

**Information provided by the Czech Republic**  
**for the 9<sup>th</sup> Intersessional Meeting of the Working Group**  
**on Prevention of Corruption under the UN Convention against Corruption**  
**from 6 to 7 September 2018**

With respect to the UNODC note CU 2018/65/DTA/CEB please find below the information provided by the Czech Republic with respect to the issue of conflict of interests. We would like to point out, however, that an amendment to the existing legislation is currently being discussed in the Parliament and it is likely there will be slight changes before the Working Group meeting in September 2018 takes place. In case of interest, we will provide the Working Group with updated information later on (when/if the amendment is adopted). The information provided below therefore reflects the current status.

**I - Information requested from States parties in relation to preventing and managing conflicts of interest (art. 7, para. 4)**

**1. Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with these provisions of the Convention, and in particular to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.**

**Information sought may include:**

**1.1 Description of specific conflict of interest standard(s), indicating if these standards**

From the point of view of the Ministry of Justice of the Czech Republic, a general act which regulates the conflicts of interests area is the Act No. 159/2006 Coll., on Conflicts of Interests, as amended (hereinafter “Act on Conflicts of Interests”).

In the previous version of the Act on Conflicts of Interests, effective until 31 August 2017, shortcomings had been identified which reduced the effectiveness of the system of control over the conflicts of interest. In particular, there were a too high number of registration authorities and a thereto associated fragmentation of records of notifications, an absence of the obligation of public officials to lodge an initial notice, shortcomings in the system of an administrative punishment of offenses committed in the area of conflict of interest etc.

Therefore, an amendment of the Act on Conflicts of Interests was passed, promulgated as an Act No. 14/2017 Coll., effective as of 1 September 2017, which brought, among other things, the following changes:

- (i) the establishment of a Central Register of Declarations under the authority of the Ministry of Justice;
- (ii) setting the obligation for a public official to give a notice at the beginning of his/her post;
- (iii) setting other prohibition for public officials according to Sections 4a-4c of the Act on Conflicts of Interests;
- (iv) tightening up and extending the ban on competition laid down in Section 6 of the Act on Conflicts of Interest;
- (v) modifying the system of administrative punishment of offenses committed in the area of conflict of interest..

In addition, the Ministry of Justice issued a **Regulation No. 79/2017 Coll., on the Structure and Form of Notice according to Act on Conflicts of Interests** (hereinafter the “Regulation”). In order to facilitate and unify the procedure of notifications by public officials according to Sections 9 to 11 and 12 (4) of the Act on Conflicts of Interest, the Department on Conflicts of Interests of the Ministry of Justice of the Czech Republic prepared a **Methodology for Public Officials**.

### **1.1.1 Are publicized widely**

The Act on Conflicts of Interests, the Regulation, as well as the Methodology for Public Officials are publicly accessible through the public data networks from several sources. The Act on Conflicts of Interests and the Regulation are accessible, among others, in the Collection of Laws while the Methodology for Public Officials is accessible on the Ministry of Justice’s website.

### **1.1.2 Regulate the outside activities of public officials**

The Act on Conflicts of Interests defines a public official in its Section 2. Many obligations are imposed to public officials, especially the obligations to prefer public interest above private interests, including the prohibition to jeopardize public interest (Section 3 of the Act on Conflicts of Interests). In addition, the Act of Conflicts of Interests regulates the limitation of performing some activities of public officials and the incompatibility of selected public functions with other activities (Sections 4 to 6), and regulates the obligation to lodge various notifications which should primarily help the registration and control body to identify the facts suggesting the existence of conflict of interest (Sections 7 to 12).

### **1.1.3. Prohibit the holding by public officials of certain types of assets or positions in legal entities that are incompatible with their primary functions, such as an individual sitting on the board of a company.**

#### **1.1.3.1. Limitations based on Section 4 of the Act on Conflicts of Interests**

The provisions concerned stipulate that public officials defined in Section 2 (1) (c) to (m) of the Act on Conflicts of Interests shall not:

- a) be engaged in business or any other gainful activity,
- b) act as a statutory body or a member of a statutory body, managing body, supervisory body or controlling body of any business corporation, unless specified otherwise by special legal regulations,
- c) enter into any employment or similar relation or service relationship, except for relations resulting from his/her public office.

The limitations defined above do not apply to the administration of the public official’s own assets and to scientific, teaching, journalistic, literary, artistic or sporting activities, except for business activities in such areas.

The public officials mentioned in Section 1 shall terminate all activities specified therein without unnecessary delay after assuming a public office, within 30 days at the latest. If it is not possible to meet the time limit specified in the previous sentence because of reasons beyond the public official’s control, he/she shall report such a fact in writing to the relevant registration body and adopt all measures warranting that all activities are terminated.

#### **1.1.3.2. Limitations based on Section 4a of the Act on Conflicts of Interests**

It follows from the provisions concerned that a public official mentioned in Section 2 (1) of the Act on Conflicts of Interests may not be a broadcaster of a radio or television broadcasting or a publisher of a periodical press or an owner, member or controlling entity of a legal person who is the broadcaster of a radio or television broadcasting or a publisher of a periodical press.

In such a case, a public official shall be obliged to terminate his/her activities of a radio or television broadcasting or of issuing a periodical press, or to terminate his/her participation or membership in a legal person who is a broadcaster of a radio or television broadcasting or a publisher of a periodical press without undue delay after he/she has begun to perform his/her office but no later than 60 days from the date of the commencement of the office. If, for reasons beyond the control of a public official, it is not possible to adhere to the time limit referred to in the previous sentence, the public official shall within that period inform the registration authority and shall at the same time take all necessary measures to fulfill the obligation referred to in the first sentence.

In the case that a public official has not terminated his/her participation or membership in a legal person who is a broadcaster of a radio or television broadcasting or a publisher of periodicals, he/she may not exercise voting rights in that corporation. If a public official is the sole member of a company, he/she may not, during deciding of the highest authority of that company, make decisions other than those imposed by law or relating to the cancellation of a company, or to elect bodies in a company or their members unless their office terminated.

#### **1.1.3.3. Limitations base on Section 4b of the Act on Conflicts of Interests**

The company, in which a public official specified in Section 2 (1) (c) of the Act on Conflicts of Interests or a person controlled by such an official owns a share in the amount of at least 25 % of the participation of a partner of that business corporation, shall not participate in a procurement procedure according to the Public Procurement Act as a participant or a subcontractor by whom the contractor proves his/her qualification. The contracting authority shall exclude such a company from the procurement procedure.

#### **1.1.3.4. Limitation based on Section 4c of the Act on Conflicts of Interests**

From the provision concerned follows the prohibition to provide a subvention according to legislation on budgetary rules, or an investment incentive according to legislation on investment incentives to a business corporation where a public official defined in Section 2(1)(c) of the Act on Conflicts of Interests or a person controlled by such an official owns a share representing at least 25 % of the participation of a partner of that corporation.

#### **1.1.3.5. Limitation based on Section 5 of the Act on Conflicts of Interests**

It follows from the provision 5(1) of the Act on Conflicts of Interests that **no Member of Parliament (a Deputy or a Senator)** representing the state in a managerial, supervisory or controlling body of any corporate entity in which a state or a company controlled by the state or the Czech National Bank or all these entities together own a share or voting rights, **shall be entitled to receive any reimbursement, share on profit or any other payable for such a representation, except** for payables which the public official receives as an insurance payment from a performance liability insurance or which he/she receives

in connection with his/her presence at the meetings of such bodies according to common habits in an amount up to 10.000 CZK per year.

**A public official specified in Section 2 (1) (o) to (p)**, who has been selected by a Region, the Capital City of Prague, a municipality, a city district, a part of a territorially structured statutory town, or a city district of the Capital City of Prague, to perform the office of a member of a managing, supervising or a controlling body of a business legal entity, in which the Region, the Capital City of Prague, a municipality, a city district, a part of a territorially structured statutory town, or a city district of the Capital City of Prague, or legal entity controlled by them has a share or voting rights, **is not entitled to any remuneration for such activities, to any profit share or any other benefit, except for payables** which the public official receives as an insurance payment from a performance liability insurance or which he/she receives in connection with his/her presence at the meetings of such bodies according to common habits in an amount up to 10.000 CZK per year.

Furthermore, the position of a Deputy or Senator is incompatible with any appointment or office within the public administration of the Czech Republic, whether on an employment or service basis, in which he/she would be making decisions

- a) at a ministry or in another public administration office,
- b) in a public prosecution office or a court of justice,
- c) in security services, armed forces of the Czech Republic, the Supreme Audit Office, the Office of the President of the Czech Republic, the Office of the Chamber of Deputies, the Office of the Senate, state funds and in the Ombudsman's Office.

#### **1.1.3.6. Limitations based on Section 6 of the Act on Conflicts of Interests**

For one year following the end of his/her term of office, no public official defined in Section 2 (1)(c) to (m) and 2 (b) to (e) may become a partner or accept any position in any body of any corporate entity or become employed by any entrepreneur, if such a corporate entity or entrepreneur within the last three years preceding the end of his/her term of office concluded an agreement with the state or any territorial self-governing unit, with a legal entity established by law or founded or established by the state or by a territorial self-governing unit, concerning a high-amount public procurement and, at the same time, such an agreement fell within the competence of such a public official or of a body on behalf of which he/she was acting.

#### **1.1.4 Limit the official actions a public official may take because of a conflict of interest**

A public official is obliged to refrain from any conduct in which his/her private interests may affect the performance of his/her duties. If any conflict between the interest of the public interest and his/her private interest occurs, no public official may prefer his/her own interest over the interests that he/she is obligated to enforce and defend as a public official. **The Section 3 of the Act on Conflicts of Interest** stipulates the "private interest" and provides that no public official may jeopardise the public interest, by

- a) using his/her official standing, executive powers or information obtained in connection with his/her office to acquire material or other benefit for himself/herself or any other person,

- b) referring to his/her office in matters related to his/her personal interests, above all to his/her job, occupation or business,
- c) allowing any party to use his/her first name(s) and surname or his/her image together with his/her official title for commercial advertising purposes in return for payment.

Other limitations are described in chapter 1.1.3, or in individual subchapters.

In addition, it follows from **Section 8 of the Act on Conflicts of Interests** that a public official in the course of a meeting of any constitutional body, another state body or any body of a territorial self-governing unit or of a legal entity established by law in which the public official makes an address, submits a proposal or is entitled to vote, shall announce his/her relation to the considered issue in case any personal benefit or injury might arise for him/her as a result of discussing the issue or in case he/she has any other personal interest in the considered issue; this provision shall not apply to generally obvious benefits or interests with respect to an unlimited number of recipients. This so-called “declaration on private interest” shall be presented verbally by the public official in the course of the meeting, at the latest before the considered issue is to be voted on; each declaration of that kind shall become an integral part of meeting minutes.

#### **1.1.5 Apply criminal, administrative or other sanctions where public officials do not comply with applicable conflicts of interest regulations**

In case of violating the Act on Conflicts of Interests, the public officials are liable for a misdemeanor (have an administrative liability). A public official commits a misdemeanor according to Section 23 (1) of the Act on Conflicts of Interest if he/she:

- a) performs a function or activity incompatible with the performance of the function of a public official in breach of Section 4(1) or Section 5 (3) of the Act on Conflicts of Interests,
- b) is a broadcaster of a radio or television broadcasting or a publisher of a periodical press or an owner, member or a controlling entity of a legal person who is the broadcaster of a radio or television broadcasting or a publisher of a periodical press in breach of Section 4a (1),
- c) receives a remuneration in breach of Section 5 (1),
- d) does not submit a declaration on personal interest pursuant to Section 8 (1),
- e) states clearly inaccurate, incomplete or false data in declarations pursuant to Sections 9 to 11 and Section 12 (4), or
- f) does not submit a declaration within a time limit pursuant to Section 12 (1), (2) or (3).

Any person who used to be a public official commits a misdemeanor if he/she

- a) violates the prohibition to exercise the activity for a determined period of time since the termination of office of a public official pursuant to Section 6,
- b) does not make a declaration within the time limit pursuant to Section 12 (3) or states clearly inaccurate, incomplete or false data therein.

A public official or a person who used to be a public official should be fined based upon the severity of the misdemeanor committed. If a public official commits any misdemeanor stipulated above in paragraph 1 (a) to (c), he/she may be fined from 1.000 CZK to 50.000 CZK. If a public official commits any misdemeanour stipulated above in paragraph 1 (d) to (f) and a person who used to be a public official commits any misdemeanor stipulated above in paragraph 2 (b), he/she may be fined from 5.000 CZK to 250.000 CZK for such a misdemeanor. If a person who used to be a public official violates

the prohibition stipulated in Section 6 of the Act on Conflicts of Interest, he/she may be fined from 25.000 CZK to 500.000 CZK.

If a public official commits a misdemeanour stipulated above in paragraph 1(f), it is also possible to impose him/her a reprehension.

#### **1.1.6 Description of training or advisory services to public officials regarding relevant conflicts of interest regulations**

From Section 14b (3) of the Act on Conflicts of Interests follows the obligation for the so-called supporting bodies (their exhaustive list is included in Section 14b (2) of the Act on Conflicts of Interests) to inform the public official immediately after making a record into the Central Register of Declarations about the record, as well as to inform him/her about his/her obligation to submit a relevant notification (entrance or final – see more in Chapter II 1.2.1) within a stipulated time limit.

Furthermore, in order to facilitate and unify the procedures of notifications by public officials pursuant to Sections 9 to 11 and 12 (4) of the Act on Conflicts of Interests, a Methodology for Public Officials has been worked out which is publicly accessible on the Ministry of Justice's website.

Likewise, a public official may contact the Ministry of Justice directly (by telephone, e-mail, via a data box or through a postal service operator) with any question or query.

#### **1.1.7 Description of public access to information on government processes in which there is a higher risk of conflict of interest between the interests and activities of a public official and the particular type of government process**

All processes of the government in general are described in its Rules of Procedures available online at <https://www.vlada.cz/cz/ppov/lrv/dokumenty/jednaci-rad-vlady-91200/> (in the Czech language only). The issue of conflict of interests with respect to government processes falls also under the Act on Conflict of Interests.

#### **1.1.8 Description of the specific duties and responsibilities of the specialized staff or bodies given responsibility to strengthen transparency and prevent conflicts of interest in government**

At the Office of the Government, a Unit for Fight against Corruption exists which focuses also on the issue of conflict of interests (as part of its other activities, it is no specialized body). A special Department for Conflict of Interests exists at the Ministry of Justice which is responsible for most of the activities described in this document.

#### **1.1.9 Description of the institutional structure and procedures to oversee the compliance with conflict of interest legislation and apply respective sanctions**

Anyone on the part of the public has the opportunity to turn to the Ministry of Justice and to disclose to it the facts that indicate the untruthfulness or incompleteness of the information contained in the notifications registered in the Central Register of Declarations. The Ministry of Justice will then investigate the facts stated in the communication and, on the basis of the information available to it:

- (i) **assess the communication as unfounded** (ie. it does not itself identify facts indicating the untruthfulness or incompleteness of the information given in the notification of a public official), or

- (ii) **evaluate the communication as well-grounded and forward it** with all necessary supporting documents **to the body responsible for dealing with misdemeanors in the area of the conflict of interests** (depending on the nature of the misdemeanor, such a body may be the Office for Personal Data Protection or a municipal authority of a municipality with an extended jurisdiction).

If the Ministry of Justice concludes that there is a substantial disproportion between the property values acquired by a public official during the performance of his/her office and his/her income, it shall refer the matter to the Financial Administration for further proceedings pursuant to Section 38x et seq. of the Act No. 586/1992 Coll., on Income Taxes, as amended.

If the Ministry of Justice finds the facts indicating that a criminal offense has been committed, it shall notify them in accordance with Section 8 of the Act No. 141/1961 Coll., the Criminal Procedure Code, as amended, to a public prosecutor or police authorities. The Ministry of Justice is authorized to carry out the above-mentioned inspection activities also on its own initiative.

In case of verifying the facts indicating the untruthfulness or incompleteness of the information provided in the notifications by judges, such an activity is undertaken by the Supreme Court, proceeding analogically to the procedure of the Ministry of Justice. Unlike other public officials, however, judges are not liable for a breach of obligations stipulated by the Act on Conflicts of Interest. Therefore if a violation of a notification obligation by a judge is detected, only a petition to initiate disciplinary proceedings on the disciplinary liability of the judge concerned can be filed under the Act No. 7/2002 Coll., on proceedings in matters of judges, public prosecutors and court bailiffs, as amended.

#### **1.1.10 Description of the measures aimed at preventing conflicts of interest concerning former public officials in private entities, such as**

It is a limitation stipulated in Section 6 of the Act on Conflicts of Interests (see Chapter 1.1.3.6).

#### **2. Please outline the actions required to ensure or improve the implementation of the measures described above and any specific challenges you might be facing in this respect**

As the new amendment to the Act on Conflicts of Interests has been effective only from 1 September 2017, we have not yet evaluated its functioning. The review of the effectiveness of the regulations in the area of conflict of interest is planned for 2 years after the act No. 14/2017 Coll. comes into force. By this time, the necessary knowledge and statistical data from the area of conflict of interest should be available

#### **3. Do you consider that any technical assistance is required in order to allow you to fully implement this provision? If so, what specific forms of technical assistance would you require?**

We have not identified any need for technical assistance in this sense at the moment.

### **II - Information requested from States parties in relation to asset and interest disclosure (art. 8, para. 5)**

**1. Please describe (cite and summarize) the measures your country has taken, if any, (or is planning to take, together with the related envisaged time frame) to ensure full compliance with article 8 (5) of the Convention, and in particular to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials. Information sought may include:**

**1.1 Description of the objectives of the declaration system applicable to public officials (prevention of conflict of interest, illicit enrichment, or both [dual system]).**

Pursuant to Section 11 (5) of the Act No. 2/1969 Coll., on the Establishment of Ministries and Other Central Authorities of the State Administration of the Czech Republic, as amended, the Ministry of Justice has become as of 1 September 2017 the Central State Administration Authority for the conflicts of interest. Pursuant to Sections 13 (1) and 14 (1) of the Act on Conflicts of Interests, as of the same date it has also become the Central Registration Authority for Notifications by public officials and the Central Register of Declarations administrator.

On the basis of the Act on Conflicts of Interests, the Central Register of Declarations has been established as an information system of the public administration in terms of the Act No. 365/2000 Coll., on Public Administration Information Systems which the Ministry of Justice uses for exercising of the public authority in the field of conflicts of interests. Also, to the Central Register of Declarations specific conditions for the creation and operation of information systems apply contained in the Act No. 181/2014 Coll., on Cyber Security. The published personal data are maintained in the Central Register of Declarations in a manner that disabling their automating storage in the Internet search engines (indexing).

This model has replaced the previously existing around 6500 registries that had maintained local registers of notifications. In its registering activities, the Central Register body (the Ministry of Justice) concentrates primarily on controlling whether public officials have filed the respective declarations within a given time limit and afterwards on controlling the truthfulness and completeness of the information notified. For these activities, the Central Register body uses other registers and information systems of public administration as well. The findings of possible violations by public officials are sent by the Central Register body to bodies dealing with misdemeanors (municipal offices of municipalities with an extended jurisdiction and the Office for Personal Data Protection).

In addition to its own registration and control activities, the Ministry of Justice, as the central state administration body for the conflicts of interests, shall also provide methodological support to public officials, subsidiary bodies and misdemeanor bodies that have been absent in the previous (effective until 31 August 2017) system of the conflict of interest control.

**1. 2 Where such a declaration system is in place, you may wish to provide information on the following**

**1.2.1 Types (categories) of public officials required to make declarations and approximate total number of persons submitting declarations**

For the purpose of the Act on Conflicts of Interests, the term public official is understood to mean:



- **Section 2 (1) of the Act on Conflicts of Interests**

- a) member of the Chamber of Deputies of the Parliament of the Czech Republic (hereinafter only the “Deputy”),
- b) member of the Senate of the Parliament of the Czech Republic (hereinafter only the “Senator”),
- c) cabinet member or any director of a central public administration office not headed by a cabinet member,
- d) assistant of the cabinet member or assistant of the Minister of the Interior for Public Services
- e) head of the Office of the Chamber of Deputies, head of the Office of the Senate, head of the Office of the President of the Czech Republic
- f) inspectors of the Office for Personal Data Protection,
- g) the president of the Czech Office for Standards, Metrology and Testing,
- h) member of the Council of the Czech Telecommunication Office,
- i) member of the Council of Czech Office for Energy Regulation
- j) member of the Bank Board of the Czech National Bank,
- k) president, vice-president and member of the Supreme Audit Office
- l) head or member of the Office for the Supervision of the Finances of Political Parties and Movements
- m) the ombudsman and his deputy,
- n) member of the Council for Radio and TV Broadcasting,
- o) any member of a Regional Council or any member of the Metropolitan Authority of the Capital City of Prague (hereinafter only the “Region”), who has been released for the performance of office for long-term, and member of a Regional Council who has not been employed before being elected a member of a Regional Council, but performs function to the same extent as a member released,
- p) member of a municipal council, town council or local council of a territorially subdivided chartered town or local council of the Capital City of Prague, who has been released for a full-time performance of office, and member of a local council who has not been employed before being elected a member of a local council, but performs function to the same extent as a member released,
- q) municipal mayor, vice-mayor and any municipal or regional councilor, who were not released for a full-time performance of office.

The obligations specified in this Act shall apply to the persons listed in Section 2 (1) of the Act on Conflicts of Interests, including the obligation to always provide a declaration.

- **Section 2 (2) of the Act on Conflicts of Interests**

- a) director of the security forces and leading member of the security force on 1st and 2nd management levels under a special law on security corps, with the exception of members of the intelligence services,
- b) member of a statutory body, managing body, supervisory or controlling body of any corporation established by law, state contributory organization, contributory organization of a territorial self-governing body, with the exception of members of the boards of public universities and the statutory body or members of the statutory body, members of the management, supervisory or control body of self-governing professional organizations established by law,
- c) senior employee of 2nd to 4th management level under special law of a legal entity established by law, state contributory organization, contributory organization of a territorial

self-governing body, with the exception of legal entities performing activities of a school or school facility,

**d)** head of state organizational units, which is an administrative office and 2nd to 4th management level under special law of state organization unit with exception of the intelligence services,

**e)** head official of territorial self-governing body participation in the execution of administrative activities assigned in the office of local authority, municipal authority, metropolitan authority of a chartered town or a territorially subdivided chartered town, office of metropolitan district or office of metropolitan district of a territorially subdivided chartered town, to regional authority, Municipality of Capital City of Prague or office of a metropolitan district of Capital City of Prague.

**f)** judge,

**g)** public prosecutor,

**h)** serviceman of the lieutenant colonel rank and higher military rank with exception of the intelligence services

**i)** head of the Public Research Institution under the Act on Public Research Institutions

The obligations specified in this Law shall always apply to the persons listed in Section 2 (2), with the exception of the obligation to provide a declaration only if such persons as a part of their official duties:

a) handle financial means of public administration authorities as transaction principals within the meaning of the Act on Financial Control, if the value of the financial transaction surpasses 250.000 CZK,

b) participate directly in the preparation of public tenders, or realization in the exercise of the rights and obligations of contracting authorities in implementing awarded public contract,

c) decide in administration proceedings, with exception of infractions proceedings,

d) participates in criminal prosecution.

As of 17 April 2018, more than 38,000 public officials are registered in the Central Register of Declarations.

### **1.2.2 Information that must be declared (assets, outside activities and employments, positions in companies, other associations, gifts and other benefits, liabilities, etc.)**

In relation to Central Register of Declarations, every public official has one elementary obligation – to provide, in the form of affirmations, declaration of his/her activities (Section 9 of the Act on Conflict of Interests), declaration on assets (Section 10 of the Act on Conflict of Interests), declaration on income, gifts and liabilities (Section 11 of the Act on Conflict of Interests).

Every public official has the obligation to present these declarations in the form of a so-called „entrance declaration“ (Section 12 (1) of the Act on Conflict of Interests), interim declaration (§ 12 (2) of the Act on Conflict of Interests) and final declaration (§ 12 (3) of the Act on Conflict of Interests), to the extent and under conditions specified in the Act on Conflict of Interests and in other special legal regulations.

i) **Entrance declaration** shall be presented by the public official not later than 30 days following the registration day. In this case, the public official presents all the relevant activities he/she has been performing as of the day of the commencement of performance of the function, declaration of assets he/she owns as of the day preceding the day of the commencement of performance of the function, and declaration of unsettled financial liabilities he/she has as of the day preceding the day of the commencement of performance of the function.

ii) **Interim declaration** shall be presented by the public official by 30 June of each following calendar year. In this case, the public official presents all the liabilities as of 31 December of the calendar year to which the relevant declaration relates, other assets, performed activities and financial incomes acquired during the term of office.

iii) **Final declaration** shall be presented not later than 30 days following the end of his/her term of office. In this case, the public official presents all the relevant activities, assets, income or other benefits acquired during the term of the office and which he/she has not yet presented in an interim declaration, and unsettled financial liabilities; all these facts are submitted as of the day of the end of his/her term of office.

A public official is obligated to submit the above-mentioned declarations even if the facts specified in Sections 9 to 11 of the Act on Conflict of Interests do not occur (a so-called **negative declaration**).

### **1.2.3 Required frequency of declarations**

See our answer to chapter II 1.2.2. and for declarations according to Section 8 of the Act on Conflict of Interests see chapter I 1.1.4.

### **1.2.4 How declarations are submitted (in paper format, electronically, in person) and the entities to which they are submitted**

All declarations are presented by public officials to the Ministry of Justice in an electronic form through the Central Register of Declarations, with the exception of judges who shall submit their declarations in a written form to the Supreme Court. A public official may submit a declaration into the Central Register of Declarations also by using a public administration Internet portal by means of a data message with a certified identity of the public official in a way allowing to sign him/her up into a data box.

The declarations are submitted in the form and structure specified in a Decree No. 79/2017 of the Ministry of Justice. For submitting individual declarations, there is a simple web form in the Central Register of Declarations containing elementary control functions regarding the truthfulness and completeness of the submitted information. The public officials have the option to save the semi-finished form and once completed, submit it through the Register to the Ministry of Justice.

This form of declarations is not registered in the Central Register of Declarations (it is registered at the relevant office at which the declaration has been submitted and it is always a part of the record.)

### **1.2.5 Availability of tools and advisory services that officials can use in order to comply with their disclosure-related obligations (guidelines for filling out forms, resources for learning about conflict of interest issues, resources for receiving tailored advice on specific conflict of interest situations, etc.)**

See chapter I 1.1.6. Furthermore, certain parts of the electronic forms contain helpful notes and explanations.

### **1.2.6 Whether information is declared on assets of public officials' family members or members of public officials' households and under which circumstances such information is provided**

In case of a declaration on assets, a public official shall present information concerning assets in his/her exclusive ownership, assets falling into matrimonial property or co-ownership, and he/she has an option to specify the type of ownership.

In the declaration on income, a public official shall not present the income to which he/she is entitled in connection with the performance of a public office, and the income of his/her spouse. The obligation to declare however concerns matrimonial property income; the public official has an option to include this fact in the declaration.

Furthermore, a public official presents unsettled liabilities crossing the legal limit, while the obligation to declare concerns matrimonial property liabilities as well.

### **1.2.7 What mechanisms are in place for ensuring compliance with the obligation to disclose**

It is ensured by the functioning of the Central Register of Declarations, pursuant to the Act on Conflict of Interests.

The Act on Conflict of Interests entitles anyone to search in the Register since the day after the time limit set for submitting the declaration (within the scope stipulated in Section 14b (1) and (2) of the Act on Conflict of Interests). The declarations stipulated in Section 2 (1) of the Act on Conflict of Interests shall be accessible to the public through a public data network without further conditions.

The declarations stipulated in Section 2 (2) of the Act on Conflict of shall be accessible to the public after a previous request addressed to the Ministry of Justice. The declarations of judges, public prosecutors, members of the Police of the Czech Republic and the members of the General Inspectorate of Security Corps are excluded from public access under the Act on Conflict of Interests.

### **1.2.8 Whether there is public access to any of this information**

The extent of access to the Central Register of Declarations, or rather of information accessible to the public is again stipulated by the Act on Conflict of Interests.

Within the declarations stipulated in Section 2 (1) of the Act on Conflict of Interests, all the presented facts of the declarations on activities, declarations on assets and declarations on income and liabilities are accessible to the public.

Within the declarations stipulated in Section 2 (2) of the Act on Conflict of Interests, all the presented facts of declarations on activities, declarations on assets, declarations on property and shares in corporate entities, and declarations on income are accessible to the public. The declarations on assets, specifically information on securities and registered securities or securities-related rights and information presented in declarations on liabilities are excluded from the public access.

In all cases, the public has access to the information in a negative declaration if it has been (at least partially) submitted, i.e. when the public official stated that he/she does not undertake no such activity, does not own any assets, does not have an income or liability.)

The information on the date and place of birth of the public official is excluded from the public access. The identification of property and any further information stated voluntarily are excluded from the public access as well (for example the address for service of documents).

### **1.3 Any mechanism in place to carry out the verification/monitoring of the content of declarations; including information on the verification mechanism, such as:**

#### **1.3.1 How many disclosures are verified?**

As of 3 April 2018, approximately 240 initiatives have been proceeded, being it both because of the non-fulfilment of obligations to submit an entrance or a final declaration, as well as for the reason of incompleteness of the declarations or their incorrect factual content.

#### **1.3.2 What triggers the verification process (complaints, routine verification/ex offo, notification from other institutions, random choice, etc.)**

See chapter I 1.1.9.

#### **1.3.3 What processes are involved in the verification/review process (checks for internal consistency, cross-checks with external databases, comparisons across years, identification of potential conflicts of interests, etc.)**

With regard to the launching of the Central Register of Declarations as of 1 September 2017 and to the progressive fulfillment of obligations of public officials to submit their declarations, the current controls focus particularly on the deadline for submitting the declarations.

Gradually, the controls are performed in terms of factual accuracy. For control purposes, the Ministry of Justice has also acquired an access to other registers and information systems of public administration (Section 14c of the Act on Conflict of Interests).

It is in particular:

- (i) basic population register,
- (ii) the population information system,
- (iii) an information system for aliens,
- (iv) Land Registry,
- (v) the Central Register of Road Vehicles,
- (vi) the basic register of legal persons, natural persons and public authorities,
- (vii) the business register; and

(viii) the trade register.

The controls are currently carried out, in particular, by comparing the information available from other relevant registers and information systems of public administration with the information stated in the declaration of a public official.

#### **1.3.4 What information can be accessed during the verification/review process (from public officials or public and private sector entities)**

The Ministry of Justice proceeds from the information included in the public notion, as well as from the information available in other registers and information systems (see previous chapter).

#### **1.3.5 What happens once irregularities are identified (potential conflicts of interest, unjustified variations of wealth, inaccurate information, etc)?**

If the Ministry of Justice concludes that a public official might have committed a misdemeanor, it shall submit the public notion with all the necessary documents to the authority competent to deal with misdemeanors in the area of conflicts of interests (which is the Office for Personal Data Protection or a local municipal authority with an extended jurisdiction, depending on the nature of the misdemeanor).

The competent „misdemeanor“ authority can also be addressed directly by any person from the public.

#### **1.4 Whether and to what extent the content of disclosures (in summary form or all information disclosed) or names of persons submitting declarations are made available to the public and other public sector entities and, moreover, how the information is made available (upon individual request, on-line, etc.).**

According to the Section 14 (4) of the Act on Conflict of Interests, in the Central Register of Declarations it is possible to search by the name and surname of a public official, by legal entities, their bodies or their organizational units in which the public official operates, by the function he/she occupies in the legal entity, its body or its organizational unit, and by the period for which the notification was filed.

For further information on availability, see chapter II 1.2.7 a chapter II. 1.2.8.

The requirements for a public notice are specified in Section 13 (4) of the Act on Conflict of Interests. The public notice shall contain in the case of a natural person the name or names, a surname, date of birth, permanent address and address for service of documents to the applicant and, in the case of a legal person, a business name or company name, its identification number, its registered office, and details of the natural person acting on behalf of a legal entity and its authority to act on behalf of a legal person). The public notice shall also contain the name or surname of the public official, or his/her function, and the legal entity or its organization unit in which the public official operates.

The public notice can be submitted by postal service, electronically via the electronic address of the registration authority, by a data box or directly through the Central Register of Declarations.

After the public notice is verified, the access data to the Central Register of Declarations are generated and transmitted to the person. The data are valid for 6 months from the date of their first use.

Furthermore, according to Section 14b (3) of the Act on Conflict of Interests, other entities have the access to the information to the extent necessary for the exercise of their competence, specifically:

- a) competent authorities to deal with misdemeanors specified in the Act on Conflicts of Interests,
- b) courts and public prosecution bodies
- c) intelligence services.

According to Section 18 (1) (q) of the Act on the Financial Administration of the Czech Republic, the authorities of the Financial Administration and of the Ministry of Finance have also the access to the Central Register of Declarations.

**1.5 Number of trained staff dedicated to collection, compliance, providing advisory services to officials, making disclosures publicly available, verification, sending referrals to other entities; what types of sanctions are available in the declaration system (for non-submission, actual conflict of interest, false statement, illicit enrichment, etc.**

We are not able to provide an exact number. The Department on Conflict of Interests of the Ministry of Justice has 17 systemized posts. However, the important partners of the Ministry of Justice are employees of other supporting bodies (approximately 6500 supporting bodies) and employees of misdemeanor bodies as well.

**2. Please outline the actions required to ensure or improve the implementation of the measures described above and any specific challenges you might be facing in this respect.**

The Ministry of Justice has become the central public administration office for the conflicts of interests as of 1 September 2017. The review of effectiveness of the regulation in the area of conflicts of interests is planned in two years from that date. It can be noted that the Ministry of Justice has already identified certain deficiencies, for example in the case of the exercise of the controlling powers with regard to the factual accuracy and completeness of presented declarations.

The declaration of public officials is designed in the form of statutory declaration and certain facts cannot be verified by the Ministry of Justice (for example: (non)stating the money on a bank account, the cash money, certain movable assets – example – collection of paintings, antiques).

We would like to improve the comfort for the users of the Central Register of Declarations, namely by the automation of selected tasks (for example in the area of automatically sent selected messages – for example on a registration of a public official, by an intensified connection of this system with other informative systems (e.g. Land Registry).

For the sake of completeness, we add that the Chamber of Deputies of the Parliament of the Czech Republic is currently discussing the amendments and other proposals to the parliamentary bill proposed by several deputies to amend the Act on Conflict of Interest. The proposal aims, in particular, to the reduction of administrative overload of public officials in case of declaring the immovable property, namely the possibility to connect the Central Register of Declarations with the Land Registry. In addition, the proposed changes aim to extend the group of public officials whose declaration shall be made accessible to the public on the basis of a previous public notion, as well as by enhancing the protection of the privacy of local politicians and selected regional politicians in terms of the extent of his/her data accessible to the public.

Further information can be found here (in the Czech language only): <https://www.psp.cz/sqw/text/orig2.sqw?idd=134780>. On 17 April 2018, the relevant proposals were put in the proceedings of the Constitutional and Legal Committee of the Chamber of Deputies. They were then submitted to the third reading which took place on 20 April 2018.

**3. Do you consider that any technical assistance is required in order to allow you to fully implement this provision? If so, what specific forms of technical assistance would you require?**

We have not identified any need for technical assistance in this sense at the moment.