacteria to antibiotics also took place. The obtained data will allow comparison of the development of the quality and state of water and its inhabitants over the long-term horizon.

<sup>20</sup> More about the Joint Danube Survey 4 project: <a href="http://www.icpdr.org/main/publications/danube-watch-2-2019-joint-danube-survey-4">http://www.icpdr.org/main/publications/danube-watch-2-2019-joint-danube-survey-4</a>



**15.1** The Czech Republic complies with the Convention on Biological Diversity and the EU Biodiversity Strategy to 2020. National implementation is by means of the Nature Conservation Act and the National Biodiversity Strategy of the Czech Republic 2016-2025.

**15.2** Forests cover over one third of the Czech Republic, and this area continues to grow slowly. However, the species composition does not correspond to either the natural or so-called recommended composition as yet.

**15.3** The amount of agricultural land in the Czech Republic continues to decrease and is also at threat of erosion by water (56.7% in 2018) and by wind (18.4%). The threat of extreme erosion also continues to grow significantly: 7.4% of the land was at threat of extreme erosion by water in 2013, and this rose to 17.8% in 2019.

**15.4** Montane ecosystems are the subject of increased protection, and comprise 57.1% of all protected areas in the Czech Republic. One negative phenomenon in recent years has been the increased burden on montane areas as a result of tourism, which was intensified by the restrictions linked to travel abroad as a result of measures against Covid-19 (the number of visitors rose by 55% in 2018 compared to 2009 in 20 of the most popular montane regions).

**15.5** Specially protected areas cover 17.2% of the country, while the Natura 2000 system covers 14.1%. The area of small, specially protected areas is growing slowly.

**15.6** The Czech Republic has been a party to the Nagoya Protocol since 2016. EU regulations to implement measures for compliance with the Nagoya Protocol at EU level were implemented by the Czech Republic in its legislation in 2018.

**15.7, 15.c** The Czech Republic has fully transposed the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) into its legislation and has also ratified additional relevant international agreements (e.g. the UN Convention Against Transnational Organised Crime). On the level of public administration bodies, the Czech Republic has had a *National Strategy for Dealing with Illegal Killing and Poisoning of Wild Animals*, which focuses on both their intentional and unintentional killing, since 2020. There are no direct data on poaching for the Czech Republic.

**15.8** 1,454 non-native species, 61 of which were invasive, have been registered in the Czech Republic. Legal protection against the introduction of invasive species is in the process of being approved.

**15.9** The Czech Republic is not currently addressing the issue of the integration of biodiversity and ecosystem values into national and regional planning. Ecosystem values are generally included in the legislation and strategic frameworks at a central level.

**15.a, 15.b** Sustainable use of natural resources, including the protection and sustainable use of biodiversity and ecosystems, is a priority of the ODA. However, the trend cannot yet be evaluated as we have only been following the data for a relatively short time, there are year-on-year fluctuations, and the target on which its growth or decline could be predicted is not set at national level.

#### The state of the forests is not satisfactory

Forests, which cover over 1/3 of the Czech Republic, have a considerable impact on climate change in other areas of the economy. The species composition of forests has been gradually improving, however it still does not correspond to the recommended composition (approximately 64.4% coniferous and 35.6% deciduous growth) or the natural composition (34.7% coniferous and 65.3% deciduous growth). The state of the forests in the Czech Republic has declined since 2000. The area of deteriorating forest growth now at greater threat from drought and bark beetle, as well as bare areas and young growth that does not yet provide most ecosystem services, has increased. In 2019 the resilience of forest growth was low, the impact of drought and the bark beetle calamity were the cause of the highest volume of overall logging in history (32.6 million m<sub>3</sub>), with salvage logging making up 95% of the total volume of logging.<sup>21</sup> With regard to the bark beetle, logging caused chiefly by this beetle has increased rapidly since 2014 in the Czech Republic. For instance, in 2019 (22.8 m3) it was five times more than in 2016 (4.4 mil m3), in 2018 it as 11.5 times greater than in 2014. For a more precise idea, its volume in 2018 was greater than the total volume of this type of logging for the previous decade.

The National Recovery Plan assumes investment of EUR 591 million to improve the sustainability of the agricultural and forestry landscape in the context of climate change. More than half of this amount (approximately EUR 347 million) will be earmarked for improving the health of forests, which is not satisfactory in the Czech Republic following the bark beetle calamity. The priority will be the renewal of forests, focusing on changing their species, age and spatial composition. Additional investments are targeted at increasing water retention in the forests. This is where the support of various conservative forestry-technical measures is anticipated, i.e. those that will contribute to improving the soil, water and microclimatic conditions, reduce accelerated erosion, lead to modification of the water cycle in forest soil and to the protection and stabilisation of forest watercourses.

## Certification of forests and monitoring the origin of wood

Over two thirds of the forests in the Czech Republic are certified according to PEFC principles and, despite temporary stagnation in 2019, this is increasing. Only approximately 2% of the forested area is certified using the stricter FSC system. The Wood Act has applied in the Czech Republic since 2013, ensuring inspection of the system for monitoring the origin of wood. It thereby helps combat illegal logging in forests outside the EU, including tropical rainforests.

#### Soil is increasingly threatened by erosion

The amount of agricultural land in the Czech Republic is declining, and developed and other areas are increasing. This trend has been successfully slowed as a result of an amendment to the Act on Protection of the Agricultural Land Fund. Agricultural land is strongly threatened by wind and water erosion. In 2018 56.7% of agricultural land was potentially at threat from water erosion, of which 17.8% by extreme erosion and 18.4% by wind erosion. The Czech Republic has adopted a new approach to protect soil threatened by erosion that will help improve the condition of the landscape and its ability to retain water, and will also thus contribute to flood prevention. It has determined that soil blocks of over 30 ha may not be planted with only one crop. This measure has been in force since the beginning of 2020 and applies to soil blocks at risk of erosion larger than 2 hectares and to soil blocks of which 50% is at risk of erosion. A farmer must now either divide such a field and grow several species of plants on it, or divide it into buffer zones with soil-beneficial crops (e.g. fodder). If they do not follow this procedure, farmers will not be entitled to some major subsidies (such as direct area payments or support from the Rural Development Programme). The new rules apply to approximately 2,300 agricultural holdings and 600,000 hectares of fields, i.e. about a quarter of all arable land in the Czech Republic. The adoption of an Anti-erosion Decree is expected this year. This decree will determine the methods for assessing the threat of erosion of agricultural land and also the permissible degree of erosion for soil of various depths per hectare. It is proposed that these values be gradually reduced so that the rate of threat in shallow soil will be 1,000 tons per ha and 5,000 tons per ha per year in moderately deep soils after 2030.

<sup>21</sup> Ministry of the Environment (2021) Collective Report on the Environment in Regions of the CR 2019. Available at: <a href="https://www.cenia.cz/publikace/krajske-zpravy/zpravy-o-zivotnim-prostredi-v-krajich-cr-2019/">https://www.cenia.cz/publikace/krajske-zpravy/zpravy-o-zivotnim-prostredi-v-krajich-cr-2019/</a>

## The Czech Republic is facing a loss of biodiversity

Loss of biodiversity, one of the greatest problems worldwide, has not spared the Czech Republic. According to the latest data from 2020, 64.4% of animals and 68.8% of plants of European importance are in a favourable or less favourable state on the four-point rating scale. Rescue and care programs are being implemented to ensure or improve the protection of selected specially protected species of plants and animals, yet the main problem in terms of biodiversity loss is the disturbance of habitats and the related declining status of common species. This is a consequence of the deteriorating state of the landscape caused by both human activity (especially unsustainable and inappropriate farming practices) and climate change. Handicapped individuals of common species may be assisted at rescue stations with the hope of returning them to the wild. The foundation of nature protection in the Czech Republic consists of a system of specially protected areas together with the Natura 2000 system, while efforts to use the landscape as a whole and outside these areas more considerately are no less important. The Czech Republic is therefore devoting attention to the preservation of ecosystem relationships and landscape functions (e.g. migration permeability, which is threatened by increasing landscape fragmentation, and the promotion of the landscape's natural retention capacity). There are many problems related to biodiversity protection including, for example, the spread of invasive species—in 2018, 61 invasive plant species and 113 animal species were detected in the Czech Republic.

## Measures to eliminate smuggling of protected fauna and flora

The Czech Republic provides strict protection for wild animals and plants and the regulation of trade in them. It is a member of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which is fully transposed into Czech legislation.<sup>22</sup> This is a cross-sectional activity, requiring cooperation by bodies across the public administration system, with the Czech Environmental Inspectorate, the State Veterinary Administration, the Central Agricultural Inspection and Testing Institute and the Customs Administration all involved. The Czech Republic is capable of determining the number of protected animals discovered during illegal importation and the data, including the number of individuals, is provided to the international CITES Database. Violation of regulations on the protection of endangered species is also strictly penalised, and may lead not only to seizure of specimens but a sizeable fine, and defined as a crime in the case of smuggling and illegal trade.

#### An example of the successful approach by the Czech Republic in detecting illegal trade in animals.

Operation Trophy: Czech inspectors have registered the unusual interception of tiger products smuggled from the Czech Republic to Vietnam since 2013. The data about tigers kept in private facilities also did not appear correct, with many tigers disappearing, a high mortality rate being reported at private breeding facilities, a lack of identification of animals, etc. After just under two years of secret investigation, the police took action and a tiger abattoir was discovered. Young tigers were intentionally killed and the group made stock and stock cubes from their bodies, which it supplied to the Vietnamese SAPA market or exported from the Czech Republic to Asia. This was an entire retail chain, including suppliers of tigers, processors and a Vietnamese distributor. Legally effective judgements, from suspended sentences to a three-year sentence of imprisonment, were issued in 2021. The Act on Prevention of Cruelty to Animals was amended in the Czech Republic on the basis of this case.

<sup>22</sup> Annual CITES Report for the Czech Republic. Available at: https://www.mzp.cz/cz/cites\_narodni\_zpravy



**16.1** Extreme physical violence occurs only rarely in the Czech Republic. However, in the case of some other forms of violence (sexual, domestic or psychological), the extent of incidents is probably greater than given by crime statistics.

**16.2** The Czech Republic updates the Strategy for Combatting Human Trafficking every three years, while one of the current priorities is to prevent the trafficking of children.

**16.3** The judicial system carefully considers in what scope it is necessary to restrict the freedom of an accused individual before a definitive judgment on their culpability is issued. The number of accused individuals remanded has continued to fall since 2005, including their proportion to the total number of prisoners. In 2019 this was 1,798 individuals, i.e. 8.54% of the total number of prisoners.

**16.4** Measures corresponding to European legislation against money laundering (Anti-Money Laundering Guideline) are regularly implemented in the Czech Republic.

**16.5** The Czech Republic meets its obligations arising from the UN Convention against Corruption. In the Corruption Perception Index (CPI) the Czech Republic has improved compared to the start of measurements in 2012, however the trend has been quite stagnant in the long term. The CPI rating was 54 points out of a 100 for 2020, putting the Czech Republic 49th on the global scale.

**16.6** The public administration has continued to deal with the complexity of governing by ensuring the quality of strategic management, policy coherence and support for innovation. Attempts to make changes have only had limited results to date, or are in their infancy.

**16.7** The Czech Republic promotes a human rights approach on the international field and supports the role of civil society.

**16.8** The Czech Republic supports the involvement of developing countries in international organisations.

**16.9** Legal personality is automatically provided to all people in the Czech Republic.

**16.10** Public access to information is legally ensured in the Czech Republic.

**16.a** The risk of terrorism in the Czech Republic remains low in the long term. The Czech Republic is

meeting its commitments from the UN Convention against Transnational Organised Crime and is also involved in the activities of the UN Commission On Crime Prevention and Criminal Justice.

**16.b** The Czech Republic has had a so-called Anti-discrimination Act since 2009. The national body for equal treatment is the Ombudsman's Office.

## The Czech Republic internationally establishes the perspective of citizens and civil society

The Czech Republic has had experience of the transition from an authoritarian to a democratic political system. It therefore endeavours to help develop civil society and democratic political cultures on an international scale. One of the ways it does so is the Czech Republic's activities in the UN Human Rights Council, particularly the initiative for ensuring equal participation in political and public affairs for residents of UN member states. The UN High Commissioner for Human Rights executed the relevant guidelines on its basis. Another way is the Transformation Cooperation Programme, which has operated since 2005. This concerned for instance projects for participative budgeting in Bosnia and Herzegovina and in Moldova, support for campaigns for better air in Belarus and Ukraine, or in support of local initiatives for the right to land and natural resources in Myanmar.

## The Czech Republic meets the standards of a liberal democracy

The Czech Republic is a democratic legal state based on respect for human rights. It has a functioning system for the protection of human rights based on laws, a general prohibition of discrimination, and a functioning

judicial system. Various participative mechanisms based around the opportunity to vote and to be elected to representative bodies at nationwide, regional and local levels, offer the chance to participate in decisions. The public's access to information is ensured by law.<sup>23</sup>

#### Youths' point of view

71% of young people consider democracy the best form of government. However, they are sceptical in regard to institutionalised forms of politics. 30% of them believe that elections as the tool of democracy are a waste of time and money. 25% of young people declare they trust political parties. The political activities of young people, NGOs and trade unions enjoy much greater trust among young people than the government, legislative bodies or the president. Only 24% of young people are convinced they can influence political decisions, and 72% of them believe politicians are not interested in them. Only 30% believe it important to actually get involved in political discussions.

Measures adopted in relation to the Covid-19 pandemic have subjected many of these principles to unexpected tests, yet the principles have withstood these tests. The precedence of the right to vote over epidemiological restrictions was maintained, and regional and senate elections took place in 2020 at the previously specified time. Even when attention was preferentially devoted to managing the onslaught of the pandemic, it was decided to correct long-standing weaknesses in the election system to the lower chamber of parliament. The election system will be modified so that its proportionality is increased and so that it reflects the preferences of voters more precisely. Democratic control over the policy--making processes was maintained during the pandemic—both parliamentary control over the duration of the state of emergency and judicial control over the measures adopted by the executive powers. The courts repeatedly cancelled government measures and their legal framework, often with reference to the need for more extensive reasoning for them, and the government always submitted to the decisions.

#### The Czech Republic is a safe country

Extreme physical violence occurs only occasionally in the Czech Republic. The number of murders fell below 200 a year after 2008 and remains below this level. When considering the broader definition of violence resulting in death, a fall in numbers can also be observed after 2007 to below the average of one victim per 100,000 inhabitants, and the situation has not changed since then. The risk of terrorism is marginal. The degree of human trafficking is in the lower tens of individuals in the long term, with the number of children under 15 being very low, with some exceptions. However, the situation is still not ideal. In the case of some forms of violence (e.g. sexual, domestic or psychological), the extent of incidents is probably greater than that given by the crime statistics. Czech society and the state are only now setting the limits for these forms of violence.

#### On the path to innovative public administration

Long-term policy effectiveness and efficiency require innovation in the policy-making mechanisms and provision of public administration services, however these are not being applied to a sufficient extent in the Czech Republic. Efforts to resolve this issue are just beginning. Digitalisation was the sole synonym for innovation until recently, most frequently within the meaning of the digitalisation of existing mechanisms. Systems thinking, the viewpoint of recipients, behavioural approaches and the experimental testing of policies are all still quite exceptional in the Czech public administration system. A new concept for the development of the public administration system entitled Client Orientated Public Administration 2030, approved in 2020, should change this.

<sup>23</sup> Act No. 106/1999, on free access to information, and Act No 123/1998, on the right to information about the environment.

Examples of good practice can already be found. One of these is the Citizens' Portal, which shows what digitalisation of the public administration system should be like. The basis is a gradually expanded set of life events at which the public needs to contact the public administration. This is based on the viewpoint of citizens, their needs and their habits. Where appropriate, the Czech Republic has begun to convert this contact with the public administration into electronic form without adversely impacting the opportunity to deal with issues personally. The selection of these events and their electronic form is tested in advance. Questions such as "Can digitalisation help recipients of a specific service or does it complicate their lives? How will digitalisation impact different groups of citizens?" form the beginning of each event and digitalisation is carried out or not depending on this, or an appropriate form of digitalisation is chosen.

#### Data and more data

The fight against the Covid-19 pandemic showed the crucial importance of data and information, for both the correct decisions and also for the implementation of the necessary measures and their legitimacy. It became evident once again that the most possible data must be provided and in the most appropriate form to interested parties outside the public administration (open data). In the next five years, the Czech Republic will increase the number of institutions publishing data in the open data format from the existing 41 to 200. Specific non-public data must also be shared across the public administration system and with selected subjects outside the public administration system in a controlled manner, so that resolution of the issue is as effective as possible. This requires legislative, technical ad methodological solutions. And finally, the public administration intends to create a system for the compilation of information about its own performance, so that it can be coordinated in the long term. A summary of data obtained across the entire public administration system should be provided to the newly established methodological centre for supporting analytical work. The Czech Republic has decided to invest EUR 10.9 million from the National Recovery Plan in the coming years.

# 17 PARTNERSHIPS FOR THE GOALS

17.1 The proportion of domestic budget (including only the sector of government institutions), funded by domestic taxes, increased from 48.2% to 51.3% between 2015 and 2018. The Czech Republic is involved in the reformation of international tax standards (particularly through the OECD/G20 BEPS project).

17.2 In 2019 the Czech Republic provided a total of 0.13% of GNI (compared to the commitment of 0.33%) and 0.018% of GNI to the least developed countries within the framework of ODA.

17.3 The Czech Republic is successfully mobilising additional development finances by supporting development investments and activities in the international tax sphere.

17.4 There is no general mechanism for ensuring responsible loans to developing countries at the national level. The Czech Republic supports the approach by international banks and initiatives (particularly the World Bank and the International Monetary Fund) in the issue of providing loans and eliminating debt in developing countries.

17.5 The Czech Republic has made progress in supporting private investments into sustainable development in developing countries since 2019. Innovation and transfer of Czech know-how to partner countries is supported, for example, by means of the <a href="Challenge Fund">Challenge Fund</a> trust fund within the framework of the Partnership for SDGs between the Czech Republic and the UN Development Programme.

**17.6** The Czech Republic supports this target through its development cooperation (north-south cooperation). It has only limited capacities for supporting south-south and triangular cooperation.

17.7 The Czech Republic supports the development, transfer and expansion of environmentally friendly technologies to developing countries by its development cooperation projects and contributions to international organisations for climate protection.

**17.8** The Czech Republic is not particularly involved in operationalizing the technology bank and science, technology and innovation capacity-building mechanisms for least developed countries.

17.9 Financial and technical assistance in dollar terms increased by more than one third between 2015 and 2019, but the Czech Republic has not managed to meet its commitments regarding the value of ODA from the long-term aspect.

**17.10** Together with the EU, the Czech Republic strives to reinforce the role of the World Trade Organisation (WTO) as the basis for a multi-party trade system contributing, inter alia, to strengthening global economic development.

17.11 Over and above the EU Trade Policy, the Czech Republic contributes to the fulfilment of targets by supporting specific bilateral development cooperation projects by means of B2B programmes, Aid for Trade, and its trade and investment policy.

**17.12** The target is being met through the EU Trade Policy, mainly through the Generalized System of Preferences and bilateral/regional free trade agreements.

17.13 The Czech Republic is involved in strengthening global macroeconomic stability by means of its activities in international and regional organisations (e.g. the International Monetary Fund, the World Bank, OECD, WTO, EU).

**17.14** The Czech Republic actively supports the concept of policy coherence for sustainable development.

**17.15** The Czech Republic supports the principles of ownership of the development process by developing countries by involving local stakeholders in the phase of identification and formulation of development projects.

**17.16** The principle of partnership is embedded in the Development Cooperation Strategy and is also fulfilled by means of global development education and providing government scholarships.

17.17 There are several platforms in the Czech Republic within the framework of which effective public, public-private and civil society partnerships are being developed.

**17.18** The Czech Republic has provided technical assistance during the development of statistical services abroad since 2005. The support for statistical capacities usually also forms 5-10% of development cooperation projects focused on strengthening public administration system capacities.

17.19 The Czech Republic has a fully established national structure for statistical reporting and dynamically develops progress measurement in sustainable development and quality of life.

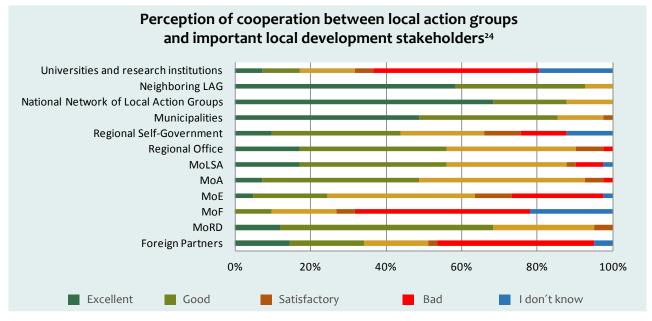
### The Czech Republic supports cross-sector partnerships

Cross-sectoral partnerships are supported and developed through several platforms. Local Action Groups (LAGs) are example of local partnerships focusing on support and development of rural regions. As of 2019 there were 178 LAGs operating in the Czech Republic covering over 90% of its territory. Other forms of partnership include the inter-municipal cooperation (also supported by the Czech Association of Towns and Municipalities), and partnerships between the public administration and research or non-profit institutions. However, these forms of partnership are often only short-term. The partnerships between various stakeholders are the core of the Local Agenda 21 (MA21) mechanism/method for managing municipal development, the goal of which is to promote sustainable development at local and regional levels. Another traditional form of partnership between the public and private sector is PPP (Public Private Partnership) type projects. There are hundreds of PPP projects in the Czech Republic, but their impact has not been clearly evaluated.

ples. The RSC contributes towards the mutual interconnection and coordination of the state and regions during the implementation of EU programmes. The RSC is established on partnership principles, with regional jurisdiction in individual regions in the Czech Republic. An example of innovative "bottom-up" partnership between the public, non-governmental and private sector are the SDGs Awards. Since 2017, the competition is preceded by annual nationwide media campaign and awards innovative projects contributing to the SDGs implementation.

### The Czech Republic's commitment to the volume of provided ODA has not yet been met

The Czech development cooperation focuses mainly on priority countries, namely Bosnia and Herzegovina, Ethiopia, Georgia, Cambodia, Moldova and Zambia. The financial and technical assistance (ODA and other official flows) in dollar terms increased by more than one third between 2015 and 2019, however, the Czech Republic has not managed to meet the ODA commitment of 0.33% GNI. The proportion of ODA to GNI is stable



Participative decision-making or participative creation of local budgets offers another potential platform for fulfilment of the goal. However, as with MA21, it is not completely common at local and regional levels in the Czech Republic, even though it is becoming increasingly frequent. The National Standing Conference (NSC) and Regional Standing Conference (RSC) contribute to the fulfilment of the partnership princi-

at around 0.13%. In 2019 a total of 185 bilateral development cooperation projects were supported.

The Czech Republic has had some success in involving the private sector in development financing. It supports innovation and the transfer of Czech know-how to partner countries through the <u>Challenge Fund</u> within the framework of the Partnership for SDGs between the Czech Republic and the UN Development Programme. Through the Aid for Trade programme, the Czech

<sup>24</sup> Questionnaire survey among LAGs within the framework of the TL020000012 project Sustainable Development at Local Level – the Link between Theory and Practice, 2021. Available at: <a href="https://starfos.tacr.cz/cs/project/TL02000012?query\_code=wsa-iaaclewsa#project-main">https://starfos.tacr.cz/cs/project/TL02000012?query\_code=wsa-iaaclewsa#project-main</a>

Republic supports for example the small and medium-sized enterprises and their digitalisation, business activities in primary agricultural production, infrastructure development or water management. The development partnership for the private sector programme (B2B) helps small and medium-sized enterprises in the Czech Republic to enter developing markets and make long-term investments into partner countries. In 2019 a new programme to support investments in developing countries with a clear and sustainable impact entitled Development Cooperation Guarantee was approved by the Czech Republic with an allocation of EUR 1,95 million. However, no funds have yet been drawn through this programme.

### Examples of international development cooperation projects

The Biomedical Engineering Sector Implementation project in Cambodia was a reaction to the situation on the local job market, which does not have any Cambodian experts in this sector. In cooperation with two local universities, the know-how of the Czech Faculty of Biomedical Engineering at the Czech Technical University in Prague is used in this project.

In Georgia, a trilateral project entitled Support for the Development of Rural Areas and Diversification in the Village of Chula allowed a plan for tourist development and a campaign promoting tourism to be created in this area. A total of approximately 130 entrepreneurs, 50 tourist services providers and 80 farmers participated.

Thanks to support from the B2B programme, a technological solution for treating wastewater was proposed and a wastewater treatment plant put into operation for the sanatorium and adjoining small town in the area of the Issyk-Kul lake, the most important freshwater reservoir in Kyrgyzstan.

### Foreign Development Cooperation and humanitarian aid during the pandemic

As regards international cooperation and humanitarian aid, the Czech Republic temporarily suspended or postponed some existing international cooperation and humanitarian aid projects as a result of the Covid-19 pandemic. Some of these activities were moved on-line and a specific module focusing on delivering protective equipment to partners and on public awareness was added. At the same time, projects directly focusing on the response to Covid-19 were implemented in all priority countries in both healthcare and focusing on the broader social and economic impact, including for instance providing food and preventing

malnutrition. A total of EUR 9,8 million was earmarked for this response by two Government Resolutions on the Humanitarian Reaction to the Covid-19 Pandemic in Non-African Priority Countries and Humanitarian Aid and on the Additional Reaction to the Covid-19 Pandemic Focusing on Africa.

#### Youths' point of view

"SDGs cannot be considered only from the viewpoint of the western world. We are not doing good for others, but with them. Partnership and participation are particularly important for sustainable development but not just at the global level. Even at local level, these are not merely good deeds we are doing for someone--we also have to ask whether the recipient wants them." Markéta Musilová, Junák

### The Czech Republic is involved in the field of international taxation

The main international forum devoted to reforming tax standards and rules at the international level is the OECD, particularly the OECD/G20 BEPS (Base Erosion and Profit Shifting) project. Czech representatives regularly participate in meetings concerning international taxation or agreements on dual taxation prevention. Some Czech experts should also participate in strengthening capacities for tax collection in developing countries, e.g. by being involved in the OECD initiative and the UN Development Programme (UNDP) Tax Inspectors without Borders or as lecturers at seminars organised by the OECD on tax issues. However, these activities were not implemented due to the Covid-19 pandemic. In this context we must also mention the work of Czech representatives at UN level within the framework of the Committee of Experts on International Cooperation in Tax Matters, which devotes special attention to developing countries.



#### Means to achieve SDGs

The achievement of SDGs will not be possible until the sustainable development outlook is reflected in the disposal of public and private funds. The financial market's participation in investment solutions to social challenges remains weak in the Czech Republic, even though the developing trend is positive. However, public finances are the key source of investments and funds for SDG. For instance, in the case of environmental conservation, public sector investments make up 62.6% of all investment.<sup>25</sup>

#### Overview of the distribution of funds

The Czech Republic created a pilot overview of state budget expenditure for SDGs in 2020 (SDG tagging). The summary method itself is experimental and not yet tested in the Czech Republic. To minimise the administrative burden, an existing expenditure budget structure was used that enables classification and identification of expenditure in the state budget depending on the content and purpose, up to the level of SDGs targets. Expenditure identified in this manner often contributes to multiple targets and multiple SDGs. A typical example is expenditure in agriculture, which contributes not only to the achievement of SDG 2, but also 12, 13 and 15.

The obtained experience will be utilised in the subsequent period and to further develop this method. The interconnection of SDG targets with budget expenditure is only possible at a general level under the current budget system. Special purpose transfers and their actual use remains a question in this area. Current budget procedures are not oriented towards results but volumes. It must also be realised that expenditure may serve to achieve SDGs but may not be primarily motivated by them. The formation of the state budget and its structure is not currently prepared for decisions based on SDGs, or for actual sustainable budgeting (SDG budgeting). In the future, strong political will, the involvement of a broader spectrum of experts and sharing experience (peer-learning) with countries that have set out on the same path, in particular, will be necessary for progress in this direction.

#### **Public finances**

On the basis of the first analyses directed at SDG budgeting we can say that approximately 75% of expenditure from the state budget is in accordance with SDGs. Expenditure linked to SDG 1 - various forms of social support, with old age pensions taking up a key share - predominates. Expenditure focused in the direction of SDG 1 makes up nearly half of all SDG-relevant expenditure. The second most heavily supported area is education, SDG 4. Funds flow primarily into the functioning of the educational structure. SDG 3 expenditure does not reach a significant level, but this is actually an illusion – funds for healthcare are ensured mainly through the health insurance company system, and the budgets of these companies are not part of the state budget.

SDG 14 is at the other end of the spectrum. It is no surprise that the Czech Republic, a land-locked country, does not expend funds on activities related to life in the seas and oceans. However, there is also very little expenditure on SDG 5 and SDG 13, which concern the Czech Republic very strongly. This finding reflects the problem with the identification of specific expenditure for these SDGs within the framework of the current budget structure. External funds play a specific role in the budget expenditure for relevant SDGs, particularly funds from the EU. These make up approximately 12% of expenditure. For some areas, funds from the EU are the main source of financing, for instance investments into environmental conservation. And sometimes also in the category of regular expenditure (e.g. the active employment policy or the integration of ethnic minorities), and the potential reduction of their amount may worsen the situation even where solid results were previously achieved.

<sup>&</sup>lt;sup>25</sup> CENIA (2020) Investment Expenditure by Institutional Sector. The Statistics and Reporting Information System, data as of 2019. Available at: <a href="https://issar.cenia.cz/cr/financovani-ochrany-zivotniho-prostredi/celkove-vydaje-na-ochranu-zivotniho-prostredi/">https://issar.cenia.cz/cr/financovani-ochrany-zivotniho-prostredi/celkove-vydaje-na-ochranu-zivotniho-prostredi/</a>

Budget income in the Czech Republic reflects the usual tax mix of developed countries, with relatively strong orientation towards income taxes and valued added taxes. On the other hand, less emphasis is placed on the taxation of harmful substances or property in the Czech Republic. The overall taxation of work is one of the highest in the EU and the OECD, and is nearly 44% for employees earning the average wage. The proportion of environmental taxes to total taxes and social levies is just under 6%, average for Europe. Energy taxes predominate in this. However, the Czech Republic has not implemented a carbon tax at national level, particularly due to the social impact. A carbon fee is only imposed in the power industry and additional selected sectors through the European emissions trading system.

#### Support for less developed countries

The Czech Republic has been a member of the OECD Development Assistance Committee since 2013. The obligation to provide ODA at a minimum amount of 0.33% of GNI arises from this membership and from the Czech Republic's membership in the EU. Although the Czech Republic's ODA, expressed in dollars, has risen slowly since 2017, the proportion of ODA to GNI fell during the same period from 0.15% to 0.13% as a result of economic growth, to which expenditure was not adapted.

Czech development cooperation is based on international agreements. As well as the 2030 Agenda, this also includes the Addis Ababa Action Agenda on Financing for Development from July 2015 and the Paris Climate Agreement from December 2015. In the humanitarian field, the Czech Republic complies with the Sendai Framework on Disaster Risk Reduction 2015–2030, adopted in March 2015.

In 2019 the Czech Republic provided ODA totalling approximately EUR 272.7 million. Depending on the form of provision, Czech development cooperation is divided into bilateral (which chiefly includes development projects administered by the CDA, humanitarian aid, transformation cooperation, scholarships to Czech universities for students from developing countries and the sending out of experts and teachers), and multilateral (which includes contributions towards the development agenda of international organisations or delegated cooperation projects). The proportion of bilateral to multilateral activities increased slightly in 2019 to the detriment of bilateral cooperation, which makes up just under 30% of total ODA. Traditionally, the major share of the Czech Republic's ODA forms a deductible part of the contribution towards EU development cooperation, including the European Development Fund (over EUR 155 million). The Czech Republic mainly concentrates its support on priority countries with a cooperation programme (Bosnia and Herzegovina, Ethiopia, Georgia, Cambodia, Moldova and Zambia). The Czech Republic's bilateral ODA/GNI expenditure for the least developed countries was just 0.008% in 2019.

Within the framework of humanitarian aid, the Czech Republic focuses on immediate aid during catastrophes, conflicts and forced displacement, on aid during complex humanitarian crises caused by a combination of poverty, instability and climate effects, and also on efforts to reduce the risk of disasters and strengthen the resilience of vulnerable countries and regions. A total of 50 humanitarian activities in 29 countries were approved within the framework of the humanitarian budget for 2019 from the budget of the Ministry of Foreign Affairs, for which approximately EUR 0,85 million was drawn.

In compliance with the Accra Action Agenda, the private sector is also involved in development financing, chiefly through the B2B programmes Aid for Trade and Development Cooperation Guarantee (see SDG 17).

<sup>&</sup>lt;sup>26</sup> OECD (2021) Taxing Wages - the Czech Republic. Data from 2020. Available at: <a href="https://www.oecd.org/tax/tax-policy/taxing-wages-czech-re-public.pdf">https://www.oecd.org/tax/tax-policy/taxing-wages-czech-re-public.pdf</a>.

#### **Czech innovative solutions**

Another way that the Czech Republic contributes to the fulfilment of the 2030 Agenda is cooperation with the UNDP. A Czech trust fund was created through the Partnership for SDGs between the Czech Republic and the UNDP, whose funds are used to finance development cooperation activities. The total volume of resources used for Partnership activities has exceeded USD 3.5 million in the last three years. Of this amount, approximately USD 750,000 was contributed by the companies that participate in the implementation of the individual projects.

Challenge Fund: Czech Solutions for SDGs is used to support the application of Czech know-how and innovative solutions in priority countries. Many exceptional projects have been supported since 2018. For instance, a project implementing a system for predicting precipitation and preventing floods in Bosnia and Herzegovina and a project to survey surface water in Ethiopia are currently taking place. Projects such as the one for the local production of scarce sanitary products in Cambodia or the project supporting women-farmers who preserve fruit and other agricultural products in Georgia have the goal of improving the position of women. Another tool of the Partnership is the Expertise on Demand project. This allows Czech experts to share their practical experience and professional knowledge with recipients in partner countries, for instance by means of expert consultations and training. Partnership activities will continue in the coming years.

#### Monitoring the sustainability of shallow ground water sources for households in Ethiopia

The possibilities to use shallow ground water sources in households have been mapped in Ethiopia since 2013. The non-existence of a monitoring system that would document any fall in ground water levels caused by their overuse, or their worsening quality, remained a challenge. The goal of the project implemented in 2020 by the Czech company AQUATEST a.s. in cooperation with the Ethiopian state's Agricultural Transformation Agency was to document ground water levels using a first group of monitoring wells, optimise the monitoring network, and train experts in the region. The project thereby contributes to accelerating the establishment of a future, more extensive monitoring system, sustainable agriculture and mitigation of the impacts of climate change.

#### **Conclusion and next steps**

The 2030 Agenda for Sustainable Development embodies the complexity and interconnectedness of the world we live in. For every decision we make, for every crown we spend, it forces us to ask the question: what effects and impact will our actions have? Similarly, the individual SDG targets mutually impact each other. This is where their strength and also their complexity lie. SDG 16 and good governance as a cross-sectional principle for fulfilling SDGs, are irreplaceable, in part because the Czech Republic considers SDG 16 a key priority at domestic and global levels.

In 2015, when we adopted the SDGs, the fifteen years we had before us seemed a sufficient period to achieve our ambitious goals. Their complexity is also mirrored in the assessment of the targets that should have been achieved by 2020. The Czech Republic has managed to achieve 9 of them, it shows partial progress in another 8, and only 2 targets remain without progress. These are linked to urgent and significant measures to reduce the degradation of the natural environment and stop the loss of biodiversity (15.5) and to ensure the protection and renewal of ecosystems related to water (6.6).

The threat to our ecosystems shows what we must not lose sight of when seeking ways out of the crisis caused by the Covid-19 pandemic. A more responsible, fairer and environmentally sensitive approach is the key to recovery, and will help us prepare for the future (Build forward better) so that we can live a dignified life in harmony with nature. The future will bring the need to address several structural issues at once: loss of biodiversity and the impacts of climate change, the results of which are already felt today, the impact of digitalisation on the job market, social trust and intimate relations. We can only face these challenges together and by finding a common language. A whole of society approach based on participation, deliberation, an evidence-informed approach and access to quality data are essential. This is why the Conference on the Future of Europe, which gives a voice to the residents of all states so they can formulate their own vision of the future, begins this year.

The European Framework is crucial for the Czech Republic as a medium sized country in the heart of Europe from the aspect of sustainability. It is the EU that is the global leader in sustainable development. This means that the Czech Republic, as a member state, has the opportunity to prepare an ambitious *National Recovery Plan* focusing on digitalisation, environmentally friendly solutions, healthcare, modern education and the improved function of the public administration system in the 21st century. Thanks to the *Modernisation Fund* it is preparing the transformation of the power industry, of which more than half is currently based on coal, and the *Plan for Regionally Fair Transformation* will help it breathe life into the coal regions, which have experienced an attenuation of heavy industry. *The European Pillar of Social Rights* and its *Action Plan* are an opportunity for the overall transformation to take place so that it guarantees everyone a fair and dignified existence.

The Czech Republic also plans a number of steps and measures at national level. The most current of these is the on-going update of the *Implementation Plan Czech Republic 2030*, which will be submitted to the government by the end of this year and will include a set of new measures and recommendations for fulfilling national goals focusing on policy gaps. The efforts to integrate the sustainable development perspective to the full extent into ordinary, everyday activities by the public administration system, i.e. policy-making processes, will continue. The greatest challenge in this aspect is the field of impact assessment, where modification of the established regulation impact assessment system seems the most suitable. SDG tagging will also continue to be developed so that the effects of the state budget to achieve SDGs can be monitored. A review of national indicators, which will chiefly focus on specifying quality of life indicators, is planned for 2022.

#### **Annexes and Links**

#### **Indicators**

The 2030 Agenda indicators are published at <a href="http://www.sdg-data.cz/">http://www.sdg-data.cz/</a>



#### National reports on sustainable development

Report on the Fulfilment of the 2030 Agenda for Sustainable Development in the Czech Republic (approved through Government Resolution No 67 of 25/1/2021): https://www.cr2030.cz/za-vazky/wp-content/uploads/sites/4/2021/01/IIId materi%C3%A1l Zpr%C3%A1va-Agenda-2030.pdf

Report on Quality of Life and its Sustainability (approved through Government Resolution No 68 of 25/1/2021):

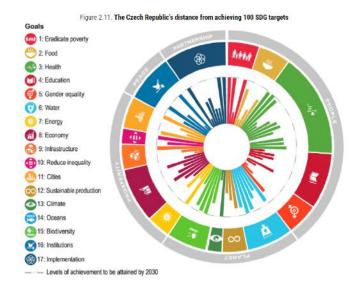
https://www.cr2030.cz/zavazky/wp-content/uploads/sites/4/2021/01/IIId\_materi%C3%A1l\_Zpr%C3%A1va-o-kvalit%C4%9B-%C5%BEivota-a-udr%C5%BEitelnosti %C4%8D%C3%A1st 1.pdf;

https://www.cr2030.cz/zavazky/wp-content/uploads/sites/4/2021/01/IIId\_materi%C3%A1l\_Zpr%C3%A1va-o-kvalit%C4%9B-%C5%BEivota-a-udr%C5%BEitelnosti %C4%8D%C3%A1st 2.pdf

#### International assessment

The Czech Republic's progress in meeting SDGs was also assessed in the OECD Measuring Distance to SDG Targets study (2019). Based on 127 available indicators covering 100 of the 169 targets of the 2030 Agenda, according to the study 14 targets have already been achieved and the Czech Republic is close to achieving a number of others. It shows good results, for example, for targets related to water scarcity and international cooperation in the field of water (targets 6.4 and 6.5), unemployment (8.5) and public debt (17.1). The main challenges for the Czech Republic include, for example, the consumption of tobacco products (3.a), inequalities in education (4.5) and the share of women in parliament (5.5).

The Czech Republic's distance from achieving 100 SDG targets (OECD 2019)<sup>27</sup>



<sup>&</sup>lt;sup>27</sup> OECD (2019) Measuring Distance to SDG Targets 2019: An Assessment of Where OECD Countries Stand, OECD Publishing, Paris, available here

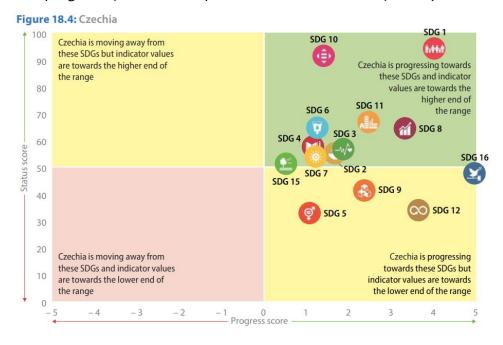
In the <u>Sustainable Development Report</u> published annually by the Bertelsmann Foundation and the Sustainable Development Solutions Network (SDSN), in 2020 the Czech Republic was assessed as the eighth most advanced country of the 166 assessed countries around the world. It performed best in the areas of poverty eradication (SDG 1), drinking water and sanitation (SDG 6), and decent work and economic growth (SDG 8). The assessed also showed that the Czech Republic will face major challenges in the future in relation to climate protection (SDG 13) and in building partnerships to meet the objectives with regard to the amount of financial contributions to foreign development cooperation (SDG 17).

SDG Dashboard Czech Republic (Sachs et al. 2020)<sup>28</sup>



For the first time, the country profiles in 2020 were also included in the <u>Eurostat monitoring report</u>. The status (y-axis) of SDGs is an aggregate of the values of all the indicators for the given target, the data used are in most cases for 2018 and 2019. Progress (x-axis) is the aggregate value of the five-year growth of all indicators of the target. Not all SDGs were assessed because of a lack of data.

Status and progress of the Czech Republic in the achievement of SDGs (Eurostat 2020)<sup>29</sup>



<sup>&</sup>lt;sup>28</sup> Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. (2020) The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press, available here

<sup>&</sup>lt;sup>29</sup> Eurostat (2020) Sustainable development in the European Union Monitoring report on progress towards the SDGs in an EU context, available <u>here</u>

#### List of abbreviations

B2B Business-to-business

BEPS Base Erosion and Profit Shifting

bn Billion

CO 2 Carbon dioxide

CDA Czech Development Agency
CPI Corruption Perception Index

CSR Corporate social responsibility

CSO Czech Statistical Office

CR Czech Republic

CZK Czech crown

EEC European Economic Commission
EIA Environmental impact assessment

ETA A programme to support applied social-science and humanities research,

experimental development and innovations

EU European Union

EUR Euro

FEP Framework Educational Programme

GCSD Government Council for Sustainable Development

GDP Gross domestic product

GIA Gender impact assessment

GNI Gross national income

GPG Gender pay gap

GW Gigawatt

HIA Health impact assessment

INTOSAI WGEA The Working Group on Environmental Auditing under the International

Organization of Supreme Audit Institutions

LULUCF Land Use, Land-Use Change and Forestry, in relation to reporting

greenhouse gas emissions

MA21 Local Agenda 21

mio Million

MoA Ministry of Agriculture

MoFA Ministry of Foreign Affairs

MoE Ministry of the Environment

MoF Ministry of Finance

MoRD Ministry of Regional Development

LAGs Local action groups

NGO Non-governmental organisation

NOX Nitrogen oxides

ODA Official Development Assistance

OECD Organisation for Economic Cooperation and Development

RES Renewable energy sources

RIA Regulatory impact assessment

SAO Supreme Audit Office

SDG Sustainable Development Goals

SEA Strategic environmental assessment

SO 2 Sulphur dioxide

THETA A programme to support applied research, experimental development

and innovation

TIA Territorial impact assessment

th Thousand

UNDP UN Development Programme

USD United States dollar

VNR Voluntary National Review



The Voluntary National Review was created within the Mechanisms for Promoting Sustainable Development Principles in State Administration project, reg. No. CZ.03.4.74/0.0/0.0/15\_019/00 014042.



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