

The National Report of the Czech Republic for the Third United Nations Conference on Housing and Sustainable Urban Development



THIRD UNITED NATIONS CONFERENCE ON HOUSING AND SUSTAINABLE URBAN DEVELOPMENT (HABITAT III)

I. Urban Demographic Issues and Challenges for a New Urban Agenda

Managing rapid urbanization

Rapid urbanization is a direct result of rapid (and jump-like) changes in the social and economic environment in the society. In the Czech Republic the problem of rapid urbanization is not as apparent as in the countries of Southeast Asia or Central and South America (e.g. no slums emerge in the Czech Republic). In principle, however, the causes are similar albeit less acute; i.e. migration of the population to cities and the pressure for rapid implementation of business and other projects, which can be seen mostly in the vicinity of large cities. The outcome is expansion of the area that is difficult to manage – suburbanization, or urban sprawl, as a form of suburbanization particularly undesirable from an economic, social and environmental point of view.

Generally, the problems that were defined at the beginning of the Habitat Agenda of 1996 are now even more urgent. Despite this hardly encouraging finding, a number of partial successes can be mentioned.

The new Building Act has been in effect in the Czech Republic since 2007, incorporating principles that help solve some of the current pressing problems associated with rapid urbanization. The new legislation, among other things, restricts the possibility of uncontrolled development of settlements that do not have relevant planning documentation, supports broader participation of the public in the territorial development planning process and extensive cooperation between the state administration, local governments and the public, and pays attention to supporting sustainable development of a given area, including settlements. There are also extended possibilities of how to defend against deficiencies in the spatial planning process, both in relation to the territorial development plans as well as the possibility to defend property rights, especially by taking the case to the court.

The above-mentioned measures make it possible to have more control over the impacts of rapid urbanization on the area and to expand the range of defences and remedies.

Despite all the efforts to achieve improvements, there are still many serious practical shortcomings in this area. We are not successful in taking full advantage of the possibilities of urban development within the built-up area, thereby alleviating pressure on urban development outside city limits. This includes primarily the use of redevelopment areas and brownfields. This situation is caused by various political and private interests and pressures, lack of motivation on the part of municipalities to use these areas, much more difficult and time consuming project implementation

in these areas and, last but not least, the longer development approval process for these areas. There is room for further steps to improve the situation, both in the area of legislation and in the work of local authorities.

In practice, there were also problems caused by cases of challenging planning documentation in court. It is a new element in the Czech legal system and therefore the decision-making of individual courts in these cases is inconsistent and hardly predictable, as regards both the outcome and the duration of the proceedings. This may result in projects focusing on less conflicting areas, i.e. in most cases outside the administrative areas of large cities, but close to them, which carries a significant potential for undesirable suburbanization.

It also appears that the relatively rapid migration of population to large cities brings along some problems that have not been addressed so far. This involves especially young people, who find jobs more easily there. In addition to significantly increased demand for housing, including family housing in peri-urban areas, the demand has increased greatly for places in pre-school and school establishments whose capacities are absolutely insufficient.

When implementing business and other projects in an area, it is not always possible to meet the conditions of the planning documentation, which more or less distorts the originally proposed concept of territorial development. What is especially at stake in these cases is maintaining the continuity of the crucial concepts of territorial development, i.e. reducing their dependence on political and other pressures.

Managing rural-urban linkages

The specificity of the Czech Republic is significant diversity of settlement, high degree of fragmentation of rural settlements, few large cities and an important role of small and medium-sized towns. A prerequisite for creating efficient territorial networks is harmonious and balanced territorial development and reduction of disparities between regions. Balanced polycentric development can be realistically achieved by strengthening the partnership and cooperation between the rural areas, their micro-regional centres and towns, by increasing the accountability and sustainability of landscape, soil, forest, and water management and by supporting specific values offered by towns and villages.

The Czech Republic supports projects preventing migration from cities, strives for regional and supra-regional accessibility, infrastructure modernization, greenery planting and care. It helps develop sustainable tourism at the regional and local levels, promotes sound land use, organic farming, local food production and comprehensive landscape management. Further efforts are aimed at supporting diversification of economic activities, entrepreneurship, revival of traditional crafts and production industries in rural and peripheral areas. Attention is paid to the protection of undeveloped land and preference is given to the use of redevelopment areas to “greenfield” development. Excessive expansion of settlements (the so-called “urban sprawl”) should be avoided by efforts aimed at renewed utilization of existing facilities. An important task is ensuring high-quality and affordable housing for all residents and creating enough jobs.

The most controversial part of urban expansion into the countryside is suburban development which extends into open landscape in the form of independent “satellite” settlements outside of the existing rural settlements. When non-residential suburban development extends into open landscape, it is mainly

shopping, manufacturing and warehousing facilities. Non-residential and residential suburbanization located in open rural landscape is generally a functional part of a city or urban agglomeration.

In addition to the urban sprawl trend, there is a trend of decreasing job opportunities in rural areas. Unemployment is a serious problem in rural communities. The formerly independent municipalities have become residential settlements dependent on the neighbouring towns. The vast majority of economically active population commute to work. Daily commuting is related to transport accessibility of cities. The situation regarding the operation of basic civic amenities is similarly complex.

Rural municipalities thus show visual signs of originally rural settlements, but lack the necessary job opportunities and social structure. The current transformation of villages and the emergence of suburban settlements calls for a more fitting designation; they can be identified as either subrural or suburban. Both types represent a transition between rural and urban communities.

The processes of settlement structure development and economic land use are linked to the development trends in rural landscape. Strong suburbanization trends in the interest areas of towns and agglomerations have a corresponding impact on the landscape. Even landscapes not significantly affected by urbanization and suburbanization trends in cities and agglomerations show noticeable changes in landscape structure and appearance. These changes that are reflected in the traditional landscape appearance are also caused by changes in the economic use of landscape, especially in agriculture.

The basic principle of rational use of agricultural land resources is the development of sustainable landscape management. It is necessary to systematically regulate the urbanization and suburbanization trends, even in the development of technical and transport infrastructure, to reduce landscape segmentation by linear structures, and to protect the landscape character, the aesthetic, cultural and historical values of settlements and landscapes.

Spatial planning as well as micro-regional studies may initiate some options; the initiative must further continue in the form of action plans, active management of the municipality or a larger cooperating unit – a union of municipalities.

Addressing urban youth needs

Modern youth policies lay down particularly the following objectives:

- Creating more opportunities for young people in terms of education and employment;
- Improving inclusion and full participation of the entire young population in decision-making processes in the society and strengthening solidarity between the young generation and the society as a whole.

The youth policy in the Czech Republic is based on maximum cooperation with other partners and ministries dealing with any of the areas relating to the lives of young people. Another principle is setting the individual measures of the youth policy based on verified data from surveys and analyses and also based on direct consultations with young people.

The “2020 Youth Strategy of the Czech Republic for 2014-2020” reflects the needs of young people especially in the areas of youth education, employment and entrepreneurship, culture and creativity, participation, health and healthy lifestyle,

social inclusion and volunteering. The strategy is fully compatible with the European framework where, on the basis of the current knowledge on the situation of the youth, there are three general and interconnected objectives closely related to the social agenda:

1. Creating more opportunities for the youth in education and employment;
2. Improving young people's access to decision-making processes and promoting full participation of young people in the life of the society;
3. Promoting mutual solidarity between the society and young people, including intergenerational dialogue.

Children and young people are an integral and dynamically developing part of the Czech population. According to Eurostat statistics as at 1 January, 2013, there were 4.9% young people aged 15-19, 6.3% young people aged 20-24 and 6.8% young people aged 25-29 in the Czech Republic; a total of 17.9% people aged 15-29. A similar situation in terms of percentage of young people in the population as in the Czech Republic is also in Bulgaria, Luxembourg, the Netherlands, Austria and Finland. Eurostat indicates that as at 1 January, 2013, the unemployment rate among EU youth aged 15-24 years was 23.3%, of which 27.1% were long-term unemployed.

Responding to the needs of the aged

In 2013, the government approved the "National Action Plan Supporting Positive Ageing for 2013-2017" (hereinafter the "NAP"). This is a strategic document summarizing the whole issue of ageing population. The priorities and measures contained in the NAP cover areas important in terms of quality of life of seniors and ageing population and involve not only the Ministry of Labour and Social Affairs ("MoLSA"), but also other ministries and other entities. Implementation of the strategy will make it possible to cope with demographic ageing of the population and will contribute to changing the attitude of people and the whole society towards ageing.

The Czech Republic understands active ageing as a lifelong process – the responsibility for one's life and preparation for ageing throughout lifetime – from family upbringing, preparation for employment at school, education and active approach during the working process. The document is often used by non-profit organizations and other entities as a base for their activities when applying for grant programs. It touches all areas related to addressing issues of the senior population, such as ensuring and protecting human rights of elderly persons (raising public awareness about the needs of elderly people and increasing public openness to their needs in order to improve their fulfilment, ensuring protection of elderly people against discrimination and any manifestations of indignity, cruelty and abuse, strengthening their independence and possibilities of protection and enforcement of their rights), lifelong learning (creating a functional system of further education which will be attractive to both employers and employees and will match the demand for labour, streamlining the system of further education in relation to the labour market and strengthening cooperation and coordination for the development of the concept of lifelong learning in all areas of society), employing elderly workers and seniors in relation to the pension scheme (providing the public with quality information about the pension reform and the opportunities for work in combination with benefits from the pension system, extending the working career and motivating workers to delay retirement through modifications of legislative conditions and stressing the concept

of “Age Management” in the workplace and combating age discrimination), volunteering and intergenerational cooperation (strengthening stable intergenerational relations and cooperation within the family, community and entire society), high-quality environment for the life of seniors (infrastructure, civic amenities), healthy ageing, care for the most vulnerable seniors with limited self-sufficiency, etc.

Achievement of the NAP objectives is regularly evaluated in cooperation with other ministries and regions. An annual summary report is submitted to the government by 30 June.

Support of social housing aimed, among other things, at the elderly from the Ministry of Regional Development’s budget is currently provided under the “Support for the Construction of Subsidized Flats” subprogram. CZK 200.86 million are earmarked for its implementation from the Ministry of Regional Development’s 2014 budget. The support is aimed at creating subsidized flats in the Czech Republic to provide social housing to people with restricted access to housing due to special needs resulting from their adverse social situation – age, health condition or social circumstances of their life (hereinafter the “target group”). The beneficiary is a natural person – entrepreneur or a legal entity (including municipalities). The subsidy is provided in accordance with the *de minimis* rule. The rent in subsidized flats is regulated.

Nursing homes (one of the two subsidy schemes) serve for providing social housing to persons from the target group, ensuring or increasing their self-sufficiency and independence and at the same time allowing for effective provision of field social care services. All nursing homes must be convertible, i.e. they must meet the basic requirements for barrier-free use. The subsidy amounts to CZK 600,000 per flat. The target group consists of persons in adverse social situation whose reduced self-sufficiency is caused by age (seniors aged 70+) or of persons with disabilities.

European structural and investment funds cannot be used for housing for the elderly (it is only possible on the territory of a municipality with extended powers where there is a socially excluded locality). Focus of the housing support on the elderly is therefore based on a national program and fully coincides with the analytical part of the Housing Policy Concept which reads: “With the increasing proportion of elderly people in the society, there is increasing need for flats adjusted to provide safe space for people with decreasing self-sufficiency. This involves removal of basic structural and technical barriers.”

Integrating gender in urban development

Active and systematic promotion of equal opportunities for women and men has been part of the government policy since 1998 when the Czech government adopted the first programming document in this area. The theme of equal opportunities has become an integral part of the Czech government policy both internally and in foreign relations.

The Czech legal system contains relevant legislation for the prevention of discrimination on grounds of sex in the Constitution and in international conventions such as the International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, the Convention on the Elimination of All Forms of Discrimination against Women or the European Convention on Human Rights and the European Social Charter. Legislation

prohibiting discrimination on grounds of sex is enshrined in particular in the anti-discrimination act, which allows citizens to defend themselves against discrimination.

A precondition for equal status of women and men in the society is the consistent application of anti-discrimination legislation. The Czech government, however, recognizes the negative effect of persisting gender stereotypes about the role of women in society. For this reason, in addition to legal protection, the main feature of the government policy is also prevention and education of the society as a whole in the area of gender equality and tolerance as well as systematic implementation of gender mainstreaming at all levels of state administration.

In 2001, the Czech government established the Council for Equal Opportunities for Women and Men as their permanent advisory body on gender equality. The Department of Equal Opportunities for Women and Men, which was created at the MoLSA, acts as the Council's secretariat. The Department of Equal Opportunities for Women and Men also plays the role of the national coordinator of the agenda of equal opportunities for women and men at the government level.

The main mission of the Council is to discuss and recommend to the government policy guidelines for promotion of equal opportunities and to coordinate departmental policy in this area. The Council also sets priorities for ministerial projects to support implementation of equal opportunities for women and men and evaluates the effectiveness of the introduction of the principles of gender equality. The Council is composed of representatives of ministries at the level of deputy ministers, representatives of the social partners, civil society and experts. The representation of the government and civil sectors in the Council reflects the principle of parity.

The Council has four committees which serve as specialized bodies in the field of gender equality. These include:

- The Committee for the Prevention of Domestic Violence;
- The Committee for the Institutional Safeguarding of Equal Opportunities for Women and Men;
- The Committee for the Reconciliation of Professional, Private and Family Life;
- The Committee for the Balanced Representation of Women and Men in Politics and Decision-making Positions.

The Council participates in the preparation and implementation of the priorities and procedures for the promotion of equal opportunities for women and men. This document is an action plan approved by the government of the Czech Republic and is revised annually. The document assigns tasks to individual ministries to systematically promote gender equality.

Another part of the institutional safeguarding of equal opportunities for women and men is the establishment of the Gender Equality Unit. Since the adoption of the Anti-Discrimination Act in 2009, this role is fulfilled by the Ombudsman in the Czech Republic. Anyone who feels discriminated on grounds of sex may contact the Ombudsman for help. His/her mission is to carry out independent studies and prepare reports on discrimination on grounds of sex or other types of discrimination.

Challenges experienced and lessons learnt in these areas

With regard to the facts mentioned in Chapter I(1), the following serious challenges

experienced in the current practice in this area having direct or indirect negative impact on urbanization can be listed:

- Insufficient utilization of existing built-up areas, especially redevelopment areas and brownfields, for development and improvement of the urban environment;
- Shortcomings of the new concept of building law found in practice (especially its excessive complexity and little clarity for the general public) and insufficient experience with its implementation in the spatial planning practice, in decision-making processes in courts and in civil society;
- Relatively rapid migration of population to large cities and the related problems associated, among other things, with rapid urbanization;
- Urgent need for provision of social housing guaranteed by public administration for the growing group of the underprivileged;
- Insufficient motivation of investors to locate their project plans in appropriate areas and in accordance with the concept and conditions set forth in planning documentation;
- Significant dependence of the fundamental concepts of territorial development on political and other pressures and the resulting difficulty in achieving their long-term sustainability.

It is necessary to promptly start finding, analyzing and removing causes of these problems.

The current young generation often prefers focusing on their own ego, on themselves as reflected through senses. Their inner world is depleted (ideas, thoughts, transcendent dimension) and this depletion is one of the reasons for their growing interest in illegal drugs. The importance of economic prosperity, career as means of acquiring property, material values and sensual life and its experiences, including drugs, is growing. On the other hand, the importance of the quality of life in competition with the sensual life and material values is decreasing. The importance of responsibility for others in competition with responsibility also for others is decreasing, but at the same time, the importance of self-improvement and the transcendent dimension of life and ideas is decreasing. The importance of property and leisure-time activities according to interests and hobbies is continuously growing. Conversely, particularly the importance of "being helpful to others" but also the importance of peace, environment and community activities is decreasing. The importance of democracy is also decreasing as a result of the experience with our political system, political culture and the citizen's position in this system.

The traditional electronic media and new technologies – personal computers, Internet, mobile phones and multimedia – are phenomena that substantially form the current generation of young people. Activities associated with the computer along with watching television are the most frequent leisure-time activities of today's youth. The dominant leisure-time activity is watching TV. 76% of young people watch television every day. People are spending more and more time with the media, satisfying more and more of their needs through these media, and more and more activities have a media-related and virtual character. Youth is not endangered by just a few selected socio-pathological effects. Tolerance to drugs and rejection of the repressive approach increased in the same youth groups in 1993-2005. Research shows clear trends of young people perceiving politics and civic engagement increasingly negative.

The Council of European Municipalities and Regions (CEMR) with support from the European Commission launched a new project in 2005-2006 and created a “European Charter for Equality of Women and Men in Local Life”. The Charter is addressed directly to local and regional authorities of Europe which are invited to sign it and thus publicly formally commit to the principles of gender equality and the implementation of the obligations set under the Charter to the extent of their territory. In the Czech Republic, the Union of Towns and Municipalities of the Czech Republic participated in the creation of the Charter.

Future challenges and issues in these areas that could be addressed by a New Urban Agenda

It can be assumed that in the future we will come across some of the manifestations of rapid urbanization. Some of the future challenges are stabilization of the environment and standardization of procedures for territorial development planning, removal or restriction of factors confusing, restricting or hindering this process and directly or indirectly causing some negative phenomena in an area, including rapid urbanization, whether in terms of legislation, public participation in decision-making, court decision-making or decision-making of public administration or local authorities, or limitation of corrupt environment.

It is expected that despite the current surplus of flats in cities and the relative stagnation of the population, there will be continued demand for additional, refurbished, or new flats in the Czech Republic. The structure of the needed housing stock will probably change. In the context of an ageing population and the increase in households inhabited by only one person, the need for smaller, but fully-equipped flats will increase. The current already high demand for social housing, which is available to a limited extent and quality, will also grow and its development and operation will have to be guaranteed especially by municipalities in the future. Housing construction will have to be ensured including adequate amenities, avoiding negative manifestations.

We can also continue to expect the pursuit of placing new, particularly large business projects on the “green field”. In this regard, the priority will be to offer suitable locations for these activities, including redevelopment and brownfield sites within built-up areas, in accordance with the development concept of a given settlement, and at the same time to encourage their use by motivational incentives, including conditions for rapid decision-making on the project’s location.

Organization of leisure-time activities for children and young people and provision of a sufficient variety of options to fill free time is considered an important issue that needs solving in the future. In practice, there are five types of organizations that offer leisure-time activities – non-governmental organizations, sports clubs, school facilities for informal education, interest circles in schools and commercial entities. Future challenges may therefore include support for organizations aimed at leisure-time activities that play an important role particularly in cities with a high degree of anonymity and are part of the crime and drug prevention programs.

II. Land and Urban Planning: Issues and Challenges for a New Urban Agenda

Ensuring sustainable urban planning and design

Urban planning in terms of spatial planning in the Czech Republic is regulated by

the Building Act. Planning in cities and municipalities is ensured by means of planning documentation at the municipal level, i.e. issuance of a local plan (for the entire area of the municipality) or a regulatory plan (for a part of the municipality). A regulatory plan must be consistent with the local plan, if issued; otherwise a regulatory plan can be drafted if the existing character of an area is preserved. Issuance of a local plan and a regulatory plan is optional, depending on the decision of the municipal council. Based on this decision, specifications are elaborated. In defined cases, the specifications are assessed in terms of environmental impact.

In defined cases, the draft planning document also includes assessment of environmental impacts, assessment of the impact on sustainable development of the area and assessment of the impact on sites of European importance or special protection areas. The assessment usually involves evaluation of the impact on public health.

The public is allowed to participate in commenting the documents being prepared. In the field of spatial planning, the right of citizens is ensured by the possibility to initiate creation and modification of binding documents and to submit comments and participate in public hearings. Participation is open to anyone; citizens may also be represented by an authorized representative of the public. The law defines the method of publishing documents, including requirements for a method enabling remote access (via the Internet).

The quality of document processing is ensured by the fact that under the Building Act the author of the document may only be a person authorized to perform such activity under a special legal regulation. Also, officials carrying out spatial planning tasks (the so-called procurers) must meet the qualification requirements specified for this type of activity by the Building Act.

Planning analytical materials, surveys and analyses, planning studies, municipal development programs, integrated urban development plans and other relevant documents are used when preparing planning documentation.

The local plan lays down mainly the basic concept of municipality development and protection of its values, the urban design, landscape layout and the design of public infrastructure. The regulatory plan for the concerned area lays down detailed conditions for the use of land, location and arrangement of structures, protection of the values and character of the area and creation of a good living environment.

The exact content of the specifications, the content of the local plan and the regulatory plan, the method of processing, discussion and publication is determined by the Building Act and its implementing regulations.

Spatial planning has a long tradition in the Czech Republic. Since 1996, when the national register of planning documentation was created, the number of municipalities with valid planning documentation has been over 90%. As for large and medium-sized cities (50,000+ residents), the coverage by local plans is 100%.

Improving urban land management, including addressing urban sprawl

The need for improved urban land management and protection of undeveloped land is legally enshrined in the Building Act, which stipulates that "Spatial planning in the public interest ... determines the conditions for effective use of the built-up area and ensures protection of undeveloped land and land where building is not permitted..." (S. 18(4)), while protection of undeveloped land is largely rooted in S. 18(5).

Another legislative measure is the need to prove the impossibility of the use

of already defined developable areas upon each new request for a developable area (S. 55(4) of the Building Act). The Act stipulates that additional developable areas can only be defined by changing the local plan based on proved impossibility to use already defined developable areas and the need for definition of new developable areas.

Protection of undeveloped land and improvement of urban land management are communicating vessels. The use of derelict and unused areas for new or more intense development or for a new way of utilization helps in turn reduce the need for continuous expansion of developable areas.

In terms of urban design, the main task is the optimal solution of the local plan concept with the aim not to expand (if possible) developable areas and to consistently use the existing built-up areas. Consistent protection of undeveloped land should lead investors to seeking other options rather than new requests for expansion of developable areas.

The main reserves in an area are e.g. devastated and abandoned industrial, warehousing or agricultural premises, individual buildings, abandoned military facilities and areas or undeveloped vacant lots and ruins in housing areas. These are areas with developed infrastructure but often also with environmental burdens (the so-called brownfields or blackfields).

One of the main problems is the constant demand for new housing areas, especially for family houses, even though the statistical data show that the overall number of inhabitants is not increasing. For many people, a family house is a symbol of success but also a good investment. Urban sprawl is generally considered the least sustainable form of spatial urban growth. Currently, the demand for family housing in the vicinity of big cities is falling, probably as a consequence of the economic crisis, but also as a result of the residents' return to cities and their dissatisfaction with the so-called developer urbanism.

Another problem is commercial suburbanization with the increasing area of paved and handling surfaces. This involves in particular development of large shopping and logistics centres. As for shopping centres, in the future it is necessary to require that parking facilities be placed under the shopping halls or on their rooftops, or as multi-level parking lots in separate buildings. This may reduce the use of agricultural land. It is necessary to ensure that investors are actively encouraged to do so already in the design phase.

Enhancing urban and peri-urban food production

Food production is one of the historically most important segments of the manufacturing industry in the Czech Republic. It accounts for less than 2.4% of GVA.

The food and beverage manufacturing sector in the Czech Republic is structurally wide, very complex with a significant share of small and medium-sized enterprises. Food manufacturing businesses process agricultural raw materials of domestic origin as well as produce of foreign origin (sea food, coffee, tea, etc.). The key industries include manufacture of other food products, meat processing, dairy production and bakery production. The only problem in this regard is the transfer of fat production abroad. In case of danger, the country does not have sufficient capacities in this field.

Economic efficiency of food production passes through an ongoing process of concentration of production capacities and peaking concentration of food stores.

We do not want to contribute to the reduction of small and medium businesses in the food industries. The state supports these categories within the framework of the “Support for Processing of Agricultural Products and Promotion of Competitiveness” national subsidy program and the “Adding Value to Agricultural and Food Products” measure from EU funds.

The main mission of the food industry is production of a wide range of healthy foods for all target groups of the population in the required quality. The food safety and quality control system is guaranteed by the state.

Excessive supply of food products on the market compared to demand does not require that self-governing bodies address shortages. Financially strong chain stores have become the determining link in the food vertical. They are decisive for setting price levels of food, the breadth of product portfolio, and gradually penetrate into actual food production – meat processing, production of delicatessen goods and bakery production.

The real problem is ill-conceived development of a network of stores or shopping centres with food production. Abandoned commercial and manufacturing buildings or facilities negatively affect urban functioning of communities.

Catering services provided at filling stations, sporting, cultural, retail and other facilities are a growing element in the structure of food supply. Despite considerable public interest, their conditions are often at the lower limit of sanitary or legal requirements. Their full integration is certainly a challenge for urban design.

The Czech Republic is aware of the need to interconnect the local primary agricultural production and the local manufacturing industry. Therefore, its projects support food production with higher added value, shortening of the food chain, whether it be through farmers’ markets, direct sales from farms, etc. A number of organic food producers also develop with the support of the state and their range of products is expanding.

Regional distribution of food production has an impact on employment in a given region.

It is clear from the above summary that we strive for a balanced relationship between the interconnection of local agricultural production and consumption and the process of food production concentration associated with higher economic efficiency. The tools used are not restrictive, but indirect incentives are used preferably.

Addressing urban mobility challenges

Urban development cannot be separated from regional development. EU policies view cities as an integral part and drivers of regional development. Revitalization and thoughtful programming of urban development have a regional character in this concept. Based on the good experience from the implementation of the initiative by the “URBAN” association, sustainable urban development was strengthened by fully integrating measures in this field into the operational programs financed from the European Regional Development Fund with an emphasis put on supporting local development and initiatives in the area of employment and innovative potential. The 2007-2013 programming period is the first one in the history of the EU cohesion policy when all cities may become potential beneficiaries of EU funding. A new financial engineering tool that can be used for implementation of programs relating to the development of urban areas is JESSICA (Joint European Support for Sustainable Investment in City Areas). It can be used to finance sustainable

investments, growth and job creation in the urban areas of the European Union with effective use of public and private sector partnerships to support urban development. In the report, the European territory is characterized as diversified with polycentric development, a relatively dense urban network and relatively few large cities. The underlying principle for the creation and application of urban policy is sustainable urban development including and integrating the economic, environmental and socio-cultural aspects.

In 2013, the Czech government approved two key strategic sector documents – the Transport Policy of the Czech Republic for 2014-2020 with the Prospect of 2050 and the Transport Sector Strategies. The Transport Sector Strategies are a key strategic document for ensuring the operation and development of the Czech transport infrastructure and are the starting point for the determination of the objectives of the Operational Program Transport.

Improving technical capacity to plan and manage cities

A mandatory tool that must be used by the Czech government to regulate spatial development in the matters of national importance is the Spatial Development Policy of the Czech Republic. It provides the basic framework for coordinating spatial planning activities carried out by regional and municipal authorities and for coordinating the activities of ministries, other national administrative bodies and authorities they manage that affect land use or land management or that are significantly affected by the spatial planning setup. National priorities in the international, cross-border and national context focus on the future development of land and define frameworks for creating a balance between the use of land ensuring protection of the environment, economic development and cohesion of the communities living in the individual areas (sustainable spatial development). Recently, in relation to the cross-border and international framework and based on the conclusions of the meeting of ministers, the Common Spatial Development Strategy of the V4+2 Countries was signed (Czech Republic, Hungary, Slovakia, Poland, Hungary, Bulgaria and Romania) to strengthen collaboration in the area of spatial development. The Common Spatial Development Strategy of the V4+2 Countries follows-up on the Common Spatial Development Document of the V4+2 Countries.

In the Czech Republic, an amended version of the Spatial Development Policy is currently in force and this Policy shows clear ability to adapt to the newly emerging requirements to address and monitor specific aspects of spatial planning and to set specific rules applicable to these aspects and also to ensure early prevention of identified risks potentially impacting the lives of current and future generations. As part of the definition of development areas and axes and specific areas of interest, the Policy stipulates some new criteria and conditions for decisions about spatial planning changes and it also sets some other goals applicable to spatial planning. These respond to the current issues and requirements in individual areas with the intention to contribute to their resolution. This contributes to the strengthening of mainly the economic and socio-demographic pillars of sustainable development. The environmental impact assessment suggests that any significantly negative impacts should be avoided. In particular, it is necessary to minimise conflicts with protected areas, to avoid the use of agriculturally zoned land for development purposes, and to preserve migration passages through the landscape. Designation of new transport infrastructure corridors responds to the current transportation infrastructure development needs in the relevant areas and aims to

increase the quality of public (railways) and road transport. These measures thus contribute to the strengthening of transport infrastructure and they also support investment projects in these areas. The support of railway infrastructure also creates a competitive and more environmentally friendly alternative to road transport. Its implementation may mainly contribute to reduced noise levels. In most of the cases, good accessibility contributes to higher attractiveness of the housing in the area, as it provides better conditions for commuting to work and school. Defining of corridors for double-circuit power transmission lines responds to the current requirements for technical infrastructure development in this area. The goal is to ensure stable supply of electric power, which has direct impacts on economic development and on preventing the risks of a large-scale blackout. Environmental impacts and the risk of damaging the landscape character are mitigated by the fact that the planned corridor will follow the route of the existing gas pipeline. The Czech Republic also promotes environmentally friendly technical solution mainly in high nature value areas.

The Czech Republic, through the Ministry of Regional Development, has actively participated in the activities of the Steering Committee and of the Member States/Institutions Working Group since its beginnings (since 2008) focusing on the development of the Reference Framework for Sustainable Cities. The Reference Framework is a tool for strategic management and assessment of sustainable urban development on a higher qualitative level, because, apart from taking into account all dimensions of sustainable development, it also allows to set up and assess, in dependence on specific conditions of individual cities, the relationships between individual urban development priorities and to showcase specific examples of solutions and synergies and it helps to identify problematic and often controversial issues affecting any of the pillars of sustainable development. An important added value provided by the Reference Framework will also be the provision of examples of available methods for assessment and monitoring of the entire process, which will also help establish multilateral dialogue needed for achieving common agreement of all communities within the city and the surrounding areas. References to specific cases of good practice, research and innovation relating to sustainable urban development will also be an integral part of this tool. In this respect, the Czech Republic can follow-up on the first positive experiences gathered during the implementation of the Integrated Urban Development Plans focusing on urban zones and can use this experience beyond the administrative borders of cities. Understanding the relationships between the city and the neighbouring areas may contribute to comprehensively address the development of the entire larger area ensuring sustainable development of both the city and its surrounding catchment areas with mutual benefits, because the rural areas are able to provide, in exchange for public services provided by the city, many other functions that are difficult to access in the city. Mainly the URBACT II Operational Programme (OP) focuses on these activities. In line with the conditions of the OP, the Ministry of Regional Development established the National Contact Point for the OP, which is responsible for providing information about the programme and its outcomes to potential applicants – the municipalities. Other operational programmes that are based on the exchange of experience and European cooperation include ESPON, INTERACT II and interregional and international cooperation operational programmes.

Development of transport services is a pre-condition for regional mobility of workforce. The impacts of the economic crisis in the Czech Republic included

among other deepening of regional disparities in workforce demand and supply. Although, in comparison to other EU countries, the differences in unemployment rates between individual regions are not that high, there still exist regions in the Czech Republic (in particular on the district scale) where the differences are significant, in particular in terms of the number of job seekers per job opening. Developing the transport infrastructure is a necessary pre-condition for a more balanced distribution of workforce and for increasing employment. In comparison to the neighbouring countries, low geographic mobility of workforce is typical for the Czech Republic (moving and commuting to work). The quality of transport infrastructure continues to impact the inflow of investors to structurally affected regions, where not even structural incentives are often able to compensate for poor transport accessibility of the most affected or peripheral regions (typically for instance the Jeseníky region or the border regions).

Local Agenda 21 administered by the Ministry of Regional Development is a tool for supporting sustainable development at the local and regional level and it is also a process whereby improving the quality of public administration, strategic planning and management, and higher involvement of local communities contribute to improving the quality of life in all aspects.

On an ongoing basis, individual ministries collaborate within the Working Group for LA21 of the Governmental Council for Sustainable Development (WG LA21 GCSD). The Working Group focuses mainly on practical implementation of sustainable development concepts on the local level, on identifying opportunities for increasing the quality of implementation in participating municipalities, cities, microregions and regions, and on sharing experience with the implementation of Local Agenda 21 with other municipalities. The objective of WG LA21 is to make Local Agenda 21 a common tool used by public administration bodies.

Among the members of WG LA21 are representatives of public administration bodies, official coordinators of Local Agenda 21 from municipalities and regions, representatives of the academic sector, NGOs, the Healthy Cities of the Czech Republic network, the Union of Towns and Municipalities, and the Association of Secretaries of Town and Municipal Authorities. In 2013 the collaboration between the Czech ministries was further strengthened and deepened, in particular between the Ministry of the Environment, the Ministry of the Interior and the Ministry of Regional Development; and also the representatives of the Ministry of Agriculture and the MoLSA were newly invited to participate in WG LA21.

The criteria of LA21 for towns and municipalities (approved by the Government Council for Sustainable Development on 13 March, 2006) are an important and recognised tool for LA21 quality assessment. In 2013 there existed 6 updated sets of LA21 Criteria applicable to different types of municipalities (see ww.ma21.cz). In 2013 the set of LA21 Criteria for large cities with city districts was cancelled and these municipalities will be included in the towns and municipalities group starting from 2014. Since 2013 the LA21 criteria have been used also by the National Network of Local Action Groups in the Czech Republic (LAG) and applied to its members as a pre-condition for development of strategies. LAG use a specific set of criteria and indicators and they are registered in the LA21 database.

The achieved LA21 classification and the progress made by individual municipalities are monitored on a continuous basis and registered in the official records of LA21 in the Czech Republic kept in the public LA21 Database accessible online. The information recorded in the database is subject to public review and also

to ongoing professional audits performed by WG LA21. In all advanced municipalities, which met the criteria for the highest “A” category (1 municipality) the “B” category (5 municipalities), there were on-site audits carried out during which the members of WG LA21 reviewed both the relevant LA21 documentation and practical implementation. Apart from on-site inspections, the municipalities presented the “defence” of their documentation and implementation at a conference organised by the Healthy Cities of the Czech Republic network. Their presentations as well as the finding of the on-site audits were also assessed at the subsequent meeting of WG LA21 taking place in November. Category “B” municipalities were rated on a scale between one and three stars (more stars meaning better quality) by the voting of WG LA21 members. In 2013 the members of WG LA21 carried out on-site audits at 7 most advanced municipalities aspiring for meeting the conditions of the “A” or “B” category. Chrudim, as the first of the municipalities, received the highest “A” category rating. Category “B” was defended by 5 municipalities in 2013 – 3 towns (Kopřivnice, Litoměřice, Vsetín), 1 microregion (Drahanská vrchovina) and 1 small municipality (Křižánky). Prostějov did not qualify in category “B” because it failed to meet the mandatory LA21 criterion No. 19. Also lower LA21 categories (“D” and “C”) saw some improvement. At the end of 2013 there were 193 entities registered in the database (153 municipalities, 9 local action groups a 31 non-municipality entities – these show interest in LA21, but are not eligible according to the Criteria).

Compliance with the Concept of LA21 Support and Development in the Czech Republic and with the Action Plan for 2012-13 with reference to the Strategic Framework for Sustainable Development in the CR is monitored on an ongoing basis (based on the decision adopted by the Government Council for Sustainable Development in June 2009. The concept was approved by Government Resolution No. 30 dated 11 January 2012.)

Challenges experienced and lessons learnt in these areas

Frequently encountered challenges relating to sections II. 8 and II. 9 can be found in the following areas:

- Designating excessive developable areas based on overestimated need for such areas;
- Designating further developable areas without fully using the potential of the existing areas;
- Low utilisation of brownfields in developable parts of settlements, often due to unclear ownership structure and due to high costs associated with demolition and rehabilitation or conversion of the existing structures;
- Low willingness of, in particular, private investors to designate sufficient areas as public spaces in large developable areas and to design areas with public amenities.

These issues will need to be analysed and addressed in the future. Some of them can be resolved by issuing appropriate methodological guidance (particularly the issues relating to designating excessively large developable areas) or by introducing more precise regulations, but some of them will need to be addressed by fiscal tools. It is also necessary to educate on a continuous basis both project designers and developers of land planning documentations as well as the municipal councils and the professional and general public.

Future challenges and issues in these areas that could be addressed by a New

Urban Agenda

In the future the Czech Republic will need to address the challenges relating mainly to sections II. 8 and II. 9 by implementing the following measures:

- Restrict further development of low-rise shopping and logistics centres with large built-up area and large parking and handling areas on agriculturally zoned land;
- Limit the total size of hard surfaces, hard surfaces including roads must be developed only at the minimum necessary scope with the necessary parameters; in cities, priority should be given to parking places under buildings;
- Limit the use of agriculturally zoned land for development purposes;
- Fully use the existing built-up areas without reducing public greenery;
- Involve municipalities in creating conditions for re-using brownfields;
- Protect green areas and inner courtyards from being built-up;
- Prevent problems relating to unsuitable structure of the housing stock with respect to demographic changes in the society (in particular ageing of population and an increasing number of single person households);
- Necessity to ensure comprehensive urban amenities in relation to the ageing of population;
- Request adaptation of the urban floorscape to ageing and disabled groups of inhabitants;
- Put stress on accessible public transport, promote its use in particular in central parts of cities also by implementing restrictive measures (ban on traffic, toll charges, conversion of streets to pedestrian zones, etc.);
- Support sharing of means of transport in cities;
- Focus on education on how to develop good quality urban environment and on urban development sustainability.

III. Environment and Urbanisation: Issues and Challenges for a New Urban Agenda

Addressing climate change

Changes observed in the Czech Republic

Following the adoption of the Kyoto Protocol, a document called Strategy for the Protection of Climatic System of the Earth in the Czech Republic was adopted in 1999 defining the national policy relating to climate changes. This document made climate protection one of the national priorities and it set main targets and tasks for the ministries involved. The strategy was updated after the accession of the CR to the EU (in 2004) and redrafted as the National Programme To Abate the Climate Change Impacts in the Czech Republic (National Programme), which was adopted in March 2004. The National Programme defines basic priorities and targets in the area of climate change. It focuses on specific measures, on reduction of greenhouse gas emissions, on mitigation (the so called reduction measures) and partially also on measures aimed at adaptation to negative impacts of the climate change (adaptation measures) in the areas of water management, agriculture, forestry and healthcare. In 2007 the National Programme was reviewed to assess

the effectiveness of the measures adopted in 2004–2006 and to compare the initial state with the reduction achieved after its implementation. Based on outputs of the assessment, the Climate Protection Policy of the Czech Republic is under preparation. The Policy responds to some new scientific findings and also to the development of political negotiations in the CR, the EU and internationally and it defines climate protection strategy for the Czech Republic with the aim of achieving gradual reduction in greenhouse gas emissions.

The document titled the National Strategy to Adapt to Climate Change in the Conditions of the Czech Republic provides a strategic framework addressing individual socio-economic sectors and their efficient adaptation to the impacts of climate change including legislative and economic analyses of the proposed measures. Both of the above mentioned documents must also comply with the commitments undertaken by the Czech Republic as part of ratified international agreements. These strategic materials aimed at strengthening the protection of climate in the Czech Republic will be submitted to the government in 2014. Support of the measures aimed at adaptation to negative impacts of climate change is also one of the key priorities of the State Environmental Policy of the Czech Republic 2012-2020 and of the Environmental Security Concept.

Impact of climate change in the CR

The above described trends and the more frequent occurrence of extreme weather already show their impacts on water regime changes, as well as in the agriculture and forestry, and their also partially influence the health condition of the population. In a mid-term outlook (until 2030) stronger negative impacts affecting individual elements of the environment can be expected and, as a relatively new phenomenon, impacts affecting the energy sector, leisure and tourist industry and generally the well-being of the population, in particular in large agglomerations, can be envisaged.

Role of cities and municipalities in climate protection

European cities nowadays assume significant part of the responsibility for climate protection and all existing and newly emerging initiatives associating urban settlements have to focus specifically on energy efficiency and climate protection. This trend is logical, if we realise that more than 80% of the European population lives in urban settlements and that city inhabitants living in densely populated areas are strongly threatened by the climatic change.

What are the cities doing now?

Cities develop territorial energy concepts and associated action plans. They can also start by developing and assessing their urban energy plans; they can start with the assets owned by the municipality and introduce the process of energy management. They can take public commitments to reduce energy consumption and greenhouse emissions and achieve these targets by gradual steps. They can launch their own energy savings programmes (housing support funds) or programmes focusing on utilisation of renewable sources of energy (e.g. installation of solar panels). Some of the cities are using these tools already, although they may not be directly linked to the criteria of higher energy savings or emissions reduction. Protect and develop public greenery including rooftop greenery. Influence the spatial

planning process by promoting less energy-intensive solutions and by promoting the use of renewable resources. Participate in urban associations and unions with the same focus and exchange experience.

Example

Improving the microclimate of outdoor spaces. By planting greenery, temperature in cities can be demonstrably reduced and thus the consumption of energy needed for cooling of interiors can be cut down. A grown tree with the crown diameter of 10 meters provides shade in the summer and it provides cooling between 8 am and 8 pm with the average cooling power output of 24 kW, which represents 12 air-conditioning units. Using parasols for creating shade is much less efficient.

Disaster risk reduction

The CR has developed a system for reducing the risk of floods and it strives to improve it on a continuous basis based on new scientific findings and on the experience from past floods to make the system more efficient. Risk mitigation can be divided into two areas:

- **Non-structural preventive measures** (these include warning and forecasting; systematic measures relating to the land use – municipal flood plans, definition of floodplain zones; development of flood warning systems, etc.);
- **Structural measures** (development of semi-natural and technological flood protection measures – flood-control dikes, mobile barriers in urban areas, etc.).

Of key importance for the protection of the population are safety measures during flood situations when there is imminent danger of flood or when flood actually occurs and operative control during crisis situations (the activity of flood protection authorities and the integrated emergency and rescue services). After the flood recedes, the attention focuses on restoration of the affected territory and the flood situation is also thoroughly documented and evaluated. Currently, in connection with floods occurring in June 2013, an extensive project titled “Assessment of Floods in June 2013” is reaching its end and the final report will be submitted to the Czech government in June 2014.

Reduction of flood hazard in areas with significant flood risk will be one of the key priorities for the CR. For this purpose, implementation of technological and semi-natural flood protection measures will be supported as well as improving the quality of the flood warning and forecasting service and of the availability of information about situations posing flood danger or flood risk and the level of preparedness of flood protection authorities.

In the end of 2013 the mapping of exposure to flood hazard and of flood risks was completed in all areas with significant risk of floods. Also a large number of local warning systems were developed and the flood warning system upgrade in the Odra river water basin was completed. In 2014 the proposals for possible flood protection measures for areas with significant risk of flood will be finalised and the measures are planned to be implemented in the period of 2016 to 2022. The proposed measures will be submitted to the Czech government for approval by the end of 2015.

Environmental disaster is a situation when a foreign element enters into the

ecosystem with devastating effects on lifeforms. The foreign element may be a chemical substance, invasive species or a change in initial conditions caused by man. A humanitarian disaster occurs when lives, health or safety of a large group of people are put in danger. A disaster is a fast process of an extraordinary scale causing human losses and material damage. Disasters can impact soil, water or air.

Major implemented and planned measures in the CR

Area	Implemented measure	Planned measure
Water management	<ul style="list-style-type: none"> ○ Increasing waterworks safety ○ Flood protection measures ○ Reducing water losses ○ Revitalization of watercourses and floodplains 	<ul style="list-style-type: none"> ○ Flood prevention ○ Increasing water retention by the landscape ○ Improving the condition of nature and landscape elements dependent on water regime
Nature and landscape protection	<ul style="list-style-type: none"> ○ Conservation of species and biotopes ○ Conservation of specially protected areas, designation of Natura 2000 sites ○ Implementation of territorial systems of ecological stability 	<ul style="list-style-type: none"> ○ Conservation of semi-natural biotopes, increasing the area of semi-natural biotopes ○ Conservation with the objective of preserving and increasing biodiversity ○ Elimination of potential risks caused by invasive species
Agriculture	<ul style="list-style-type: none"> ○ Introduction of environmentally friendly farming methods ○ Implementation of comprehensive land consolidation 	<ul style="list-style-type: none"> ○ Breeding of draught-resistant varieties ○ Water-saving technologies ○ Erosion risk reduction ○ Monitoring the occurrence of thermophilic diseases and pests ○ Integrated agrometeorological monitoring ○ Restoration of natural functions of the landscape in agricultural ecosystems or in ecosystems linked to agricultural ecosystems, supporting the ecosystem services ○ Promoting environment-friendly methods of farming ○ Completion of comprehensive land consolidation
Forestry	<ul style="list-style-type: none"> ○ Strengthening of the adaptation potential of forests by diversifying their composition ○ Measures aimed at reducing the risk of pests and wood rot propagation 	<ul style="list-style-type: none"> ○ Stabilisation of CO₂ bound in soil ○ Ban on burning of brushwood, restrictions on working of soil by ploughing ○ Supporting of forest structures resilient to climatic change ○ Supporting of semi-natural methods of management with low inputs while preserving wood mass production ○ Afforestation of farmland
Land planning	<ul style="list-style-type: none"> ○ Designation of floodplain zones 	<ul style="list-style-type: none"> ○ Strict enforcement of ban on development in floodplain zones ○ Optimisation of the organisational setup of the land
Healthcare	<ul style="list-style-type: none"> ○ Tick activity early warning system 	<ul style="list-style-type: none"> ○ Intensifying monitoring and research of animal-transmitted diseases

Reducing traffic congestion

The objective of the current transportation planning is to systematically support environmentally friendly modes of transport. Cycling is clearly one of such types of transport. Its benefits are obvious – no noise and zero emission, low demands on financial resources and space. Half an hour of cycling a day is a great prevention against civilisation diseases, the bikers avoid problems such as lack of parking space, traffic collapses and congestions, and cycling contributes to humanness and sociability. Cycling also significantly contributes to the development of tourism.

Cycling should be approached integrally as it is an activity falling under two sectors – it is a part of the transportation serviceability of an area (the sector of transportation) and it can also have the form of cyclotourism (the sector of regional development). In recent years, cycling has ceased to be purely individual activity and became a part of urban and regional planning; it co-exists with other modes of transport and this naturally results in bikers claiming space in the traffic and appropriate infrastructures. Cycling as a form of transport is not a fringe trend; it is rather an alternative to other types of transport. It offers a great level of flexibility of movement in the urban environment and it also partially provides a solution to transportation serviceability in regions. The interconnecting of the cycling infrastructure by urban and regional cycling paths network supports simultaneously smooth movement of biking commuters and tourists. Cyclotourism thus plays an important role also in the urban environment. Urban cycling paths can take us to the historic centre of a city while avoiding traffic collapses and congestions and they can take us also to urban parks, reservations, recreational areas, outdoor swimming pools, etc.

Government Resolution No. 706 dated 12 July, 2000 acknowledged the Charter on Transport, Environment and Health (“Charter”). Item 4. B of the Charter mentions the development of a strategy – development and implementation of a strategy to support modes of transport sustainable for health and the environment. The Minister of Transport has been asked to represent the Czech Republic, in collaboration with the Ministry of the Interior, Ministry of the Environment and Ministry of Healthcare, in negotiating the document that follows up on the Charter. After discussing the matter at the Czech Government Council for Healthcare and Environment (“Council”), the Ministry of Transport was nominated as the contact point representing the CR in matters concerning the Charter and the management of the working team of the Council.

The objective of the cycling development strategy is to create conditions for transforming “popular, unregulated” cycling to “cultivated and systematically supported cycling”. A number of important conclusions can be made based on the entire planning process in the CR and on the resulting draft strategic plan. There are resources in the CR that can be used to support cycling transportation in the country, if well organised. To achieve actual practical implementation of the plan it will be necessary to ensure cooperation, willingness and commitment of all the involved stakeholders, including the public. Individual priority axes are interconnected and they can be efficiently developed only if an integral approach is pursued. The national strategy for development of cycling transportation must be linked to other strategic materials prepared by the ministries, regions and the statutory cities.

The biggest risk may be seen in the cuts in public budgets in the area of transportation serviceability as even small cuts can seriously hamper the functionality of the system. The disintegration of the system of public transport (approximately one half of passenger traffic volumes is represented by public transport) would impact the transportation infrastructure capacity (road congestions, mainly in cities) and would cause direct economic losses due to congestion. Another result would be impacts affecting the environment and public health. It would not be possible to respond to changes in the availability of energy resources and it would not be possible to meet the European targets in the area of greenhouse gas emission reduction.

Air Pollution

Air pollution has been a long-term problem in the Czech Republic. Historically speaking, the quality of air in Czechoslovakia at the end of the 1980s and at the beginning of the 1990s was one of the worst in Europe and the same is true about the level of pollutant emissions per head. The main cause of this situation was the production of heat and electricity by facilities generating large volumes of emissions. These facilities were not sufficiently fitted with equipment to reduce emissions and also the demand for electric power was very high due to high energy requirements of sectors such as the metallurgical industry.

Legislation on air protection from 1991 in combination with closing of facilities in energy-intensive sectors contributed significantly to large reduction (one decimal order) of pollutant emissions during the 1990s. The end of the 1990s practically saw an end to the episodes of high air pollution due to high daily concentrations of sulphur dioxide and the quality of air in the CR improved significantly.

The reduction of emissions has been stagnating since the start of the new millennium. Gradually, the impact of traffic on air quality increases and also the emissions generated by the individual heating systems in households are substantial. The most urgent issue relating to the quality of air in the CR is exceeding of the emission limits applicable to particulate matter (PM₁₀) and benzo(a)pyrene. In spite of continuing reduction in pollutant emissions, the quality of air has not been improving since 2000. The developments at the beginning of the 21st century can be characterised by significant fluctuations in air quality, which is influenced mainly by poor dispersion under adverse weather conditions.

By adopting the Habitat Agenda (in 1996) the CR committed itself to sustainable development of human settlements (Chapter B. Sustainable human settlements, section 43(l): "l) Giving priority attention to human settlements programmes and policies to reduce urban pollution resulting especially from inadequate water supply, sanitation and drainage, poor industrial and domestic waste management, including solid waste management, and air pollution."

The commitment to reduce air pollution is addressed by legislative measures. On 1 September, 2012 the new Act No. 201/2012 Coll., on Air Protection, as amended, came into effect introducing some new tools for improving air quality, such as for instance::

- New obligations applicable to small combustion sources of emissions with nominal heat output up to 300 kW;
- Drafting of new programmes for air quality improvement and preparation of the National Emission Reduction Programme of the Czech Republic by the Ministry of the Environment as part of the Mid-Term Strategy for Air Quality Improvement (until 2020);
- Introduction of more stringent regulations applicable to the operating conditions of sources of emissions (in connection with programmes for air quality improvement);
- Implementation of compensatory measures applicable to new sources of emissions;
- Possibility to establish low-emissions zones;
- New powers for municipalities with extended power relating to sources of emissions with significant local impact on air quality;

- Issuing of binding opinions by the Ministry of the Environment on ground roadway structures developments planned in municipal built-up areas with the estimated intensity of traffic flow exceeding 15 thousand vehicles per 24 hours during the design period of at least 10 years and on parking lots with parking capacity of more than 500 vehicles.

The CR uses also economic tools to achieve air quality improvements, in particular those provided by the OP Environment (OPE). By April 2014 there were approved more than 1,750 projects applying for the total grant of CZK 16 billion from the EU funds under Priority Axis 2 of OPE. These projects are expected to contribute to the reduction of emissions of particulate matter by 11,000 tons, NO_x by 16,000 tons, sulphur dioxide by 13,000 tons, ammonia by 1,100 tons and of VOC by 800 tons.

The CR currently finalises the draft of the programming document OPE 2014-2020. The draft includes also the proposed Priority axis 2 "Improvement of air quality in human settlements". The objective of the planned interventions is to achieve maximum efficiency in reducing air pollution caused by suspended particles. OPE 2014-2020 envisages a system that would effectively address the major challenges faced by the CR in the area of air pollution.

As part of the drafting of the new OPE, the Ministry of the Environment prepares a concept titled the Mid-Term Strategy for Air Quality Improvement (until 2020) that shall incorporate also the National Programme for Reducing Emissions and programmes for air quality improvement in individual zones and agglomerations. The objective of the Strategy for Air Quality Improvement in the CR is to achieve compliance with applicable emission limits to ensure protection of human health, ecosystems and vegetation and to propose measures to meet national emission ceilings applicable until 2020 according to the reviewed Gothenburg Protocol (CLRTAP) with outlook until 2030. Due to the fact that the European Commission published a package of air protection measures on 18 December, 2013 that includes also proposals of new legislation, these proposed measures shall also be reflected in the Strategy (in particular in the National programme for reducing emissions).

Waste management in the CR

Basic framework for waste management control

The central public administration body responsible for waste management is the Ministry of the Environment. It carries out high-level supervision of the area of waste management, it drafts and proposes legislation in the area of waste management such as the Waste Act and other related regulations, and it prepares the Waste Management Plan of the CR and other national strategic and concept document relating to waste management. Self-governing municipalities and regions are responsible for waste management. Local governments of towns and municipalities are regarded as producers of municipal waste and they are directly responsible for the treatment of physical waste produced on their territory. Every municipality develops its own system for collection, transportation and further processing of waste that is usually established by a municipal decree. As far as self-governance competencies of towns and municipalities are concerned, the area of waste management is clearly the most important and the biggest area relating to the environmental issues.

Waste production and disposal

Waste production in the CR in 2007-2012 (in thousands of tons)

Waste production	2007	2008	2009	2010	2011	2012
Other waste	28,760	28,743	30,106	30,027	28,831	28,386
Hazardous waste	1,643	2,038	2,161	1,784	1,841	1,637
Total production	30,403	30,782	32,267	31,811	30,672	30,023
Of which municipal waste	3,846	3,812	5,324	5,362	5,388	5,193

The total production of waste has been showing flat or slightly declining trend in recent years. Hazardous waste represents relatively small proportion of the total waste production accounting for only 6%. The production of municipal waste represents approx. 17% of the total waste production.

The share of treated waste used for material recovery continues to grow in all categories of waste. In 2012 the share of treated waste reached 79%, and the share of waste use or material recovery was 76%. Only about 3% of waste is used for energy recovery. In 2012 the most frequent method of waste disposal was landfilling at ground level or below ground level. The share of waste disposed of by landfilling in proportion to the total waste production dropped to 12.7% in 2012. Decreasing amount of landfilled waste is mainly the result of stricter regulatory requirements applicable to landfilling and of increasing waste re-use.

As far as the municipal waste is concerned, in the case of which municipalities are regarded as the producer according to the legislation, the waste management continues to improve. However, in 2012 there was still 54% of municipal waste landfilled and 42% re-used (out of which energy recovery accounted for 12%). Given the current annual production of around 5.3 millions of tons of municipal waste there is still room for increasing the processing capacity of facilities used for material and energy recovery from municipal waste.

Compliance with mandatory targets set by EC regulations

In 2010 the recycling of paper, metal, plastic, glass household waste and other types of similar waste from other origin (according to the Commission Decision establishing rules and calculation methods for verifying compliance with the targets set by Directive 2008/98/EC on waste) reached 45.5% in the CR. There are good reasons to believe that the targets set by the Waste Framework Directive will be met in 2020 (recycling of 50%). Approximately one quarter of municipalities have introduced systems for collection of four types of waste (paper, plastic, glass, metal) in line with the Directive's requirements (covering 70% of the population). Collection bins for paper, plastic and glass are used in most of the municipalities. The equipment available at municipalities for bin collection of re-usable waste continues to improve, which can be documented by the increasing density of the waste collection network and decreasing walking distance to the containers. Collection of metals most frequently takes place at collection yards and metal collection centres. The recycling and re-use of building and demolition waste has been reaching high levels in the CR on long-term basis (over 90% in 2012), therefore the EU target is being complied with already now. In 2010 the CR complied with the target set by the Council Directive 1999/31/EC on the landfilling of waste aimed at the reduction of the landfill of biodegradable waste.

The Czech Republic has introduced the system for recycling and separate collection of end-of-life products covering electric devices, batteries and

accumulators and it has also put in place a fully functional and developed integrated system of collection of packaging waste for which sufficiently dense collection network has been developed. The level of recycling and total re-use of packaging is increasing annually and the targets set by the EC are complied with.

Waste Management Plan of the CR

The Waste Management Plan of the Czech Republic is a tool for controlling waste management in the CR and for implementing a long-term waste management strategy. The Waste Management Plan of the CR sets waste management targets, principles and measures in its binding part that are in compliance with the principles of sustainable development. Currently, strategic Waste Management Plan developed in 2003 is in force and its validity has been extended until the end of 2014. A new Waste Management Plan of the CR is under preparation for the period of 2015-2024, i.e. for a period of 10 years. The Waste Management Plan of the CR regulates the management of all types of waste covered by the Waste Act and by other legislation that regulates or will regulate packaging and selected products with mandatory end-of-life recycling. According to the provisions of the Act on Waste, the Waste Management Plan of the CR must contain the following:

- Programmes aimed at waste production prevention;
- Assessment of the status of waste management;
- Binding part
- and a directive part.

The binding part of the Waste Management Plan of the CR is stipulated by a government resolution.

The Waste Management Plan of the CR is the binding document for the preparation of regional waste management plans. Also municipalities are obliged to prepare their waste management plans. The binding part of the Waste Management Plan of the CR is a binding material for decision-making and other activities of administration authorities, regions and municipalities in the area of waste management.

The Waste Prevention Programme of the CR, which is a separate document and the proposal part of which is a part of the Waste Management Plan of the CR, analyses and monitors in detail flows of the following types of waste:

- municipal waste;
- bio-degradable waste;
- food waste / foods;
- end-of-life waste and products regulated by special product-specific directives (packaging, electronic devices, batteries and accumulators, end-of-life vehicles);
- construction waste / building materials;
- textile waste / textile for re-use.

Challenges experienced and lessons learnt in these areas

There is a potential for improvement in management of municipal waste in the Czech Republic. In spite of significant improvement of the situation over the last decade, the municipal waste in the Czech Republic is mostly disposed of by landfilling. It may be remedied through setting of legislative, economic tools

(streamlining of landfilling fees, setting of a deadline for a ban on dumping of waste which is not pre-treated). This shall be reflected by the upcoming waste legislation. The objective of waste management plan for the period of 2015-2024 is a better use of resources, opening of new markets, creation of new jobs in the area of waste management as well as reduced dependence on import of raw materials, which may be re-used from separate collection of recyclable elements of municipal waste, and subsequent curbing of environmental impacts. The waste which cannot be used as a source of materials, may be used as a source of energy.

Future challenges and issues in these areas that could be addressed through a New Urban Agenda

Waste should be in practice handled in the following sequence: prevention of waste generation, preparation for re-use, waste recycling, other use of waste, including energy-generating use of waste, and disposal of waste at the last place, in particular, supported by legislative and economic instruments. Besides the regulatory strategy, space should be given to planning, information and promotional strategies, life-long education in this area, support of research, development and innovation, use of voluntary tools. It will mostly go hand in hand with financial demands. If the expenses are to be covered by public budgets, their optimisation is necessary.

The issue of prevention of waste generation should be approached from the point of view of cross-sectoral relations and impacts. The entire issue of the sustainable development of waste management must be closely linked with raw-material policy, including the secondary-raw-material policy of specific states and communities.

Greater manufacturers' responsibility for and/or involvement in the sustainable development of waste management with maximum use of voluntary tools by municipalities and manufacturers must be taken into consideration.

IV. Urban governance and legislation: Issues and challenges for a New Urban Agenda

Improving urban legislation

Pursuant to Act No. 128/2000 Coll., on Municipalities (Local Government), as amended (the Municipalities Act), and Act No. 131/2000 Coll., on the Capital City of Prague, as amended, the Ministry of the Interior supervises the issuance and contents of generally binding municipal bylaws and resolutions, decisions and other measures adopted by municipal authorities with separate powers. Furthermore, the Ministry in compliance with the aforementioned acts monitors the exercise of separate powers vested in municipal authorities to find out whether the municipal authorities adhere to laws and other legal regulations while exercising their separate powers.

Nevertheless, the cases of breach of legal regulations within the civil, commercial or labour law (so-called competence exclusion) as well as the cases when the supervision or monitoring of the exercise of separate powers are governed by a special legal regulation are excluded from the supervision of the Ministry of the Interior.

Such cases include Act No. 137/2006 Coll., on Public Procurement, as amended. The Office for the Protection of Competition supervises compliance with this act. The decisions and other acts of municipal authorities executed pursuant to

Act No. 500/2004 Coll., the Administrative Procedure Code, as amended, or Act No. 280/2009 Coll., the Tax Code, as amended, are also excluded from supervision of the Ministry of the Interior.

The municipalities have been pinpointing long-term issues in this area which the officials often relate to public procurement legislation.

Over the past years the Public Procurement Act has been amended several times in order to put up new legislative barriers to prevent possible circumvention of the law and at the same time possible related corruption.

The last amendment, drafted, *inter alia*, also on the basis of municipal officials' requirements, has eliminated some deficiencies criticised in the wording of the Public Procurement Act effective until 31 December, 2013.

The amendment has changed the wording of some provisions so that neither interpretation, nor practical application would cause any problems. It is primarily the publication of procurement documentation, the retention of the hitherto limit for small-sized public contracts for construction works, which was supposed to be decreased in accordance with the previous legislation since 1 January, 2014, the cancellation of the concept of a person with special powers, as well as suspension of the effect of some valid provisions of the Public Procurement Act regarding the list of public procurement evaluators and the requirements for submission of external examiner's reports to the Government in the case of major public procurement projects.

Furthermore, the effect of the Ministry's obligation to propose two members and two deputy members from the list of evaluators to the evaluation commission of a major public procurement project has been suspended.

The amendment has introduced a new mechanism of the new/repeated invitation of a public procurement the invitation of which has been cancelled due to only a single bid having been delivered to the contracting authority. Such change should substantially facilitate the municipalities' resolving the situation when an insufficient number of suppliers of the service or goods needed operates on the market.

Currently a new amendment to the Public Procurement Act is under preparation; it should reflect some other requirements of municipalities while applying the knowledge from hitherto practice.

The decisions and other acts of municipal authorities executed pursuant to Act No. 500/2004 Coll., the Administrative Procedure Code, as amended, or Act No. 280/2009 Coll., the Tax Code, as amended, are also excluded from supervision of the Ministry of the Interior.

Decentralisation and strengthening of local authorities

Participation of citizens in decision-making processes which affect their lives, and an access to the mechanisms of responsibility is crucial for support of sustainable development and poverty reduction. It namely applies to the local level where the citizens live and work, where the fundamental services are rendered and businesses are established. The citizens thus have common interests, i.e. setting of goals and cooperation on finding of solutions especially as regards a better access to services, more balanced allocation of available resources, greater social cohesion and increased responsibility and transparency of public authorities, including the mechanisms of responsibility.

Thanks to their contact with citizens closer than that of other public institutions, the local authorities are responsible for mobilisation of the public opinion of local communities and at the same time act as catalysts of changes. It is namely true when it comes to more effective public governance, more inclusive development processes in cooperation with civil society organisations and solutions of pressing issues faced by local communities. These challenges include social exclusion, migration, food security, limited infrastructure, fast urbanisation, exhaustion of resources, public security and violence, environmental and social impacts of industrial activities, adjusting to climate changes and mitigation of their impacts, the rule of law and an access to justice.

Good governance on the local level is vital for attainment of sustainable development and fair results. It creates conditions for inclusive, sensitive and effective development processes.

The quality of local governance is derived namely from the political will of central authorities to create a favourable environment at the local level through legal and administrative tools thanks to which the local authorities will be sufficiently autonomous when exercising their powers and will acquire specific capabilities. The quality of local governance is therefore also related to the local authorities' management and execution of public policies and services on the basis of local processes for creation of policies and of interactions with other public institutions, citizens and the private sector through allocation of available resources.

In unstable, crisis and hazardous situations the local authorities play a key role in protection of vulnerable groups of citizens and communities by managing the structure of resilience strategies at the local level and allowing for provision of basic social services. In the endangered areas the local authorities may, besides managing a timely response and providing basic services for citizens, have a decisive influence as regards prevention, mitigation of consequences and preparedness. Aside the aforementioned, they also play a major role in the early warning and response systems and thus contribute to calming of the first phases of violence by means of local and traditional mechanisms for resolution of disputes.

Nevertheless, the use of a comparative advantage of local authorities may be jeopardised by negative political factors relating especially to a lack of effective management, corruption rate and incorrect official procedures, clientelism and illegal economic procedures as well as by institutional deficiencies such as non-functional institutional structures, limited financial resources, low level of administrative capacity, inadequate planning procedures and administration of public finance.

It means that in dependence on the situation in the country the interconnection of the public sector at the local level with the development processes may necessitate an effort to increase the capacity of local authorities and strengthening of the local governance structure. It is imperative to strengthen, at the same time, the powers of local public authorities and citizens to ensure that that the citizens have an opportunity to claim transparency and responsibility and the local authorities have means and motivation to respond to the citizens' requirements for effective, transparent and responsible governance, fair allocation of resources and an access to services.

Decentralisation processes

Decentralisation represents a special aspect of a public sector reform. It stands for

the transition of political authority and powers, including generation of revenues, responsibility for rendering of services as well as financial, human and administrative resources, from a higher level of the political system to public authorities at the lower level. By its virtue, decentralisation is a political issue affecting the overall constitution of the state. Its objective is to improve effectiveness, equality and social cohesion and may be decided upon only by a sovereign state. Therefore, support of decentralisation from development partners should be considered only if there is a political will to initiate and support decentralisation or if decentralisation reforms have been already effected. Support of decentralisation should focus on creation of a favourable legal and political environment for decentralisation and institutional and capacity development so that the local authorities could enjoy a certain degree of independence when performing their statutory functions. Expected results should be manifested through allocation of sufficient funds to local authorities in compliance with domestic legal frameworks, improvement of management of public finance and mobilisation of revenues at the local level.

Development of capacities of local authorities

In order to strengthen the ability of local authorities to contribute towards good governance and thus achieve development goals at the local level, the local officials and administrators must overcome capacity limitations, e.g. in the area of management and mobilisation of resources from the public sector, leadership abilities, administration of public finance, generation of income and expensing, transparency, participation and interaction with other entities.

The capacity for good local governance is influenced by factors at three levels: individual, institutional and organisational. At the individual level the local capacity is affected by the capabilities, professional training and approach of local politicians and administrators. At the institutional level the capacity depends on the structures and operating procedures which cover and manage staff activities. At the organisational level the capacity is impacted by the political and legal environment as well as by the rules and procedures which govern relations with other entities.

The support of development of local authorities' capacities will be determined on the basis of a long-term and demand-driven approach with emphasis on preparation of leadership, including provision of services and sound financial management. This approach will yield support to development of capacities of local authorities, in particular, through involvement of intranational associations of local authorities and schools in the area of administration, horizontal cooperation among local authorities resting namely with large municipalities offering technical assistance to small ones, and with more adequate connection between the central and local authorities.

Enhancing urban safety and security

The Czech Republic ensures a comprehensive security of citizens on its entire territory, including the security of urban inhabitants. The safety of citizens at the national level is ensured by the Czech Police, which covers also all the towns and cities in the Czech Republic. The Czech Police is divided into nation-wide units, the Police Presidium and 14 regional directorates with their headquarters in administrative centres of the Czech regions. The city directorates of the Police are located in the major cities.

Another safety unit is the municipal police which may be established by municipalities (under the terms and conditions stipulated by Act No. 553/1991 Coll.). The municipal police is a municipal body with its main task being maintenance of public order in local matters (e.g. solution of delicts against the public order).

The self-governance and the local unit of the Czech Police may enter into a coordination agreement to provide for coordination and specification of the forms of cooperation between the Czech Police and the municipal police in maintenance of safety and the public order on the territory of a given municipality. In some towns and cities the issue of safety and related crime prevention is addressed on the communication platforms the members of which are the representatives of all the relevant public governance bodies (e.g. the Czech Police, local self-administration authorities, healthcare, educational and social facilities, supervisory bodies, etc.) as well as other stakeholders such as non-governmental organisations. These coordination authorities, often specifically focusing on individual areas of crime, of course operate also at the nation-wide level.

The safety policy as well as the related area of crime prevention are tackled through strategic and conceptual documents both at the nation-wide and/or the governmental level and the regional level, as deemed necessary. These are namely the following documents – Crime Prevention Strategy in the Czech Republic for the years 2012-2015, Strategy to Fight Organised Crime for the years 2011–2014, National Strategy to Combat Trafficking in Human Beings in the Czech Republic for the years 2012–2015, Strategy of the Czech Republic in the Fight against Terrorism from 2013 onwards or Strategy for Combating Extremism 2013.

The rise in terrorist attacks in the EU countries has made the Czech Republic focus on this issue primarily from preventive reasons as the Czech Republic has not been the target of a terrorist attack *per se* so far. Therefore, within its strategic and conceptual activities the Czech Republic, realising the need of greater safety in towns, cities and municipalities, started focusing on the risks relating to safety of citizens at crowded places.

The law obliges the regions of the Czech Republic to draw up crisis plans and imposes the same obligation also on the municipalities with extended powers. In the context of crisis management, framework plans for resolution of potential serious situations addressing again the issue of provision of urban safety in emergency, have been drawn up

A very important document for the security of citizens is the Strategy to Protect Citizens by 2020 with Outlook for 2030, which broadly sets forth further procedure and focus for implementing measures to protect the citizens and also contains the fundamental tasks for application of the set priorities in the security of citizens.

The security of citizens is a broad cross-departmental issue which may be defined as a set of activities and tasks of the responsible public governance authorities, legal entities and natural persons/entrepreneurs as well as citizens aimed at securing the life, health, property and the environment in compliance with the valid laws and regulations. The tasks of individual authorities are non-delegable and their performance ensues from the specific provisions of laws and regulations.

Improving social inclusion and equity

The MoLSA is the central public administration body responsible, *inter alia*, for care for people in need of special assistance. Its activities also include implementation of

measures for social inclusion. The body of laws of the Czech Republic (Act No. 108/2006 Coll., on Social Services, as amended) defines social inclusion as the process guaranteeing that the people who are socially excluded or at risk of social exclusion shall be given options and opportunities, which will enable them to fully partake in the economic, social and cultural life of the society and live in a way deemed ordinary in the society.

The general objectives of social inclusion are as follows: participation in employment and an equal access to all resources, rights, goods and services; prevention of the risk of social exclusion; assistance to the most vulnerable groups of citizens; mobilisation of all relevant stakeholders.

One of the ways through which the MoLSA combats social exclusion is the payment of benefits from insurance and non-insurance social systems; another is social work. Pursuant to Act No. 117/1995 Coll., on State Social Assistance, there are benefits for families with children (child benefit, parental allowance, birth allowance, funeral allowance) as well as housing allowance; pursuant to Act No. 111/2006 Coll., on Assistance to Persons in Material Poverty, there is a subsistence allowance, supplementary housing allowance, extraordinary immediate benefit. Disability compensation is governed by Act No. 329/2011 Coll., on Provision of Benefits to People with Disabilities, whereas the attendance allowance is paid under Act No. 108/2006 Coll., on Social Services.

The following benefits are provided in accordance with Act No. 117/1995 Coll., on State Social Assistance, and Act No. 111/2006 Coll., on Assistance to Persons in Material Poverty: supplementary housing allowance and housing allowance.

- **Housing allowance** (provided from the state social assistance system)

This benefit contributes to the housing expenses of families and individuals with low income. Owners or lessees in apartments where they have permanent residence are entitled to a housing allowance if 30 per cent (in Prague 35 per cent) of the family income does not suffice to cover the housing expenses when the family income is lower by 30 per cent (in Prague by 35 per cent) than the respective standard expenses stipulated by law. The reimbursement of a housing allowance is limited to 84 months encumbered within 10 calendar years. This limitation shall not apply to houses comprised solely of persons aged 70 years and the disabled persons who live in their own homes, whether built or adapted.

- **Supplementary housing allowance**

This benefit assists people in material poverty to manage a lack of income to cover housing expenses if the monthly income of a given person or family, including the housing allowance from the state social assistance system, does not cover the housing expenses.

The allowance is granted to owners or lessees who are entitled to the housing allowance. The act allows for provision of the supplementary housing allowance also in such exceptional cases when the applicant is not eligible for the allowance, but uses other suitable form than rental accommodation.

The amount of a supplementary housing allowance is set as follows: a person or a family pays reasonable housing expenses (i.e. rental, services linked with housing and costs of energy) and also has a minimum amount, which is the minimum income level, considered necessary to provide for nutrition and other basic personal needs.

The housing allowance has the form of a recurring payment. Its specific monthly amount is based on the total income and the social and financial situation of all jointly assessed persons.

Housing is a fundamental precondition of social inclusion of individuals and families; homelessness is deemed to be an extreme social exclusion aggravating or even preventing persons from gaining an access to other resources. Experts estimate that approximately 30 thousand homeless people live in the Czech Republic and up to 100 thousand people are jeopardised by potential homelessness here. By its resolution No. 666 dated 28 August, 2013 the Government approved the Conception for Preventing and Tackling Homelessness in the Czech Republic until 2020 (see point 26 below).

In compliance with the solidarity principle, the Government is obliged to help people threatened by exclusion from housing and the homeless through various legislative and non-legislative measures (from social work to social benefits). Individual aspects of assistance to citizens in the area of housing are governed namely by the following acts: Act No. 111/2006 Coll., on Assistance to Persons in Material Poverty, as amended, (the persons in material poverty are provided material poverty allowances, including supplementary housing allowance) and Act No. 110/2006 Coll., on Living and Subsistence Minimum, as amended, Act No. 128/2000 Coll., on Municipalities, as amended (the municipalities' duty to take care of satisfying the housing needs of their citizens), Act No. 117/1995 Coll., on State Social Assistance, as amended (housing allowance) and Act No. 108/2006 Coll., on Social Services, as amended (namely asylums, half-way houses, sheltered housing, social consulting, field programmes and social activation services for families with children). As regards investment support of housing, it is namely Act No. 218/2000 Coll., on Budgetary Rules and on Amendments to Some Related Acts (budgetary rules) and Act No. 211/2000 Coll., on the State Housing Development Fund and on Amendment to Act No. 171/1991 Coll., on the Powers of the Bodies of the Czech Republic in the Matters of Transferring State Property to other Persons and on the Fund of National Property of the Czech Republic.

On 8 January, 2014 the Czech Government approved the national framework document for the area of social inclusion and fight against poverty titled the Social Inclusion Strategy for the years 2014-2020 (the Strategy), which covers the main areas crucial for social inclusion of persons socially excluded or at risk of social exclusion. The purpose of the Strategy is to contribute to achieving the national objective of poverty reduction and decrease of the level of social exclusion upheld in the National Reform Programme of the Czech Republic based on the Europe 2020 strategy.

The Strategy sets forth the priority topics of the Czech Republic in the areas vital for social inclusion for the upcoming period until 2020 and is also a key document from the point of view of drawing of funds from the Czech public budgets and the use of the European Structural and Investment Funds. It contains an overview of measures affecting social inclusion and fight against poverty as well as an overview of relevant materials and resources.

Social work is emphasised as the basic tool for social inclusion of persons socially excluded or at risk of social exclusion. All areas supporting social inclusion are therefore tackled in the Strategy also from the point of view of social work as a contribution towards functioning of measures in individual areas.

The Social Inclusion Commission, which is a permanent advisory, initiative and coordination body of the MoLSA in the area of social policy focused on fight against poverty and social exclusion as well as representatives of the relevant ministries have participated in drafting of the Strategy.

The Strategy shows the direction, in which the solution of social exclusion should go, pursues socially responsible values relating to social exclusion, points out deficiencies in searching the solution of social exclusion and promotes the spreading of the mainstreaming principle of social inclusion at all administrative levels.

At times when some areas in the Czech Republic face social tension, resulting directly, *inter alia*, from social exclusion, it is imperative to show political and moral will to address the existing situation not only by introducing specific measures, but also by building such a social discourse, which will lead to enhancement of social cohesion. Another objective of the Strategy is thus to contribute to creation of the social climate where the policy aimed at weakening or deceleration of social exclusion processes will be operative.

Performance of the measures defined by the Strategy shall be assessed on the regular basis and, given the changing social conditions, flexibly updated and/or completed.

Challenges experienced and lessons learnt in these areas

At present, the security of citizens in the Czech Republic is a stable system which has repeatedly confirmed its functionality. Nevertheless, it is limited by restrictive measures ensuing from the economic situation and related reduction of headcount.

In practice the crisis management system sometimes struggles with a lack of professionally trained and experienced personnel. Also, the planning of solutions of crisis situations does not seem to be the focus of the day. It is namely the fact that some of prepared framework plans are not topical and some "new" threats have not been addressed.

The arisen situation may be solved by a greater emphasis on the education system (especially at the tertiary level), closer linking between theory and practice as well as a more effective use of attained results of the safety research. At the same time, it will be necessary to review the approach to solution of crisis situations at the central level and to update the possible types of crisis situations.

Effective implementation of the aforementioned will eliminate possible threats in the form of deficiencies of professional personnel and/or the risks of state administration's tasks being taken over by private entities, which will weaken the state role in the safety system.

Some specific practical measures are as follows:

- building of infrastructure to increase safety, prevention and solution of risks;
- modernisation, building adaptation and/or development of facilities to be used by the integrated rescue system;
- acquisition or modernisation of equipment of the facilities within the integrated rescue system;
- installation of CCTV systems and modernisation of the citizen warning and response system;
- development of the integrated rescue system and the crisis management

systems, including technical and communication safety;

- making the emergency call system more effective, including resources and funds;
- building and reconstruction of action points and acquisition and modernisation of their technical equipment;
- drawing up of emergency plans;
- building and modernisation of utility infrastructure for crisis management.

Support of social inclusion and combating of poverty

The Social Inclusion Strategy for the years 2014-2020 formulates a comprehensive programme of measures focused on the access of persons socially excluded or at risk of social exclusion to opportunities and options helping them to be fully integrated in the economic, social and cultural life of the society and live in a way deemed ordinary in the society, in particular, by their better asserting themselves on the labour market and by support of their access to quality services leading to social inclusion. Achievement of the set goals will be assisted by effective and long-term sustainable social protection system as well as by pursuing the mainstreaming principle of social inclusion at all administrative levels. The Strategy will foster development of cooperation of all stakeholders while respecting the principle of an evidence-based policy, i.e. methods of analysing and creating public policies on the basis of demonstrably identified data.

Homelessness

Experts estimate that approximately 30 thousand people without a dwelling live in the Czech Republic and up to 100 thousand people are jeopardised by potential homelessness here. By its resolution No. 666 dated 28 August, 2013 the Government approved the Conception for Preventing and Tackling Homelessness in the Czech Republic until 2020 (hereinafter the "Conception"). All the relevant ministries and representatives of the Homelessness Expert Panel under the umbrella of the Social Inclusion Commission, which is an advisory body of the MoLSA, have participated in drafting of the Conception.

The document lays down the use and application of the functional ETHOS (European Typology on Homelessness and Housing Exclusion) definition in all matters regarding the issue of homelessness and housing exclusion. The Conception is thus based on the fact that homelessness is not only "sleeping in the streets", but also a process which must be addressed from the point of the risk of its occurrence both by preventive measures and by support linked to the existing services.

The Conception covers such topics as an improved access of people to housing, a more efficient and completed system of social services, an access to healthcare, awareness, engagement and cooperation of all stakeholders.

Active ageing

Given the ageing of population due to the demographic development, the issue of the elderly and their position in the society is more and more topical.

In order to address the issue of population ageing due to the demographic

development, the Government prepared and in February 2013 adopted the National Action Plan of Support of Positive Ageing for the years 2013-2017, which is the fundamental strategic document as regards the resolution of the issues of the elderly and population ageing. The priorities are as follows:

- securing and protection of human rights of the elderly;
- life-long learning;
- employment of older employees and the elderly in relation to the pension insurance system;
- volunteering and inter-generational cooperation;
- high-quality environment for the elderly;
- healthy ageing;
- care for the oldest persons with decreased self-sufficiency.

The Government also plans to continue to support the activities and projects focused on strengthening of involvement of the elderly in the society, promoting an age management, greater employability of the elderly, support of inter-generational solidarity and engagement of the elderly in volunteering activities. Another important elements should be the support of a healthy life style (though it is a sphere the regulation of which is not subject to the public authority) and prevention of diseases as basic presuppositions of an increased quality and prolongation of an active life at old age.

In the area of professional care for the elderly, the Government will strive for interlinking of health-care, social and other services provided in the home environment. As part of support for development and use of assistance technologies, which may increase the quality of life and independence of the elderly, information and communication technologies and the services of assisted life for the elderly will be analysed in order to submit a proposal for solution of the services in the given area.

Social inclusion of the Roma and the issue of socially excluded areas

Under the Strategy for Combating Social Exclusion for the years 2011-2015, which focuses namely on the local dimension of social exclusion, the Government will continue to adopt measures aimed at integration of socially disadvantaged children in the mainstream education, the prevention of family breakdown and transfer of children to the institutional care, support of employment and/or safety inside socially excluded areas and in their neighbourhood. A special emphasis will continue to be put on the support of social inclusion and social cohesion in the structurally insufficiently developed regions with high unemployment and occurrence of socially excluded areas. In 2017 the Government through the governmental Social Inclusion Agency will support further 17 towns/cities and municipalities where it is going to launch a three-year programme of cooperation in development of comprehensive social inclusion policies.

The Government implements a comprehensive Roma Integration Concept for the years 2010-2013, which combines the human-right, national and socio-economic aspects.

Another presupposition of excluded people's social inclusion of no less importance is an equal access to education, which considerably affects the position

of an individual in the society and their further employability.

Support of social housing

The Government prepares a draft act on social housing, which is to address the issue of availability of housing for the groups of citizens at social risk by means of comprehensive legislation.

Support of social entrepreneurship

The Government will support the principles of social economy necessary for the support of sustainable development both in the economic, environmental and social areas. If the implementation of the concept of social economy and the support of social entrepreneurship in the Czech Republic is to be really purposeful and effective so that the sustainable development objectives could be achieved, it is necessary to approach such support on the multi-departmental basis with involvement, in particular, of the MoLSA, the Ministry of the Environment, the Ministry of Industry and Trade and the Ministry of Regional Development. In the social area the social enterprises represent one of the forms of entrepreneurship where it is possible to support creation of jobs for socially and otherwise disadvantaged persons in combination with strengthening of their social competencies allowing for their permanent integration in the society.

In compliance with the principles of socially sustainable development of economy these principles shall be taken into consideration in the upcoming Employment Strategy as one of the ways of modern approaches to the solution of employment issues of groups at risk in relation to the tools of the active employment policy. At the same time the Government aims to work on improved awareness of the concept of social entrepreneurship, improvement of the legal environment and creation of tools for financial support of social entrepreneurship.

Better availability of rental accommodation for increased mobility of labour force

The intensity of housing development corresponds to the demographic development from the regional point of view. Any possible deficit in availability of apartments, which may appear in some areas and is of a structural nature, may be resolved by public funds only to a very limited extent. The role of the state is mostly indirect in this case and covers such activities which should lead to effective functioning of the housing market. An increased mobility of labour force through better availability of rental accommodation may contribute to support of social inclusion and the decrease in the number of people threatened by poverty. The Government therefore supports the building of rental apartments.

Increased quality and availability of preschool care, compatibility of family and work lives

Good-quality preschool education designed as a part of the education system is of paramount importance for further development of a personality and for prevention of negative consequences of social inequities reflected at the later stages of the education cycle. Therefore, preschool education cannot be primarily considered only as a care for small children by a person other than a parent, but also as means to a

healthy emotional, mental and physical development and socialisation of a child and acquisition of basic skills necessary for further life, in particular, for the upcoming elementary education, such as adoption of life values, appropriate behavioural patterns and development of human relations.

The Government will continue to support availability of preschool education, namely with regards to its goal, which is improvement of preparation for elementary education of children from the socially disadvantaged environment. At the same time the system of teaching and psychological consulting will be transformed in order to adequately diagnose the individual needs of children and to propose suitable balancing and supporting measures in cooperation with their parents or guardians, kindergartens, elementary schools and non-governmental non-profit organisations.

Future challenges and issues in these areas that could be addressed through a New Urban Agenda

It is crucial for the future to:

- intensify cooperation of all stakeholders especially at the regional (regional, town/city, municipal) level in crime prevention as well as crime combating, including coordination of solutions of the safety situation and the public order;
- strengthen co-responsibility of the public for the local safety situation via improvement of two-way communication with the relevant public administration authorities.

Generally:

- The entire territory of the Czech Republic is protected by the Czech Police;
- In 2013, there were 361 municipalities in the Czech Republic which set up municipal police. These municipalities are inhabited by approx. 6.6 million citizens out of the total number of 10.5 million inhabitants of the Czech Republic. The municipal police may operate under a public agreement also in municipalities other than those which established it – overall, the municipal police is active on the territory of approx. 852 municipalities (There are 6,235 municipalities in the Czech Republic.);
- All municipalities have powers to create security strategies valid for their territories;
- All the municipalities in the Czech Republic are subject to crisis planning.

Under the “Local Crime Prevention Program” subsidy scheme (the “Program”) the Ministry of the Interior implements a range of prevention activities directed at improved safety and security of urban people and assets. The Program activities are designed to reduce crime, eliminate crime risk phenomena, reduce opportunities for crime to occur, increase the risk of apprehension for perpetrators and inform the public about lawful options of crime protection. In the first round of the Program in 2014, regions, municipalities and the Capital City of Prague submitted a total of 407 project applications for subsidies. The National Committee approved 233 crime prevention projects submitted by regional and municipal governments and allocated CZK 46.7 million.

The Ministry of the Interior helps the Czech Police to adapt to the growing social diversity, focusing on the education and training of police officers. The Ministry of the Interior has been systematically dealing with minority-related aspects of the police work since 2003. In this context, in cooperation with the Czech Police,

the Ministry regularly updates the strategic concept of the work of the Czech Police in the sphere of minorities, where the term “minorities” is used in a broader sense, including foreigners and socially excluded citizens, i.e. the currently valid document “2013-2014 Strategy for the Work of the Czech Police in Relation to Minorities” (hereinafter the “Strategy”). Professional competence, knowledge of minority specifics, regular training and close cooperation with local governments are the key factors for high-quality and effective work with minorities of the Czech Police. In addition to that, liaison officers for minorities and respective working groups were established in 2005 at all regional headquarters of the Czech Police that systematically map, analyze and evaluate current developments in minority communities and effectively prevent possible conflicts between majority and minority communities and within these communities.

In addition, the Ministry of the Interior organizes regular training courses for police officers focusing not only on the issues of minorities, but also on the right to assemble or extremism-related issues, prepares specialized training courses focused on the role of policing in a multicultural environment and conflict resolution methods *vis-à-vis* minorities; it also develops learning modules involving EU subsidy schemes.

Last but not least, we organize international meetings and procure contacts to share good practices in this area.

The Ministry of the Interior carries out a specific crime and extremism prevention program – Dawn (Úsvit), whose main objective is to increase safety in socially excluded urban neighbourhoods. The Dawn program offers a comprehensive set of proven and tested social and situational prevention projects including relevant guidelines and partial state funding, offered by the Ministry to local governments. An important element of the Dawn program is undoubtedly the Crime Prevention Assistant (“CPA”) project.

The aim of the CPA project is to reduce the number of crimes and administrative delicts (illegal conduct in general) in socially excluded localities, promote law enforcement, prevent neighbour disputes and petty and latent illegal activities, which are difficult to tackle for the Czech Police and the Municipal Police in socially excluded localities, and to alter the negative attitude of the majority society to the socially excluded. CPAs are chosen from among people in socially excluded localities for their knowledge of local environment. Having undergone relevant training, they become employees of the Municipal Police or the municipal authority and help increase the standard of safety and maintenance of public order. CPAs work as liaison officers between the Police, local public administration and people from the neighbourhood, and their objective is to promote law, facilitate mutual communication and understanding, and prevent conflicts.

The CPA project is funded from two sources. One is the state budget, the chapter of the Ministry of the Interior, a special-purpose state subsidy within the Crime Prevention Program, the other is the European Social Fund, OP Human Resources and Employment. Within the framework of the 2014 Crime Prevention Program CZK 15.4 million were allocated to 43 project applications for a subsidy. This is a subsidy for the work of 127 assistants in 43 municipalities (of which 13 municipalities introduced their CPA for the first time). The position of a mentor will also be created in each municipality. The mentor is a municipal police officer who assigns tasks to CPAs, checks their performance, help CPAs manage their tasks and overcome difficulties. The project is further supported by the Czech Police

officers in the given area.

Another sub-project of the Dawn program is the “Roma Mentor” project implemented by non-governmental not-profit organization Rubikon Centrum in cooperation with the Probation and Mediation Service of the Czech Republic since 2004. It aims at encouraging Roma perpetrators to successfully undergo their alternative punishment/measure and thus reduce the risk of re-offending and becoming even more socially excluded.

Eleven applications for the project “Building Supervisor – Prevention Specialist” were supported with CZK 1.3 million (job positions for 25 building supervisors). The aim of the project is to positively affect the current unfavourable situation in the municipal housing stock management whilst significantly increasing security and public order in the given locality by means of “controlled self-administration” of a building. It is estimated that two to six building supervisors from one municipality will participate in the project. Equally important is to show people residing in socially excluded or risky localities that they also can live on a higher social level and in greater safety, provided that they observe clearly defined rules of conduct.

The most common means of situational crime prevention especially in public urban spaces is urban CCTV surveillance systems administered by the Municipal Police or the Czech Police, which significantly contribute to public order, crime reduction and creation of “safe zones” in towns. A total of CZK 11.8 million were allocated to 39 municipalities to expand the existing or install new urban CCTV surveillance systems.

V. Urban Economy: Issues and Challenges for a New Urban Agenda

Improving municipal/local finance

Position of municipalities

In the Czech Republic, the right of self-government is a constitutional right. Municipalities are basic territorial self-governing units, regions are higher territorial self-governing units. Currently there are 6,248 municipalities in the Czech Republic. The municipalities perform their tasks within the framework of their separate and delegated powers. There is a “mixed” model of public administration.

Separate powers:

Municipalities handle their affairs separately (within their separate powers). The state may intervene in their separate powers only if necessary for law protection, and only in the manner stipulated by law. The scope of separate powers may only be restricted by law.

The separate powers of a municipality include particularly property management and budgetary performance.

Within the framework of their separate powers and in their territories, municipalities create conditions for social care development to satisfy the needs of their inhabitants. Primarily, it concerns the satisfaction of the needs for housing, health protection and development, transport and communications, the needs for information, education, overall cultural development and public order protection, etc.

Delegated powers:

State administration duties, the exercise of which was entrusted to a municipal authority by law, are performed by the municipal authority within the framework of its delegated powers. In exercising delegated powers, the municipal authority shall comply with

- laws and other legal regulations;
- government resolutions and central administration bodies' directives; these resolutions and directives may not impose obligations on municipal authorities other than those stipulated by law;
- measures adopted by relevant public authorities in controlling the exercise of delegated powers under the law.

Funding of municipalities

The Czech Republic applies a consistent approach to funding of both municipalities and towns. Costs associated with the performance of tasks within the framework of both separate and delegated powers of a municipality are covered by:

A. Own revenues

Municipalities' own revenues consist of:

- Tax revenues – the most significant source of revenues for municipalities, stipulated by Act No. 243/2000 Coll., on Budget Allocation of Revenue of Certain Taxes to Territorial Self-Government Units and to Certain State Funds (the Act on Budget Allocation of Taxes);
 - Municipalities' tax revenues also include various fees and levies, e.g. in the environmental area, or lottery related fees), administrative charges and local charges (substituting for local taxes in the Czech Republic).
- Non-tax revenues – including particularly revenues from the property lease, from own activity and from sale of non-capital assets;
- Investment revenues – including mostly revenues from sale of capital assets.

B. Subsidies

Own revenues of municipalities and regions are complemented with subsidies provided under various segments of public budgets, particularly the state budget, state funds, and EU funds.

Budget allocation of taxes to municipalities

Act No. 243/2000 Coll., on Budget Allocation of Taxes, as amended, defines tax revenues for municipalities, regions and the State Fund for Transport Infrastructure. Classification of tax revenues of municipalities according to the Act on Budget Allocation of Taxes:

- Shared taxes
 - Share in the proceeds from value added tax;
 - Share in the proceeds from personal income tax (income by way of employment and emoluments thereof);
 - Share in the proceeds from personal income tax withheld;
 - Share in 60% of the proceeds from personal income tax;

- From own activity;
- Share in the proceeds from corporate income tax (unless the municipality is the taxpayer).
- Incentives (other shares in taxes)
 - 30% of the proceeds from personal income tax of the self-employed, distributed according to the place of permanent residence of the self-employed;
 - 1.5% of the proceeds from personal income tax (income by way of employment and emoluments thereof) allocated according to the proportion between the number of employees with the place of work in the given municipality as at 1 December of the previous year and the total number of employees in all municipalities in the Czech Republic.
- Exclusive tax revenues
 - Proceeds from real estate taxes;
 - Share in the proceeds from corporate income tax (provided that the municipality is the taxpayer).

Annually, pursuant to the Act on Budget Allocation of Taxes, the Ministry of Finance issues an implementing regulation stipulating the shares of individual municipalities in the Czech Republic in the defined portion of the proceeds from shared taxes calculated based on the criteria stipulated by law (the Act defines a procedure to calculate the share of each municipality). The following criteria to which the following weights are assigned in calculation have been used since 2013:

Area of the municipality (max. 10 ha per inhabitant)	3%
Simple number of the population	10%
Gradual transitions	80%
Children in kindergartens and elementary schools	7%
Total	100%

Strengthening and improving access to housing finance

In 2011, the Czech government adopted the Concept for Housing in the Czech Republic until 2020. The concept's basic objectives are increasing the availability of all forms of adequate housing, creating stable legal environment for the housing sector and continuously improving the quality of housing in particular.

The concept outlines new directions for the housing sector:

- A more balanced level of support of tenancy and home ownership;
- Improved availability of housing for certain social groups in population (the elderly, households at risk of social exclusion, low-income people, people with disabilities ...);
- Reducing energy intensity of housing – high energy intensity of the housing sector is reflected in high household energy expenditure;
- Assistance of the state with the housing situation of natural disaster victims;
- Better use of EU funds in 2014-2020;
- Stable legislative environment in tenancy and home ownership;

- Improved quality of housing.

Support from the budget of the Ministry of Regional Development and the State Housing Development Fund is therefore aimed at increasing the availability of housing, at the provision of social housing, and better quality of housing.

Based on the concept a revision was made to the programs sponsored by the State Housing Development Fund, which in the past were mostly based on non-recoverable subsidies, which resulted in a gradual shift towards provision of support with emphasis on ensuring recovery of funds and thus promoting sustainability of the housing sector. Since 2012 the State Housing Development Fund has been offering credit schemes only. Therefore, the Fund now provides exclusively subsidies of a revolving nature, which ensures the sustainability of support.

Supporting local economic development

The 2014-2020 Regional Development Strategy was adopted by the government in May 2013. The objective of one of the priorities of this strategy is to prevent deepening of negative disparities in peripheries, ensure long-term stabilization and subsequent development, taking into account the local potential. At the same time, the strategy should help decrease the unemployment rate in regions hit by very high unemployment.

In this context, it is also worth mentioning that problems on local labour markets are not always reflected only in unemployment rates (the proportion of the unemployed), but it is also necessary to refer to the proportion between jobs generated and numbers of jobseekers. Although such regions do not necessarily report above-average unemployment rates, they may report high numbers of jobseekers per vacancy and of the long-term unemployed).

There are many regions in the Czech Republic which, also owing to their geographical position, face significant long-term problems (such as high unemployment or depopulation). Generally speaking, these regions have faced accumulated economic, social or environmental problems for so long that their whole territories have become marked by deprivation. One of the key indicators of socioeconomic problems of such regions is their unemployment rate. An increased long-term unemployment rate often constitutes the cause of emergence, or deepening, as the case may be, of various socially pathological phenomena, while jeopardising socially excluded groups of population. Due to lack of users, these peripheral areas often lack necessary infrastructure. This significantly affects the quality of life of local people and the standing of the whole area, where e.g. the availability of public services affects migration patterns of the population and the overall population development. For now, the use of incomprehensive tools and support facilities seems to make things worse rather than better. It is therefore necessary to provide these areas with more active and targeted support based on the application and combination of development tools, both financial and nonfinancial.

Therefore, the priority is aimed at supporting development activities in peripheral areas of the Czech Republic. The starting point is the use of specific features of each area, support of small enterprises and social activation of the population. The strategy outlines the following three basic measures:

Supporting local economic development

The measure includes support of the development and diversification of SMEs (including support of social entrepreneurship) with respect to the development potential of the peripheral region, the development of crafts, support of traditional products, support of business investments with a view to job creation, support of the local economy concept, local (regional) brands, social entrepreneurship, support of all forms of sustainable tourism with a view to the local potential.

Supporting better quality of workforce

Activation of the local population (e.g. local initiatives) helps increase people's sense of cohesion with the neighbourhood and protect vulnerable groups of people against social exclusion. The measure supports the education of socially excluded and vulnerable groups of population (formal education and informal learning) and at the same time it helps promote an active employment policy, increased use of flexible forms of employment in regions with high unemployment, etc.

Provision of basic services and transport serviceability

The measure is aimed at ensuring adequate transport **serviceability** in peripheral areas in relation to the respective regional hubs, as well as specific methods of ensuring provision of public services, e.g. ensuring the availability of emergency medical services (or mountain rescue, as the case may be) even in remote areas, and other public services (education, health care, social care) based on inter-municipal cooperation (e.g. including cooperation with entities from neighbouring countries).

Creating decent jobs and livelihoods

The active employment policy is governed by the Employment Act. Legal measures are continuously adjusted to the actual needs of the labour market. The implementation of active employment policy tools falls within the responsibility of the Czech Labour Office.

The system of active employment policy focuses on the following basic priorities: increased employment rate, particularly as concerns vulnerable groups of people on the labour market. Support of employment is ensured by means of funding provided to employers for creation of new or maintenance of existing jobs (due to temporary depression in economic activity of a business). The jobs are created based on a contract concluded by the Labour Office and a specific employer and filled with job seekers to whom a special attention is paid on the labour market. Employers receive funds contributing to the wage of a new employee, or the money can be used to purchase equipment which is necessary for new job creation. These tools can also be used for provision of financial assistance to those job seekers who wish to start their own business.

Furthermore, support is aimed at increasing the employability of vulnerable groups of people on the labour market, particularly at adjusting their competences to the needs of the labour market while enhancing their social competences and, last but not least, rehabilitation improving the position of the disabled on the labour market. The basic tool is re-training. It focuses on the improvement or renewal of competences of the job seekers whose current competence does not meet the needs of the labour market. Client courses are organized by the Labour Offices and their focus ensues from the demand of the labour market. Other tools include consulting activities provided by the Labour Offices to their clients. Starting from

1 January, 2012 job seekers can take care of their own re-training. To that effect, they can choose the type of working activity that they wish to pursue and a re-training agency which provides for such re-training. The Labour Office can provide subsidies to cover the partial (or even total) costs of re-training.

VI. Housing and Basic Services: Issues and Challenges for a New Urban Agenda

Slum upgrading and prevention

There are no slums in the Czech Republic. However, spatial social exclusion is manifested in the form of socially excluded localities, i.e. localities populated mostly by the socially excluded. It can be a single building or a district with both physical and/or symbolic limits. In 2006, over 300 socially excluded localities were identified in 167 municipalities and field experts confirm that this amount keeps increasing. (Source: GAC spol. s r.o.: Analysis of socially excluded Roma localities in the Czech Republic and absorption capacity of entities involved in this field, Prague: 2006). This is a snapshot of the status quo in the given period and therefore the MoLSA decided to find out about the situation of the given area. On 5 June, 2013, the MoLSA announced a public contract to develop a follow-up “Analysis of Socially Excluded Localities in the Czech Republic”. The first outputs should be available in early 2015. These outputs should show improvement or changes from the status of socially excluded localities in 2006. At the same time, they should contribute to more efficient drawing of funds under the new OP Employment.

Between 2006 and 2013, under the OP Human Resources Development and the OP Human Resources and Employment, a system was created to finance enhancement of the absorption capacity of social prevention services including financing of development and provision of specifically focused social prevention programs in socially excluded localities. Social service providers who operate in socially excluded localities receive funds from the MoLSA’s chapter of the state budget (chapter 313) to be used for basic social service activities, i.e. for the provision of services. The above OP Human Resources and Employment used dedicated grants to support activities focusing on establishing links between employment and social prevention.

In addition to these tools requiring active involvement of (particularly non-profit) organizations, the main tool used to solve the situation including prevention activities is social work in public administration (social work carried out by municipalities and regional offices including activities focusing on prevention, solving of adverse social situations, as well as coordination activities in social services, social benefits, etc., pursuant to S. 92-93a of Act No. 108/2006 Coll.). The MoLSA therefore developed a new tool – subsidies for social work in municipalities with authorised municipal offices and municipalities with extended powers. These subsidies shall ensure active field work in public administration, enhance the role of municipalities as social service coordinators and a comprehensive spectrum of social work activities including prevention activities with a direct impact on the creation of social service networks reflecting the current needs of a given locality (region), i.e. support of efficient community planning. This involves interconnection of activities in performance of public administration, i.e. separate powers – social service planning, as well as delegated powers – coordination and actual social work with people at risk of social exclusion as stipulated by regulations dealing with material poverty and social services.

Improving access to adequate housing

The State Housing Policy Concept until 2020 adopted by resolution No. 524 of the Czech government on 13 July, 2011 is the basic strategic document on housing policy development in the Czech Republic. Pursuant to this document the state should basically motivate citizens to take individual care of their housing. For those who are unable to acquire housing due to objective reasons, the state develops tools that can be used to provide efficient assistance.

To tackle social housing in a systemic manner, the MoLSA will promote strategies focused on the most vulnerable groups of people, i.e. all people at direct or indirect risk of homelessness, and it will promote measures aimed at prevention of housing loss, because prevention constitutes an integral part of an efficient system.

The program agenda of the Czech government declared a need to adopt a law on social housing. A draft concept should be available in 1st quarter of 2015; the intended subject-matter of the law on social housing should be ready in 2nd quarter of 2015 and an articulated bill in 2nd quarter of 2016.

To that effect, the MoLSA established a broad expert group whose members raised their opinions and defined the areas of cooperation based on individual social housing expertise. The discussion showed the need to create differentiated working sub-groups. So far, there are four of them. Sub-group I focuses on social housing standards and urbanism, number II will deal with social policy tools (non-insurance social benefits, social services and social work within the framework of powers delegated to municipalities and regional authorities), number III will focus on the financing of sources of social housing support and number IV will be responsible for analyses, focusing on the development of the very draft of the social housing concept.

Improving the accessibility of housing for groups threatened with social and spatial exclusion must be addressed through the stimulation of both demand and supply. The groups of households/persons threatened with social and spatial exclusion include, in particular, people at the start and after the end of their professional careers, people at a disadvantage on the housing market for reason of their nationality, race or religion, senior citizens, the handicapped, the homeless and low-income households. The needs of persons who have problems with access to housing because of their age or health are also reflected in special demands on the construction and technical parameters of apartments. In view of these persons' limited sources of income, their ability to secure and maintain housing under standard conditions may be restricted. In addition to municipalities, the private sector (e.g. non-profit organisations also interested in the long-term operation of social rental housing) is also becoming involved to a greater and greater extent in housing for households threatened with social and spatial exclusion. The private sector is often able to implement goals in the area of social housing with greater effectiveness (through targeting on genuinely threatened households) and efficiency (lower demands on public budgets).

Instruments:

- Support for the construction of rental apartments for groups of citizens threatened with social and spatial exclusion;
- Support for removing legal and technical barriers to the construction of housing;

- Construction regulations;
- Social services regulations;
- Social benefits in the area of housing;
- The institute of “housing need” and the establishment of rules in the area of social housing.

Ensuring sustainable access to safe drinking water

Within the framework of the Housing Support Program, the Ministry of Regional Development implements sub-program Support of Replacing Lead Plumbing Pipes in Homes. A non-capital subsidy in the amount of CZK 20,000 per housing unit is provided to replace lead plumbing pipes in homes. The subsidy can be drawn by owners, co-owners or associations of owners of houses with lead plumbing pipes. Support is provided under the *de minimis* rule.

Ensuring sustainable access to basic sanitation and drainage

In 2013, 9.854 million inhabitants, i.e. 93.8% of the Czech population, drank water from water supply systems. All water supply systems produced a total of 600.2 million cubic metres of drinking water. 471.8 million cubic metres of drinking water were supplied for consideration (invoiced); out of that number, 313.6 million cubic metres of drinking water were consumed by households. The losses of drinking water amounted to 106.3 million cubic metres, i.e. 17.9% of the water for sale. Water consumption continued to drop also in 2013. Similarly, there was a drop in the specific amount of total invoiced water and water invoiced to households. Nationally, it represents a drop in the amount of invoiced water by 2.5 litres per person per day, and 0.7 litre per person per day of water invoiced to households. In 2013, the length of the water supply system increased by 566 km and reached 75,481 km. In 2013, due to new construction projects and completion of the existing water supply system the amount of supplied inhabitants rose by 31,295. There were 7.66 metres of water supply system per supplied inhabitant. The number of communication pipes rose by 23,039 and reached 2,025,966. The number of installed water meters increased by 17,062 and reached 2,022,178. There are five inhabitants per one communication pipe. The numbers are significantly affected by rather massive development of family houses.

In 2013, 8.705 million inhabitants, i.e. 82.8% of the Czech population, lived in buildings connected to drainage systems. A total of 455.3 million of cubic metres of wastewater were discharged to drainage systems (excluding charged-for rainwater). Out of that number, 97,4% of wastewater was treated (excluding rainwater), which represents 443.4 million cubic metres. In year-on-year terms, the number of inhabitants connected to drainage systems increased by 30,423. The volume of wastewater discharged to drainage systems, excluding rainwater, dropped by 17.9 million cubic metres y-o-y. In 2013, the indicator of the share of treated wastewater excluding rainwater rose by 0.3%. In 2013, the length of the drainage systems increased by 866 km and reached 43,618 km. The Czech Statistical Office data suggest that when compared to the previous year the total amount of waste water treatment plants increased by 64 WWTPs to 2,382 WWTPs in the Czech Republic.

Improving access to clean domestic energy

The Czech Republic has significantly advanced in the field of energy in the past

years; particularly in its efforts to improve energy and climate protection policies, oil and gas security, electricity market liberalization, and to contribute to the electricity market of the entire Central European region.

When it comes to energy performance indicators, the Czech Republic is currently beyond the EU-27 average, but this position corresponds to the traditional industrial orientation of the Czech Republic and the position of new Member States admitted to the EU between 2004 and 2007. As concerns energy consumption per inhabitant, as well as electricity consumption per inhabitant, the Czech Republic is approximately at the EU average. A relatively significant potential for savings exists in the area of reducing energy performance of buildings and developing passive buildings. Nevertheless, development in this area will require massive investment and a great deal of time.

Owing to support of renewable energy sources, the share of renewable sources' (other than hydroelectric power plants) in the consumption of primary energy sources has increased in recent years. In 2010, measured in gross terms, renewable electricity accounted for 8.3% of the total electricity consumption of the Czech Republic. The national indicative target share for the Czech Republic was set to 8% by 2010. The share of gross generation of renewable heat energy in total generation of heat energy fluctuates at around 8%. The National Renewable Energy Action Plan for the Czech Republic envisages achievement of a 14% share of renewable energy in gross final energy consumption in the Czech Republic and a 10.8% share of renewable energy in gross final consumption in transport. The proposed National Action Plan complies with the National Energy Concept to meet the requirements ensuing for the Czech Republic from the EU legislation.

A long-term energy vision for the Czech Republic encompasses reliable, affordable and sustainable supply of energy to households and economy. The National Energy Concept is being updated to be approved by the Czech government by the end of 2014.

The National Programme for the Promotion of Energy-Saving Measures and the Use of Renewable Energy Sources (the EFEKT program) is one of the tools aimed at the use of renewable and secondary energy sources, increasing energy savings, improving energy performance, and increasing energy efficiency in the Czech Republic. The program focuses on raising awareness and disseminating information, on smaller-scale investment (implementation of energy saving measures in the area of energy generation and consumption, more extensive use of renewable and secondary energy sources and development of co-generation of power, heat and cool, enhancing the quality of energy services).

The Smart Grids concept is based on a vision of reliable, automated and effectively managed distribution networks. It is based on interactive two-way communication between generation sources, a distribution network and customers taking into account the existing energy production and consumption needs. From the customer viewpoint, the Smart Grids objective is as follows: possibility to monitor current consumption of electricity using smart electrometers, testing of the unique, multi-utility measurement of household consumption, optimisation of consumption management using smart electrometers.

As concerns testing of the Smart Grids concept in practice, ČEZ, the largest electricity producer in the Czech Republic, has earmarked one Smart Region for the project – Vrchlabí area in Eastern Bohemia. The Smart Grids concept includes an innovative distribution network which is able to effectively incorporate all connected

users, large generation sources, local generation sources (primarily renewable sources and energy and heat co-generation units), consumers who can play an active role and new distribution network features, such as charging stations for electric cars. In order to incorporate the Smart Grids concept in the power distribution system in the Czech Republic, the Ministry of Industry and Trade is now preparing a National Action Plan for Smart Grids which should be completed by 2014.

VII. Indicators

Percentage of people living in slums

0%

Percentage of urban population with access to adequate housing

Most of the urban population has access to adequate housing.

Percentage of people residing in urban areas with access to safe drinking water

Practically 100%

Percentage of people residing in urban areas with access to adequate sanitation

Practically 100%

Percentage of people residing in urban areas with access to regular waste collection

Practically 100%

Percentage of people residing in urban areas with access to clean domestic energy

Most of the urban population has access to clean energy.

Percentage of people residing in urban areas with access to public transport

100%

Level of effective decentralization for sustainable urban development measured by: (i) Percentage of policies and legislation on urban issues in whose formulation local and regional governments participated from 1996 to the present; (ii) percentage share of both income and expenditure allocated to local and regional governments from the national budget; (iii) percentage share of local authorities' expenditure financed from local revenue

Percentage share of transfers absorbed by territorial budgets from the state budget in total state budget expenditures in the years 1996, 2006 and 2013 (in CZK bn.)

Year	Total state budget	Transfers absorbed by territorial budgets from the state budget	Share of absorbed transfers in total
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	expenditures	Total	Of which:	Non-capital	Capital	state budget expenditures (%)
1996	484.4	32.7		21.0	11.7	6.8
2006	1,020.6	144.3		118.8	25.5	14.1
2013	1,173.1	148.2		116.3	31.9	12.6

Percentage of city, regional and national authorities that have implemented urban policies supportive of local economic development and creation of decent jobs and livelihoods

Integrated Urban Development Plans (“IUDP”)

Setting of evaluation criteria for selection of IUDP projects

The system of project selection is supervised by the IUDP Management Committee and governed by the “Project Selection Method” chapter of the IUDP document; it is a part of the town’s call for submission of applications for subsidy. The obligation to select projects for the IUDP in a transparent, fair and non-discriminating way in compliance with the IUDP rules is stipulated by the IUDP Implementation Agreement. Among other obligations, each municipality shall respect the terms of a call announced by the relevant program of support. They shall make information on their project selection system publicly available, provide project selection documentation prior to the announcement of a call, as well as project evaluation results including relevant documentation. Applicants submit their projects recommended by the municipality to the body authorised by the provider of support. This body performs standard controls of admissibility, formal requisites, risk analysis and on the spot ex-ante check, if need be. A call for submission of IUDPs was announced on 6 August, 2008 and closed in late 2008. Out of 62 cities with a required population size, 41 submitted their application for IUDP approval.

Implementation of pilot projects focusing on Roma minority integration

There are 68 submitted projects. Support was allocated to 14 public space revitalisation projects worth approx. CZK 64 million and 54 apartment house reconstruction projects worth approx. CZK 151 million in socially excluded Roma populated areas. Investment projects are often interlinked with social inclusion projects. Further, within the framework of pilot projects we implement projects under the OP Education for Competitiveness.

Percentage of city and regional authorities that have adopted or implemented urban safety and security policies or strategies

All towns have the opportunity to create their own safety strategy; at the same time, there is a single crisis management plan encompassing all of them.

Percentage of city and regional authorities that have implemented plans and designs for sustainable and resilient cities that are inclusive and respond to urban population growth adequately

Local plans cover almost 90% of the Czech Republic. Local plans are available to all municipalities with a population over 5,000.

Share of national gross domestic product (GDP) that is produced in urban areas

Data not available.