



MINISTRY OF INDUSTRY AND TRADE
OF THE CZECH REPUBLIC

Report on Reducing the Administrative Burden on Entrepreneurs for 2017

July 2018



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Introduction

Document *Report on reducing the administrative burden on entrepreneurs for 2017* (hereinafter "*the Report*") provides a summary of the level and manner of performing the tasks in reducing the administrative burden¹ on entrepreneurs for 2017, and of the outlook for the forthcoming period.

The Report has been elaborated by the Ministry of Industry and Trade, as the coordinator of the programme, in collaboration with other central government agencies, **on the basis of tasks assigned by Government Resolution No. 505 of 10 July 2017.**

The members of the Government and heads of other central government agencies were required to:

- continue in implementing the measures to reduce the administrative burden on entrepreneurs, arising from previous documents,
- inform the Minister of Industry and Trade about the level and manner of performing the measures adopted to reduce the burden on entrepreneurs and to proceed so that the administrative burden is reduced through 40 measures by the end of 2020,
- provide the Minister of Industry and Trade with cooperation in measuring the administrative burden on entrepreneurs in 2021,

the Ministry of Industry and Trade was required to:

- submit to the Government by 30 June 2018 the Report on Reducing the Administrative Burden on Entrepreneurs for 2017,
- measure the administrative burden on entrepreneurs in 2021,
- coordinate the implementation of tasks arising from the Resolution.

Reduction of the administrative burden on entrepreneurs has long been among the priorities of Czech governments. Since 2013, the progress in reducing the administrative burden on entrepreneurs has been monitored through measures. In the period 2013-2016, 85 measures to reduce the administrative burden were implemented.

In 2016, the Ministry of Industry and Trade in cooperation with the central government bodies concerned measured the administrative burden on entrepreneurs (hereinafter "*the 2016 Measurement*"). The results showed that the overall administrative burden had been cut by 31.49% to CZK 71,095,478,958/ year compared to 2005.

Following the results of the 2016 Measurement, new long-term goals were set, i.e. **to reduce the burden on entrepreneurs through 40 measures by 2020 and to carry out another measurement of the administrative burden on entrepreneurs in 2021, whereby the overall development since 2016 will be assessed.**

Through the measures presented, this Report discusses the possibility of removing the already existing administrative obligations imposed by the applicable as well as the upcoming legislation. Efforts are made in the legislation under preparation or in the proposed changes to avoid creating administrative burdens already during the legislative process, these issues are also addressed by the Ministry of Industry and Trade as part of interdepartmental consultation proceedings.

A Regulatory Impact Assessment (hereinafter referred to as a *RIA*) is used to identify unnecessary administrative burdens placed on businesses by the legislation. The RIA

¹ Part of the administrative costs incurred by businesses or entrepreneurs only because they are required so by the regulations (the administrative burden is therefore a subset of administrative costs, because administrative costs also cover activities that the businesses would perform even if the regulations were repealed).

contains a set of analytical methods used to make a systematic assessment of the expected impact of the proposed policies and the legal regulations by which they are implemented. In the Czech Republic, the RIA procedure is applied to all generally binding pieces of legislation prepared by ministries and other central government administrative offices, in accordance with the Government's Legislative Rules, including the implementation of EU law.

Reduction of the administrative burden is monitored by the Government Council for Public Administration, in the document *Strategic Framework of the Public Administration Development of the Czech Republic for 2014-2020*. In 2017, the issue was added as one of the indicators to the document *Strategic Framework Czech Republic 2030*. That document sets the long-term priorities of the development of the Czech Republic for improving the quality of life in the Czech Republic for the current and the future generations. It was approved in Government Resolution No 292 of 19 April 2017 and it builds on the document *Strategic Framework of Sustainable Development of the Czech Republic* from 2010.

The issue of administrative burden on entrepreneurs is given great attention also by the European Commission. In parallel to its Regulatory Fitness and Performance Programme (REFIT), the Commission also created a so-called REFIT Platform. The Platform has been in operation since 2016 and its aim is to conduct the most intensive dialogue possible with Member States and stakeholders on reducing the regulatory burden of EU legislation. The Platform consists of two permanent groups - the government group formed by representatives of Member States, the stakeholder group formed by representatives of business, social partners, civil society, the European Economic and Social Committee and the Committee of Regions. Both groups jointly assess suggestions to simplify Union legislation, which are collected by the Commission through an online portal from various organisations and citizens, and the groups issue their opinions on them. The European Commission has undertaken to take those opinions into account in its working programmes.

This issue is also closely linked to some other EU documents, such as **Europe 2020 – Sustainable Growth, Competitiveness – the priority is to improve the business environment under the EU priority initiative “An industrial policy for the globalisation era”**.

Reports on reducing the administrative burden on entrepreneurs have been published annually since 2010 on the website of the Ministry of Industry and Trade www.mpo.cz.

1. Information on the implementation of 28 measures to reduce the administrative burden on businesses

Since 2013, the reduction of the administrative burden on entrepreneurs has been monitored through measures. 85 measures were implemented in the period 2013-2016. In 2016, the administrative burden on entrepreneurs was measured, identifying again the information duties, irritating duties and calculating the amount of administrative burden on entrepreneurs arising from regulations of selected central government bodies.

During 2017, the government bodies continued to implement **28 measures that they had planned in previous years**. In addition to the planned actions, they **proposed further 9 measures during the year, bringing the total number of monitored measures to 37 in 2017**. Beyond these measures, two measures are registered as abandoned.

The table below presents an overview of the state of implementation of the 28 measures and additional new measures proposed by the competent government agencies as at 31 December 2017.

State of implementation as at 31 December 2017	28 measures (number)	Additional measures (number)	Total measures (number)
Completed	13^{*)}	5	18
Continuing the implementation	15^{*)}	4	19
Abandoned	2	0	2

Note: ^{*)} 2 measures have been completed, with new sections thereof currently being implemented

By 31 December 2017, out of the 28 monitored measures², planned for the upcoming period, 13 measures were implemented successfully. Two completed measures continue to be monitored through their new parts.

In addition to the monitored measures, 5 new measures were also implemented.

In total, 18 measures were completed in 2017.

Out of the 28 measures monitored, 15 measures remained to be implemented by the central government bodies in the next period. The government bodies proposed 4 new measures for the next period.

In total, 19 measures will be implemented in the following period by the government bodies.

² See page 6, table State of implementation of 28 measures as at 31 December 2017.

The table below shows all the measures linked to the relevant government bodies, with some measures being implemented in cooperation of several government bodies.

Responsibility for the measure		
Government body	28 measures	Additional measures
Ministry of Industry and Trade	no. 11, no. 41, no. 43, no. 77, no. 9.16, no. 10.16	no. 12.17, no. 3.17
Ministry of Justice	no. 20, no. 1.16	
Ministry of Health	no. 5, no. 6, no. 11.16	
Energy Regulatory Office	no. 4.16 (abandoned)	
Ministry of Labour and Social Affairs	no. 25, no. 85 (ended), no. 2.16, no. 3.16	no. 14.17
Ministry of the Environment	no. 41, no. 43, no. 5.16, no. 6.16, no. 7.16	
Ministry of Regional Development	no. 81	-
Ministry of the Interior	no. 20	-
Ministry of Finance	no. 20, no. 26, no. 31, no. 51, no. 53 (abandoned), no. 8.16	
Ministry of Education, Youth and Sports	no. 11	-
Ministry of Culture	no. 79	-
Ministry of Transport	-	no. 15.17
General Tax Directorate	no. 20	-
National Security Authority	-	no. 4.17, no. 16.17
Czech Mining Authority	no. 88	no. 1.17
Czech Statistical Office	no. 20, no. 26, no. 43, no. 51	-
Office for the Protection of Competition	no. 70	no. 12.17, no. 13.17
Industrial Property Office	no. 22	-
all government agencies	no. 50	-
Ministry of Agriculture	-	-
Czech Office for Surveying, Mapping and Cadastre	-	-
State Office for Nuclear Safety	-	-
Czech Telecommunication Office	-	-

As 2 measures are not implemented and 1 measure has been ended, they will be removed from the monitoring from 2018 (Measure no. 4.16, Measure no. 53 and Measure no. 85).

1.1 Examples of implemented measures out of the 28 monitored

Licensed trades

- An amendment to Act No 455/1991 Coll. on licensed trades (the Trade Licensing Act), as amended, removed the duty of entrepreneurs to inform the trade licensing authority about the identification data of members of the statutory bodies of legal entities and heads of branches of foreign entities (those data will be identified by the trade licensing authority itself, which will then enter them into the trades register). Obstacles to operating a trade, which arise from decisions of the trade licensing authority on cancelling a trade license pursuant to Section 58 par. 2 or 3 of the Trade Licensing Act, have been modified - a limitation has been removed to operating a trade in a related field and the duration of the obstacle to operating a trade has been unified for all categories of persons to which the obstacles apply. A possibility to issue, upon request of the public, mass files (reports) with current publicly accessible data of entrepreneurs has been introduced. (Measure no. 9.16)

Environmental impact assessment

- Amendment to Act No 100/2001 Coll. on environmental impact assessment simplifies and accelerates the procedures pursuant to that Act. The main changes include a precise definition of a follow-up procedure, which results in increasing the legal certainty for entrepreneurs in connection with the EIA process. Another change is a modification of below-the-limit projects - a significant reduction of the number of those projects against the present; an amendment to Annex 1 to the Act (increasing the limits, removing some points). The assessment will not be published, which will save time in the EIA process, or the permission process. (Measure no. 5.16)

Packaging

- An amendment to Act No 477/2001 Coll. on packaging, with effect from 1 July 2017, reduces the obligation for traders who sell beverages in non-returnable packaging (e.g. in PET bottles and cans) in shops with selling area larger than 200 m², to sell the same beverages in returnable deposit (glass) bottles only to table beer, draught beer and lagers. (Measure no. 41)
Note: Measure no. 41 will continue to be monitored and further possible reduction of the administrative burden on business entities in this issue will be sought, see p. 12 and Annex 1.

Electronic communications

- Act No 194/2017 Coll. on measures to reduce costs of introducing high-speed networks of electronic communications cancelled the duty to submit certificates of no debt owed to state authorities as part of notifying a business for the purpose of registration of entrepreneurs in electronic communications. (Measure no. 77)

Copyright Act

- An amendment to the Copyright Act implemented Directive of the European Parliament and of the Council 2014/26/EU on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market. The amendment introduced a procedure of agreeing tariffs for rewards collected by collective managers, it simplified the notification of some public musical productions and tightened the definition of a so-called common representative of collective managers, the introduction of uniform Union rules will ensure a more effective and transparent execution of the collective management of rights, equal conditions in the market and simplification of the administration. (Measure no. 79)

Spatial planning and the building code

- Amendment to Act No 183/2006 Coll. on spatial planning and the building code simplified the possibility of planning, preparing and implementing structures and so reduced the burden on entrepreneurs. For example, an option was introduced of joining the spatial planning and the construction procedure into one joint proceeding with issuing one joint permit, both for individual structures and for sets of structures (selected special structures and other).
The investors have been given a choice of integrating the environmental impact assessment process into the joint proceeding and into an independent spatial planning proceeding.
The legal certainty of investors has been increased (shortening the period in the Code of Administrative Procedure enabling the review of spatial planning documentation as a measure of general application).
The process of making changes and updates to the spatial planning documentations has been shortened in cases where variants of solutions are not required.
The updates and changes to spatial planning documentation have been clarified (a condition for the update and change of spatial planning documentation to take effect will be the publication of the legal status of that documentation after the update or change). (Measure no. 81)

Non-medical healthcare occupations

- Amendment to Act No 96/2004 Coll. on conditions for obtaining and recognising the capacity to perform non-medical healthcare occupations and to perform activities related to providing health care, and amending some related Acts (the Act on Non-medical Healthcare Occupations), as amended, and Act No 95/2004 Coll. on conditions for obtaining and recognising the professional capacity and specialised capacity to practice the healthcare occupation of a physician, dentist and pharmacist, as amended, will reduce the administrative burden on entrepreneurs by modifying the conditions of the accreditation procedure, or by modifying the requirements of the application for granting or extending the validity of accreditation, and by a change in issuing certificates on a successfully passed examination in an accredited qualification course or certificates of passing a certified course. (Measure no. 5)

Specific health services

- Amendment to Act No 373/2011 Coll. on specific health services, as amended, simplified the duties related to obtaining and submitting excerpts from medical records. It concerns the possibility to replace, under conditions specified in law, the excerpt from medical records with a confirmation of unchanged health condition.
It is also allowed not to require the excerpt or confirmation of unchanged health condition in specified cases.
Other measures concern occupational health services. (Measure no. 11.16)

A detailed summary of the implementation status of the 28 measures as of 31 December 2017, including comments by the individual government agencies, is provided in Annex No. 1 hereto. Annex 1 has been divided into two parts. The first part contains the completed measures and the second part measures under implementation.

1.2 Examples of measures implemented in addition to the 28 monitored

Construction of transport, water and energy infrastructure

- Amendment to Act No 416/2009 Coll. on speeding up the construction of transport, water and energy infrastructure and electronic communications infrastructure has given the investors an option to submit an application for a joint permit or an application for issuing a spatial planning decision without binding opinions of the authorities concerned according to specific legislation. If the application is complete, the building authority itself will obtain the binding opinions from the authorities concerned at a joint meeting, which will speed up the procedure and reduce the administrative burden on entrepreneurs operating in energy infrastructure. (Measure no. 12.17)

Payment transactions

- New Act No 370/2017 Coll. on payment transactions transposes Directive of the EP and of the Council 2015/2366 of 25 November 2015 on payment services in the internal market. The Act will have a positive impact mainly on small entrepreneurs who will not be bound by the provisions of the Directive on Payment Services, i.e. the provisions on pre-contract information, contracts on one-off payment transactions, framework contracts, a change in an obligation from a framework contract, periods for notification and rectification of unauthorised or incorrect payment transactions. (Measure no. 13.17)

Employing disabled persons

- Amendment to Act No 435/2004 Coll. on employment, implemented by Act No 327/2017 Coll., contains complex systemic changes in the support for employing disabled persons. It lies in a division and conceptual differentiation of sheltered and free labour market and in a partial change in providing retraining programmes. It thus reduces the administrative burden on entrepreneurs in employing disabled persons on the sheltered labour market. (Measure no. 14.17)

Annex No. 2 provides an overview of measures implemented by the central government bodies in the course of 2017 beyond the scope of the 28 measures.

An overview of measures proposed by the central government bodies for the next period is given in Annex No. 3.

1.3 Additional comments of some government bodies on implementing the measures

The **Ministry of Agriculture** is responsible for about 40% of all the EU regulations (several hundred EU Directives and several thousand EU Regulations and Decisions), which in some cases contain regulatory elements and bureaucratic burdens on farmers. These EU regulations must be transposed in our law on the basis of the obligations arising from the EU membership of the Czech Republic. At present, legislative activities of the Ministry of Agriculture concerning the harmonisation of EU Directives and the adaptation to the EU Regulations or Decisions account for about 85% of all the legislative proposals submitted by the Ministry.

The Ministry of Transport states that draft legislative proposals are consulted with the business sector in order to prevent excessive obligations being imposed by the new legislation and any increase in the administrative burden for entrepreneurs.

The Ministry of the Interior also generally notes that within the Ministry's scope of powers, there are only a few legal regulations with an impact on the administrative burden for entrepreneurs. Most of them have significantly reduced the scope of information obligations and thus the burdensome impacts on entrepreneurs under the Plan to Reduce the Administrative Burden on Entrepreneurs, which ended in 2012 or in the immediately following period. Further amendments in this respect are not anticipated in the legislative plan of the Ministry of the Interior, for the time being.

The Ministry of Defence is not responsible for regulations that have an impact on reducing administrative burden on entrepreneurs. Therefore, in the proposed measures, the Ministry of Defence does not perform tasks to reduce that burden. The Ministry of Defence has made long-term and systemic settings of conditions and processes so that an unnecessary burden of further administration on entrepreneurs is avoided. The setting of the conditions and processes corresponds to the needs of the authority for implementation of supplies, services and works needed for the actual operation of the authority and for ensuring the declared capabilities of the Army of the Czech Republic, necessary for performing their tasks for the benefit of the Czech Republic citizens and for compliance with our alliance commitments.

Also the **Czech Office for Surveying, Mapping and Cadastre** states that, as regards the state administration of surveying and cadastre, there is no need to adopt further measures to reduce the administrative burden on entrepreneurs. Requirements for entrepreneurs in the field have been minimised already and from the point of view of administrative demands, the fulfilment thereof is simple. Therefore, the requirements cannot be reduced in terms of their number or content without negating the purpose of the legislation, which intends to ensure an adequate quality of surveying activities. Demands in terms of time are gradually reduced thanks to the continuously options of fulfilling certain obligations by electronic means and by using basic registers.

At the end of 2017, the **Ministry of Industry and Trade**, in cooperation with government bodies and the CzechTrade agency, updated forms that concern entrepreneurs and that are published on the BusinessInfo.cz portal. That activity is connected with a measure that was implemented in 2015 when more than 1,200 forms that entrepreneurs may encounter in their business activity were published on the BusinessInfo.cz portal. Further forms were published on the BusinessInfo.cz portal during 2016 and 2017.

The government bodies continue to computerise their forms. Progress in this area is described under Measure no. 20 and Measure no. 50.

Most central government bodies, aware of the need to lessen the administrative burden on businesses, continue to take steps to reduce it. However, it is not always possible to take the planned steps to reduce this burden in full, for example because of the need to protect the public interest, for reasons of security, tax collection, protection and health of citizens, etc. This concerns, in particular, legal regulations under the remit of the Ministry of Justice, the Ministry of Finance, the Ministry of Defence and the Ministry of Health. The country's current political situation also plays a vital role in this.

2. Activities of the Expert Group on reducing the administrative burden for businesses

The activity of the Expert Group on reducing the administrative burden for businesses (hereinafter the "*Expert Group*") at the Ministry of Industry and Trade ("*MIT*") continued also in 2017.

The Expert Group was established on the basis of a task imposed under Government Resolution No. 543 of 9 July 2014, to intensify its work to reduce the burden on businesses under the Ministry of Industry and Trade, as the coordinator. The main task of the Expert Group, which usually meets on a quarterly basis, is to assess and work with proposals having a positive impact on the business environment, particularly in terms of reducing administration. The work of the members of the Expert Group is not paid.

The members of the Expert Group are:

- The Association of Small and Medium-Sized Enterprises and Crafts of the CR
- The Czech Chamber of Commerce
- The Confederation of Industry of the CR
- The Confederation of Commerce and Tourism of the CR
- The Confederation of Employers' and Entrepreneurs' Associations of the CR
- The Association of Entrepreneurs and Tradesmen of the CR
- The Union of the Middle Class of the CR
- The Association of Private Farming in the CR
- The Freeholders' Party of the CR
- representatives from Prague universities.

In 2017, the Expert Group met 3 times. It dealt with 16 motions, of which two motions were resolved.

Motions resolved in 2017:

- Reducing the financial and administrative burden by amending the Copyright Act.
- Publishing forms of government bodies with an impact on entrepreneurs on one portal (BusinessInfo.cz).

Examples of topics addressed by the Expert Group:

- introducing uniform effective dates for regulations with an impact on entrepreneurs,
- charging deductions from execution rulings to employees,
- the alignment of delivery deadlines under the Labour Code,
- the modification of Agreements to perform work because of the large administrative burden they impose,
- the repeal of the requirement to repeatedly submit to the Social Security Administration the documentation relating to execution proceedings against an employee in cases of repeated requests for sick leave,
- insolvency proceedings - shortening the period for documenting income by the debtor, extending the period for lodging a claim,
- medical (food business) certificate - setting its functions,
- information signs according to the Act on Electronic Records of Sales,
- execution on wages - providing cooperation by the employer.

In several of these topics, the proposed changes have already been incorporated into the proposed amendments to the relevant legislation. However, the final form of legislation will be available only after the legislative process is completed and the legal regulation comes in force and effect.

During 2017, excellent cooperation between the public administration and business federations and associations in efforts to reduce unnecessary burdens on business was confirmed. For this reason, the cooperation will continue in future through the Expert Group on reducing the administrative burden on businesses.

Information on the Expert Group and its meetings has been published since 2014 at the website of the Ministry of Industry and Trade www.mpo.cz.

3. International Comparison of the Approach to Regulation and Agenda of Reducing Administrative Burdens

The Ministry of Industry and Trade ("MIT"), in order to obtain information on the approach to reducing the administrative burden of entrepreneurs abroad, uses its contacts in the Better Regulation Network working group (hereinafter also "BRN"), in which the Ministry of the Interior and the Office of the Government of the Czech Republic have been represented as members since 2012. BRN focuses on exchanging experience between states, especially the European Union Member States, in the practical use of the Standard Cost Model ("SCM") and experience with methods of reducing the burden imposed by legislation.

The first comparison of the approaches of the BRN members to the regulation and agenda of reducing the administrative burden was made by the Ministry of Industry and Trade in 2015. The results of the comparison were published in the *Report on the level and manner of reducing the administrative burden for entrepreneurs for 2015, including information on individual proposals to support selected measures under the EU Cohesion Policy 2014–2020*, approved by the Government of the Czech Republic in Resolution No 590 of 27 June 2016. A more detailed comparison was made in 2016, its results were set out in the *Report on reducing the administrative burden on entrepreneurs for 2016*, approved in Government Resolution No 505 of 10 July 2017.

In 2017, thanks to the BRN membership, new information was obtained from other countries. That information confirms the data obtained earlier and deepens them.

A large difference between countries can be seen in the time devoted by individual countries to reducing the administrative burden on entrepreneurs. Germany and the UK have been dealing with this issue for the longest time - over 30 years. Thus, in these countries, the reduction of the administrative burden on entrepreneurs has achieved the most advanced levels. Other countries started to focus on the agenda mostly around 2005; the Netherlands may be assessed as the most advanced in this respect.

The burden-reducing efforts are institutionally backed by ministries linked to the economy or industry and also very often by legislative governmental departments or prime minister offices. A separate independent organisation can be found in the United Kingdom.

For the calculation of the administrative burden, the Czech Republic uses the *SCM*, same as e.g. Slovakia, Finland, Croatia, Austria and many other countries.

When measuring the administrative burden on entrepreneurs, the SCM is used in the majority of countries, despite problems with obtaining the relevant information needed for accurate calculations. In some countries, a modified SCM model is used, adjusted to local conditions. In the UK, this model is not used, it is replaced by the so-called Regulatory Offsetting System.

The process of reducing the administrative burden on entrepreneurs does not always take into account small and medium-sized enterprises, only in rare cases. An exception is Luxembourg, which uses the European Commission's principle *Think small first* and considers small and medium-sized enterprises in creating legislation.

In Poland, Slovakia, Romania, Cyprus, Ireland and Slovenia, an *SME Test* is used to assess the impact of legislative changes on small and medium-sized enterprises. Croatia is preparing for its introduction. The *SME Test* is based on the European Commission's principle *Think small first*.

Many approaches of EU countries can be considered similar to solutions adopted and applied in the Czech Republic. Legislation under preparation undergoes the regulatory impact assessment (RIA).

Most countries use various IT platforms or various forms of consultations to obtain suggestions on reducing the burden. An example is the *Danish Business Forum* focused on collecting suggestions on improving regulations, which is similar to the *Expert Group for Reducing the Administrative Burden on Entrepreneurs*, working in the Czech Ministry of Industry and Trade. Consultations, as an irreplaceable source of suggestions for removing the burden in running a business, are used e.g. in Ireland, Poland, Croatia, Finland, UK or Slovenia.

An interesting system of obtaining suggestions is through a simple form placed on the website of the relevant responsible organisation. The Slovenian electronic system of obtaining suggestions to remove the burden, which is very elaborate and indicates the path of a suggestion from its submission, through the course of its solution up to its resolution, ranked in 2013 among the 5 best services of public administration in the awards of the United Nations Organisation for improving the provision of public services. Slovakia has a form placed directly on the website of the Ministry of Economy, through which more than 30 new suggestions to reduce the burden are received every year. In the Czech Republic, the suggestions to cut the burden are obtained through the website www.zjednodusujeme.cz set up upon the initiative of MIT.

All the countries consult new pieces of legislation or any amendments thereto concerning entrepreneurs with stakeholders through various working groups, meetings, questionnaires, talks, etc. Many states have created web portals for uploading suggestions for changes submitted by the business public.

Some projects used in EU countries can serve as inspiration for their introduction in the Czech Republic.

It could be beneficial to introduce the principle *one-in, one-out* which is used e.g. in Austria or Germany, its introduction is considered in Finland. The UK has used the principle *one-in, three-out* already since 2016.

It may be said that the approach of the Czech Republic to reducing the administrative burden on entrepreneurs is similar to the approach and procedures of most of the EU countries.

Annex No 4 provides an overview of the approach to the agenda of reducing the burden on entrepreneurs in selected countries. The source of information are mainly profiles of the members of the BRN working group provided on the CIRCABC communication channel.

4. Final summary and measures proposed for the next period

The Report provides a summary of reducing the administrative burden in 2017 and an outlook for the next period.

In 2017, the central government bodies continued to implement 28 measures to reduce the administrative burden, which remained to be implemented from the previous period 2013–2016. At the same time, they sought other possibilities of removing the administrative burden.

The first measures appeared in 2013 following the end of the Plan for Reducing the Administrative Burden on Entrepreneurs in the period 2008-2012. A new goal was set for all the central government bodies to reduce the administrative burden on entrepreneurs through 60 measures by the end of 2015 and to perform a remeasurement of the administrative burden on entrepreneurs in 2016. By the end of 2015, 62 measures had been implemented and the set objective had been achieved. In the course of 2016, the central government bodies implemented further 23 measures. The Measurement of the Administrative Burden on Entrepreneurs was also carried out in 2016. The results showed that, as opposed to 2005 when the first measurement was made, the number of information duties was cut by 675 and the administrative burden by 31.49%.

In 2017, the government bodies managed to complete 13 measures out of 28 measures planned for a several-years period. In addition to the 28 monitored measures, 5 new measures were implemented. In total, 18 measures were completed.

In the upcoming period, the central government bodies will work on a total of 19 measures planned for implementation.

To achieve the goal of reducing the burden through 40 measures by 2020, it remains to implement 22 measures.

As 2 measures are not implemented, they will be removed from the monitoring from 2018 (Measure no. 4.16, and Measure no. 53).

In the next period, the central government bodies are recommended to focus their attention on implementing measures concerning:

- computerisation of public administration (Measure no. 20),
- eliminating duplicities of data for the statistical and tax authorities (Measure no. 26),
- duplicate reports on waste production and management (Measure no. 43),
- public contributions to social security, premiums on pension savings and premiums on health insurance and administration of the income tax of natural persons - reviewing the project of setting up a single collection point (Measure no. 31).

For more details including the implementers of the measures see the annexes.

All government bodies are recommended to carefully consider the frequent amendments to legislation. The study of constantly changing regulations creates a significant financial and time burden on entrepreneurs and mainly an unpredictable

business environment. An important role is played here by setting a sufficiently long preparation period before the legislation takes effect.

The administrative burden on entrepreneurs needs to be calculated for all regulations under preparation. In the cases where the calculation cannot be made, to provide justification and at least a qualified description.

It is also recommended to consult the proposed measures with entrepreneurs and business associations as far as possible, also using the Expert Group on reducing the administrative burden for businesses.

Despite the already implemented measures over the last years, the administrative burden placed on entrepreneurs by government bodies is still perceived as high. Especially in the areas of duplicate reports on waste, providing duplicate data for the statistical and the tax authority, the payment of taxes, execution and insolvency proceedings or the insufficiently fast computerisation of public administration and mutual interconnectedness. In particular, the tax area, which affects all entrepreneurs, has been seen over the last years as very burdensome and expanding.

The Ministry of Industry and Trade will continue monitoring the reduction of the administrative burden on entrepreneurs and will annually provide the Czech government with a report on the progress in reducing the administrative burden on entrepreneurs.

List of abbreviations

ABC classification – determining the origin of the information obligation (Methodology form determining the size and origin of the administrative burden on entrepreneurs, MI, 2007)

API – Agency for Enterprise and Innovation

ABE – administrative burden on entrepreneurs

CzT – Czech Tourism agency

CWMA – Czech Waste Management Association

CMA – Czech Mining Authority

CEI – Czech Environmental Inspectorate

CMA JEP – Czech Medical Association of J.E. Purkyně

CSSA – Czech Social Security Administration

CSO – Czech Statistical Office

CTO – Czech Telecommunication Office

COSMC – Czech Office for Surveying, Mapping and Cadastre

EC – European Commission

EQF – European Qualifications Framework for Lifelong Learning

ERO – Energy Regulatory Office

EG – Expert Group on reducing the administrative burden for businesses

GTD – General Tax Directorate

IISST – Integrated Information System of State Treasury

IO – information obligation

IOP – Integrated Operational Programme

IRO – irritating obligation (the most burdensome obligation – in subjective terms)

IRZ – Integrated Pollutant Register

ISPOP – Integrated System of Reporting Obligations

ISVZ – Public Procurement Information System

IS ZR – Information system of the basic registers

SIP – single collection point

MT – Ministry of Transport

MF – Ministry of Finance

MC – Ministry of Culture

MoRD – Ministry of Regional Development

MD – Ministry of Defence

MIT – Ministry of Industry and Trade

MoLSA – Ministry of Labour and Social Affairs

MJ – Ministry of Justice

MS2014+ - Monitoring system for the programming period 2014–2020

MEYS – Ministry of Education, Youth and Sports

MI – Ministry of the Interior

MA – Ministry of Agriculture

MH – Ministry of Health

ME – Ministry of Environment

NSA – National Security Authority

NRQ – National Register of Qualifications

OKOM – Department for Compatibility, Office of the Government of the Czech Republic

OPPI – Operational Programme Enterprise and Innovation

OP EIC – Operational Programme Enterprise and Innovation for Competitiveness

ORP – Municipality with extended powers

QR code – Quick Response code – here in relation to school reports and digital data on pupils

DSSA – District Social Security Administration

WC RIA – Working Commission of the Government Legislative Council for regulatory impact assessment

REA – Register of External Addresses

REFIT – Regulatory Fitness and Performance
RIA – Regulatory Impact Assessment
RÚIAN – Register of Territorial Identification, Addresses and Real Estate
ROS – Basic Register of Natural and Legal Persons
SKD – List of Certified Contractors
SCM – Standard Cost Model
SSCR – List of Systems of Certified Contractors
SSHR - Administration of State Material Reserves
SLIO – State Labour Inspection Office
SONS – State Office for Nuclear Safety
OPC – Office for the Protection of Competition
IPO – Industrial Property Office
OG CR – Office of the Government of the Czech Republic
IHIS – Institute of Health Information and Statistics
PPA – Public Procurement Act
ENV – Environment

Annexes available upon request.