



ASSESSMENT OF INDIVIDUAL COUNTRY RECOMMENDATIONS BY EACH MEMBER FEDERATION

Q1: For each country specific recommendation Member Federations were asked to answer whether it is 1: extremely important; 2: Important; 3: Helpful (but not a priority); 4: Irrelevant; 5: Contrary to federation's advice;

Q2: For each recommendation, Member Federations were asked to answer whether government's efforts to implement it were: 1: Excellent, 2: Satisfactory; 3: Mixed; 4: Unsatisfactory; 5: no progress observed.

N.B.: Federations in countries under financial assistance commented on recommendations made by the Troika in Economic Adjustment Programmes; Non EU countries commented on recommendations made by the OECD

SPRING 2015 REFORM BAROMETER - CZECH REPUBLIC

European Semester - Overall assessment of 2015 cycle

	To what extent do you agree with these statements:		Detailed comments
1.	The National Reform Programme submitted by your Government (April 2015) is appropriate	To a large extent	Prioritising growth-supporting expenditure (V&V, education), strengthening BUT also predictable fiscal framework and transparent trends, support for the fight against tax evasion but level playing field for all tax payers and incentives for proper tax players (clearer and less burdensome tax system), responsible reducing tax burden of labour avoiding a drop-out of the budget, transfer of labour taxation to the other areas but without increasing or introducing new environmental taxes, implementation of the Act on Civil Service (already adopted), effective public procurement system, reducing extremely high number of regulated professions, support for VET a STEM, setting clear target for a reduction of administrative and regulatory burden, more clear vision in industrial policy, support for applied research, investment and using of the EFSI, one "umbrella point" governing and coordinating activities in the field of digital agenda and digital economy to avoid tensions among different ministries, flexible labour market and more efficient and more targeted ALMP.
2.	The Commission's country specific recommendations for your country are appropriate.	To a large extent	Generally appropriate, missing a CSR focused on further effort in the VET and STEM area, better accommodation of secondary and post-secondary technical and professional schools (VET) and better permeability with the tertiary level.
3.	The Commission assessment of reform implementation the year before is appropriate.	To a large extent	Generally appropriate, focused on lack of progress to the more efficient public procurement system, delay in the adoption of the Act on Civil Service, high number of the regulated professions, lack of the affordable and accessible child care facilities, quality of primary schools and support for less performing ones, but less focus on development of skills fitting to labour market needs.
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	Yes absolutely	Appropriate. CZ is one of the EU countries with the lowest rate of imbalances.



Assessment of Country Specific recommendations 2015 in detail

		Q1 : the recommendation is :	Q2 : implementation on effort is :	Detailed comments
CSR 1	Achieve a fiscal adjustment of 0.5% of GDP in 2016. Further improve the cost-effectiveness and governance of the healthcare sector.	Important	Mixed	Concerning better effectiveness and governance of health system some steps have been already done, but there is still room for further improvement.
CSR 2	Fight tax evasion, simplify the tax system and implement the anti-corruption plan. Take measures to increase the transparency and efficiency of public procurement, in particular by establishing a central register of public contracts and strengthening guidance and supervision.	Extremely important	Mixed	All parts of this CSR are extremely important for business, many steps have been done by the government in the field of taxation system, esp. steps related to the fight against tax evasion. Nevertheless SP would prefer not only "simplification and transparency" of the taxation system, but particularly its stability and predictability, and clear trends. The tax policy is focused on the tax evasion leading also to higher administrative burden and there has been very limited progress in tax simplification. The tax system is still very complicated. Concerning an effective public procurement system there is a new legislation in pipeline with many AMDs from the business part. SP is not satisfied with the development.
CSR 3	Reduce the high level of taxation levied on low-income earners, by shifting taxation to other areas. Further improve the availability of affordable childcare.	Important	Mixed	This CSR is mixing many issues together. Shifting labour taxation to other areas of taxes could potentially lead to an introduction of new taxes or to an increase in tax rates of existing ones. The measures in the area of the child care are not sufficient. CZ needs an efficient system of the pre-school facilities as a part of the whole education framework.
CSR 4	Adopt the higher education reform. Ensure adequate training for teachers, support poorly performing schools and take measures to increase participation among disadvantaged children, including Roma.	Helpful (but not a priority) Partly contrary to Federation advice	Mixed	SP has expected more focus on the further development of the work-based learning system with the dual system elements and better accommodation of the secondary professional schools in the system increasing permeability between secondary and tertiary level, rather than on inclusivity approach.

Reform Progress in your Member State in 2015

How would you assess reform progress in 2015, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	No reform necessary

Reform priorities for 2015

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Business Environment	to reduce remaining barriers for investment (easier / shorter permission procedures (buildings, EIA etc.), effective public procurement system, quality of administration, attractive business climate, support for start-ups, SMEs)	Partly
Priority 2	R&D and Innovation	to prepare and approve quality of "The National Research, Development and Innovation Policy of the Czech Republic in 2016 - 2020" and prepare a new evaluation methodology for R & D and a new methodology for allocation of money on research	yes
Priority 3	ICT and digital economy	The development of the Strategy Industry 4:0, including the Action plan. Implementing of the national Strategy for the digital agenda in the line with the introduced Action plan.	Yes
Priority 4	Labour market mismatch and labor mobility	The further development of key competences and entrepreneurship education, in the frame of the Czech strategy for the digital agenda to support digital skills, implementation of the recommendations from the project POSPOLU (TOGETHER) focused on the further cooperation between schools and companies introducing dual system elements in the Czech work-based learning, better permeability between secondary and post-secondary VET and tertiary education. Better anticipation of skills and their better matching with labour market needs, to improve mobility..	Partly
Priority 5	Market integration trade and investment	An active engagement in the TTIP negotiations highlighting its benefits for business alarming EU and USA leaders to negotiate a comprehensive and sustainable transatlantic agreement concerning data transfer, EU - Japan regulatory agenda, a proper assessment of the real impact of the economic sanction against Russia for the Czech companies, implementation of WTO Bali and Nairobi results	Yes