Country profile – CZECH REPUBLIC

**NAME:**
- **conventional long form:** Czech Republic/ Ceska Republika
- **conventional short form:** Cesko

**CAPITAL CITY:**
Prague (Praha) (Population: 1,213,800)

**POPULATION:**
10,272,179 (July 2000, est.)

**AREA:**
78,866 km²

**BOUNDARIES:**
- Land boundaries: Total 2303 km
- Border countries: Austria: 466 km, Germany: 810 km, Poland: 762 km, Slovakia: 265 km
- Coastline: 0 km (landlocked)

**REGIONS/ADMINISTRATIVE DIVISIONS:**
8 regions (kraje) 73 districts (okresi) and 4 municipalities (mesta)

**ETHNIC GROUPS:**
Czech 81.2 %, Moravian and Silesian 13.7 %, Slovak 3.1 %, Polish 0.6 %, German 0.5 %, Roma 0.3 %, other: 0.3 % (1991 census)

**GOVERNMENT**

**FORM OF GOVERNMENT**
Republic - parliamentary democracy.

**HEAD OF STATE**
President Vaclav Klaus (since February, 2003).
The President is elected at a joint session of both chambers of Parliament for a term of five years and may serve a maximum of two successive terms in office. Presidential powers are limited: the most important is the right to veto any bill which has already been passed by Parliament, except for constitutional bills. The President appoints the Prime Minister and other members of the Government and accepts their resignation, and has the right to dissolve the Chamber of Deputies. The President is the Supreme Commander of the Armed Forces.

**PRIME MINISTER AND GOVERNMENT**
Vladimir SPIELDA (since July 2002). There are four Deputy Prime Ministers. The cabinet is appointed by the President on the recommendation of the Prime Minister.

**LEGISLATURE**
Bicameral. The 200-member Chamber of Deputies (Poslanecka Snemnova) is elected for a four-year term, on the basis of proportional representation (5 % threshold). The Senate (Senat) has 81 members elected for six-year terms. Every 2 years, one-third of its seats come up for re-election. The Senate cannot be dissolved.

**GOVERNMENT - ELECTIONS**
The latest round of elections to the Senate took place in November 2002. Elections to the Chamber of Deputies took place in June 2002. The largest number of votes and seats in the 2002 elections to the Lower House was gained by the Czech Social Democratic Party (30.2 %). A coalition government of the socialist CSSD and the centre-right Coalition was formed in July 2002.
COMPOSITION OF PARLIAMENT:

<table>
<thead>
<tr>
<th>PARTY</th>
<th>* CHAMBER %</th>
<th>SEATS CHAMBER</th>
<th>SEATS IN SENATE**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Social Democratic Party (CSSD)</td>
<td>30.20</td>
<td>70</td>
<td>11</td>
</tr>
<tr>
<td>Civic Democratic Party (ODS)</td>
<td>24.47</td>
<td>58</td>
<td>26</td>
</tr>
<tr>
<td>Communist Party (KSCM)</td>
<td>18.51</td>
<td>41</td>
<td>3</td>
</tr>
<tr>
<td>Coalition</td>
<td>14.27</td>
<td>31</td>
<td>23</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td>18</td>
</tr>
</tbody>
</table>

* June 2002 elections (turnout 58%)  ** following elections October/November 2002

ECONOMY

<table>
<thead>
<tr>
<th>Main Indicators of Economic Structure in 2001</th>
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</thead>
<tbody>
<tr>
<td>Population (average)</td>
</tr>
<tr>
<td>GDP per head ¹</td>
</tr>
<tr>
<td>per cent of EU average</td>
</tr>
<tr>
<td>Share of agriculture ² in:</td>
</tr>
<tr>
<td>- gross value added</td>
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<tr>
<td>- employment</td>
</tr>
<tr>
<td>Gross fixed capital formation/GDP</td>
</tr>
<tr>
<td>Gross foreign debt of the whole economy/GDP</td>
</tr>
<tr>
<td>Exports of goods &amp; services/GDP</td>
</tr>
<tr>
<td>Stock of foreign direct investment</td>
</tr>
<tr>
<td>€ per head ⁴</td>
</tr>
</tbody>
</table>

¹ Figures have been calculated using the population figures from National Accounts, which may differ from those used in demographic statistics.

² Agriculture, hunting, forestry and fishing.

³ Data refer to 2000.

Source: European Commission, Progress Report, October 2002
EU RELATIONS

EUROPE AGREEMENT
Signed on 4 October 1993 (earlier signed with the Czech and Slovak Federal Republic on 16 December 1991) and entered into force in February 1995.

EU MEMBERSHIP APPLICATION DATE
17 January, 1996

EUROPEAN COMMISSION REPORTS
COM (2002) 700
COM (2001) 700
COM (2000) 703
COM (1999) 503
COM (1998) 708

EUROPEAN PARLIAMENT RESOLUTIONS ON EC REPORTS
13.06.2002 (A5-0190/2002)
5.09.2001 (A5-0255/2001)
15.04.1999 (A4-0157/99)

ACCESSION NEGOTIATIONS

PRE-ACCESSION FUNDING
The annual allocation under Phare for the period 1995 - 1999 was € 69 million. With the addition of ISPA (infrastructure: environment and transport) and SAPARD (agriculture and rural development), the annual allocation in 2000-2002 allows for a total of up to € 171.3 million (Phare €79 million, ISPA €57.2 - 83.2 million and SAPARD € 22.2 million).

HISTORICAL AND POLITICAL BACKGROUND

EARLY HISTORY
- 5th-6th century AD: Slavic tribes settle in what were to become the Czech and Slovak lands.
- 907: Collapse of the Great Moravian Empire after defeat by the Hungarians.
- Middle ages: The Premyslid dynasty of Bohemia consolidate power over Czech lands within the Holy Roman Empire until the death of Wenceslas III in 1306. Under the Luxembourg dynasty, the Kingdom of Bohemia reached the height of its power, notably in the reign of Charles IV. The Hussite revolution of 1419-36 led to religious dualism. During the reign of the Jagellon dynasty in the late 15th and early 16th centuries, religious struggles and power struggles between the crown and the nobility increased.
- 1526: The Austrian Habsburgs succeeded to the vacant Bohemian throne supported by Czech nobles anxious to avert conquest by the Ottoman forces.
- 1620-1648: Old enmities between Czechs and Germans came to head in the Thirty Years War, which brought destruction and economic decline as well as the end of religious freedom in Bohemia. Bohemia and Moravia remained under Habsburg rule after the Treaty of Westphalia in 1648.

19TH AND 20TH CENTURIES
- A Czech national revival movement developed and soon extended beyond linguistic and cultural aspirations to include demands for political freedom. In the second half of the 19th century, industrialisation spread rapidly in Bohemia.
- 1918-1944: After the collapse of the Austro-Hungarian monarchy, Bohemia, Moravia, Slovakia and Ruthenia formed the new independent Czechoslovakia. Between the wars, Czechoslovakia was one of the world's most economically developed countries, and had a democratic, multiparty political system. However, ethnic problems persisted and ethnic Germans agitated for closer links with Germany. After the Munich agreement in 1938, which permitted the secession of the Sudetenland, Germany invaded Bohemia and Moravia in March 1939, bringing to an end the independent Czechoslovakian state.
- 1945-1948: Pre-war President Eduard Benes and his government-in-exile returned to Prague in April 1945. However, the restored republic became part of the Soviet sphere of influence. In the 1946 elections the Communists won 38 % of the votes, and, following the resignation of ministers of other parties in 1948, their power was soon consolidated. On 9 June 1948, a People's Republic was
established. Benes resigned. Czechoslovakia joined Comecon and the Warsaw Pact, and the nationalisation of industry, agriculture and trade started to take place.

- 1968: The democratisation process, known as the 'Prague Spring', led by a new party leadership under Alexander Dubcek, was stopped by armed intervention by Czechoslovakia's allies in the Warsaw Pact on 20-21 August. Subsequently, Dubcek was replaced by Gustav Husak, who cooperated fully with the Soviet leadership.

- 1989: As the gradual decay of the Communist regime progressed, demonstrations and mass protests took place, culminating in the overthrow of the government in November 1989. A government of 'National Understanding' was formed, and, on 29 December, Vaclav Havel became President and Mr Dubcek became chairman of the Federal Assembly. This peaceful transition became known as the 'Velvet Revolution'.

- 1990-1992: The June 1990 elections were won by Civic Forum, and soon a variety of political parties emerged. The 1992 elections confirmed the new political structure: in the Czech lands, the majority of votes was won by the Civic Democratic Party (ODS), and it formed a coalition with the Civic Alliance (ODA) and the Christian Democrat KDU - CSL under Prime Minister Vaclav Klaus (ODS). At federal level, though, there were disagreements as to how reforms should be carried out, mostly with the Movement for a Democratic Slovakia (HZDS), led by Vladimir Meciar. On 25 November 1992, the Federal Parliament voted to terminate the federation (the 'velvet divorce'), and on 1 January 1993, the independent Czech Republic was created.

**Recent developments**

- 1996: In the elections six parties entered Parliament, and a centre-right minority government was formed by the ODS, KDU - CSL and ODA headed by Vaclav Klaus. The Czech Social Democratic Party (CSSD), the second largest party, gave its tacit support to the coalition on a number of issues.

- 1997: Following disagreements within the coalition and several party financing scandals, the coalition collapsed and the government resigned amid a worsening economic climate. A caretaker government, headed by Central Bank Governor Josef Tosovsky, was appointed, and prepared the country for early elections.

- 1998: In the June elections, the CSSD gained the largest number of votes and formed a minority government with support from the ODS under an 'opposition agreement'.

- 2002: In the June elections, the CSSD gained the largest number of votes and formed a coalition government with the 'Coalition'.

- 2003: In February, Vaclav Klaus was elected President by both Houses of Parliament to succeed Vaclav Havel. In April, the EU Treaty of Accession was signed.

**Useful links**

European Commission
DG Enlargement - Czech Republic pages
http://europa.eu.int/comm/enlargement/czech/index.htm
European Commission Delegation in the Czech Republic
http://www.evropska-unionie.cz/
Czech government (in English)
Foreign Ministry Information Site (in English)
http://www.czech.cz/
Czech Parliament
Chamber of Deputies (Czech, English, French, German)
http://www.psp.cz/
Senate (Czech, English)
http://www.senat.cz/
Media
CTK Czech News Agency (in English)
The Prague Post (in English)
http://www.praguepost.cz