

Czech Republic

Self-rule

INSTITUTIONAL DEPTH AND POLICY SCOPE

The Czech Republic is one of the two successor states of Czechoslovakia (Kaiser 1995). It became independent in 1993. The constitution of 1992 recognized *kraje* (regions) as self-governing territorial divisions (C 1992, Arts. 99–100), but implementation was delayed until 2000. The capital city of Prague (*Magistrát hlavního města Prahy*) is both a municipality and a *kraj*.¹ Until 2003 the country was divided into seventy-seven deconcentrated *okresy* (districts), inherited from the communist period (Law No. 425/1990). Cohesion regions (*regiony soudržnosti*) were established in 2000.

The *kraje* were devised in 1997 as a level of governance between the *okresy* and the central government (Law No. 347/1997), but the fourteen *kraje* only began functioning in 2000 after several contentious discussions concerning the division of tasks between *obce* (municipalities), *okresy*, and *kraje* (Lacina and Vajdova 2000). The *kraje* combine delegated and decentralized powers (Law No. 129/2000, Arts. 29 and 35). The regional executive is responsible to the central government as well as to the regional council, depending on the policy. Until 2003, *kraje* had competences in economic policy which comprises development, transport, and tourism (Law No. 129/2000, Art. 35). Special laws gave *kraje* also some delegated powers in secondary education, health, and environmental protection (Council of Europe: Czech Republic 2004, 2010). The central government resisted further decentralization until the abolition of the *okresy* in January 2003 (Baun and Marek 2006: 413; Brusis 2002, 2005, 2014; Illner 2010).^a From 2003 *kraje* score 2 on policy scope

The capital city of Prague (*Magistrát hlavního města Prahy*) is a municipality with its own law since 1990 and Prague is also one of the *kraje* since 2000 (Council of Europe: Czech Republic 2012; Illner 2010; Law No. 131/2000, Art. 1). Prague has about 1.3 million inhabitants (almost 10 per cent of the total population) and is divided into 57 metropolitan districts (*městské části*) each with their own directly elected district assembly and a district mayor elected by the district assembly (Law No. 131/2000, Arts. 3–4 and 89). In its capacity as a municipality, Prague has competences in social work, water supply, public order, and local public services (Council of Europe: Czech Republic 2000; Law No. 367/1990, Art. 14, No. 418/1990, and No. 128/2000, Art. 35). Until 2000, Prague exercised similar autonomy as other municipalities (Law No. 418/1990). Since the establishment of *kraje* in 2000, Prague also has competences in transport, tourism, economic policy and delegated powers in secondary education, health, and environmental

¹ The Act on Municipalities also identifies statutory cities which may establish city districts or city boroughs with a council, a mayor, and some self-governing powers (Illner 2010; Law No. 367/1990, Art. 3 and No. 128/200, Arts. 4 and 130–134). There were 27 statutory cities in 2018 with an average population size of 89,000 inhabitants (135,000 including Prague). The statutory cities do not meet the population threshold for regional government.

protection (Law No. 129/2000, Arts. 29 and 35 and No. 131/2000, Art. 1). We code *Magistrát hlavního města Prahy* as a separate region from 2000.

Since 2000 there are eight cohesion regions (*regiony soudržnosti*) which coordinate and implement regional development policy (Baun and Marek 2006, 2017; Law No. 248/2000; Lysek and Ryšavy 2018). The *regiony soudržnosti* cluster the 14 *kraje* except for three *kraje* (*Magistrát hlavního města Prahy*, *Středočeský kraj*, and *Moravskoslezský kraj*) which exercise both *kraje* and cohesion region competences (Law No. 248/2000, Art. 15).² Between 2000 and 2006, the *regiony soudržnosti* had a committee comprised of members from *kraje* and municipal councils as well as non-elected members from trade unions and non-profit, non-governmental organizations. In 2006, the law on regional development was amended and the committees became fully elected by the members of the *kraje* councils and *regiony soudržnosti* obtained their own budgets and executive offices (Law No. 138/2006, Arts. 16a–c, and 17). We score *regiony soudržnosti* as deconcentrated central government—institutional depth 1 and 0 on the other dimensions—for 2000–2005. From 2006 *regiony soudržnosti* score 1 on institutional depth and 1 on policy scope.

FISCAL AUTONOMY

Kraje receive a proportion of centrally collected taxes, for which the base and rate are set by the central government (Davey and Péteri 2006: 593–595; Law No. 129/2000, Arts. 17–23 and No. 243/2000). They have no additional tax authority (Council of Europe: Czech Republic 2000, 2004, 2010, 2012; Davey and Peteri 2006: 590). In its capacity as a municipality, *magistrát hlavního města Prahy* can set the rate of a property tax and can levy charges on dogs, public places, and communal waste (Council of Europe: Czech Republic 2000, 2010; Románová, Radvan, and Schweigl 2019). *Regiony soudržnosti* are fully dependent on intergovernmental transfers from the European Union, the central state, and *kraje* (Law No. 138/2006, Art. 16b).

BORROWING AUTONOMY

In response to increasing municipal debts, the government restricted subnational governments' authority to borrow (Kubátová et al. 2000; Council of Europe: Czech Republic 2010). *Kraje* may borrow if they can produce enough assets as collateral that offset the loan, and if these assets are approved by the minister of finance. A loan may also not exceed more than 15 percent of the region's budget (Council of Europe: Czech Republic 2010; Law No. 129/2000, Art. 36; OECD: Czech Republic 2001). Since 2004 *kraje* need prior consent from the central government to issue bonds (Council of Europe: Czech Republic 2010; Law No. 190/2004, Art. 27). *Magistrát hlavního města Prahy* can also borrow with ex ante supervision by the central government (Council of Europe 2000; Law No. 190/2004, Art. 27). *Regiony soudržnosti* have no authority to borrow and are fully dependent on intergovernmental transfers (Law No. 138/2006, Art. 16b).

REPRESENTATION

²The scores for *Magistrát hlavního města Prahy*, *Moravskoslezský kraj*, and *Středočeský kraj* in their capacity as *regiony soudržnosti* are not included in the country score.

Kraje assemblies are directly elected every four years (C 1992, Art. 102). Deputies subsequently elect the *kraje* executive (*hejtman*) (Council of Europe: Czech Republic 2004, 2010; Law No. 129/2000, Arts. 35 and 61).

The assembly of *Magistrát hlavního města Prahy* is directly elected and the assembly elects the mayor and eleven members who form the Prague Council which holds executive powers (Law No. 367/1990, Art. 27, No. 418/1990, Art. 24, and No. 131/2000, Arts. 48 and 59).

Regiony soudržnosti are governed by committees (*vybor*) which, until 2006, comprised of elected members by *kraje* and municipalities and non-elected members from trade unions, and non-governmental, non-profit organizations and other partners (Law No. 248/2000, Art. 17). Since 2006, the members of the committees are elected by and among the members of the *kraje* councils (Baun and Marek 2017; Law No. 129/2000, Art. 35g and No. 138/2006, Art. 16d). The committee elects the chairman (*predseda*) of the committee and the director of the executive office (*úrad*) of the *regiony soudržnosti* (Law No. 138/2006, Art. 16f and 17).

Shared rule

There is no shared rule for *kraje*, *Magistrát hlavního města Prahy*, and *regiony soudržnosti*.

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Self-rule in the Czech Republic

			Institutional depth	Policy scope	Fiscal autonomy	Borrowing autonomy	Representation		Self-rule
							Assembly	Executive	
Kraje	II	2000-2002	2	1	0	1	2	2	8
	II	2003-2018	2	2	0	1	2	2	9
Hlavního města Prahy	II	2000-2018	2	2	1	1	2	2	10
Regiony soudržnosti	I	2000-2005	1	0	0	0	0	0	1
	I	2006-2018	1	1	0	0	1	2	5

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