Report on the Foreign Policy of the Czech Republic between January 2000 and December 2000

REPORT ON THE FOREIGN POLICY OF THE CZECH REPUBLIC

between January 2000 and December 2000

Prague 2001

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Preface



The Ministry of Foreign Affairs has prepared the second summary Report on the Foreign Policy of the Czech Republic, this time for the year 2000. It submits to the reader a detailed review of the activities of the state in the sphere of foreign policy. It enables the reader to assess the way the Government has been applying its policy statement of August 1998 and its Concept of the Foreign Policy of the Czech Republic, which it

approved in February 1999 and which was endorsed by the Chamber of Deputies of the Parliament of the Czech Republic in June 1999.

Foreign policy plays a major role in the policy of each state, the Czech Republic notwithstanding. Demands placed on Czech foreign policy were particularly great in 2000 since that was the time the basic political and security outline was created alongside the conditions for the favourable progress of the Czech Republic in the 21st century.

The foreign policy of the Czech Republic was oriented towards factors and forces which support peace, stability, security, order, and those that can be foreseen and ensure continuity. In this respect it has scored a number of positive results. "The Report on the Foreign Policy of the Czech Republic for the year 2000" provides concrete testimony to this effect.

Jan Kavan Deputy Prime Minister of the Government and Minister of Foreign Affairs of the Czech Republic

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In 2000, the Czech Republic continued to apply the foreign policy objectives formulated in the Government's policy statement of August 1998 and in the Concept of the Foreign Policy of the Czech Republic, approved by the Government of the Czech Republic in February 1999 and noted by the Chamber of Deputies of the Parliament of the Czech Republic in June 1999. Within the limits of its possibilities, it pursued an active foreign policy, did its utmost to consolidate its position in international organizations, devoted attention to promoting bilateral relations at a regional and global level and expanded its foreign policy activities also at other levels, on an economic, cultural and public, as well as non-governmental scale. As of 2000, the Czech Republic was a member of 56 international organizations, it maintained diplomatic relations with 176 states and had 114 embassies worldwide. New embassies have been opened in Tallinn (Estonia) and in Tbilisi (Georgia); it was also decided to establish an embassy in Luxembourg.

The Ministry of Foreign Affairs of the Czech Republic focused its activities primarily on the strategic priorities of Czech foreign policy integration in the European Union, membership in the North Atlantic Treaty Organization, promoting relations with neighbouring states and multilateral regional cooperation. Emphasis was placed on economic diplomacy and strengthening external economic relations.

Accession to the European Union is the primary foreign policy priority of the Czech Republic. It sees in European integration as the best way of safeguarding its fundamental interests. The exceptional importance of the European Union confirms the scope of mutual economic exchanges. The EU is the Czech Republic's main economic partner and accounts for almost two-thirds of the overall turnover of the country's foreign trade. During the first ten months of the year 2000, there was a 23.1% increase in Czech exports to the EU, and a 25.6% increase in imports from the EU.

In the frame of negotiations on the accession to the EU launched in 1998, the Czech Republic had submitted position documents on 29 negotiation chapters on EU by the end of 1999. By the end of the first half of 2000, when Portugal was holding the rotating presidency of the EU, negotiations commenced on all 29 chapters. In 2000, 13 chapters had been preliminarily completed. The opening of all 29 chapters during the first half of the year created the conditions for a transition to a qualitatively higher stage of negotiations the stage of identifying concrete problems, eliminating

those that could be removed by further mutual clarification of positions, and the prerequisites for gradual negotiations on the most problematic spheres.

The French rotating presidency in the second half of the year placed the main emphasis on the successful completion of the Inter-Governmental Conference on the reform of the EU institutions. The Inter-Governmental Conference was, indeed, completed at the Nice Summit of the EU in December 2000. The Deputy Prime Minister and Minister of Foreign Affairs of the Czech Republic J. Kavan expressed his satisfaction at the overall outcome of the Summit with a reservation on the distribution of mandates in the European Parliament, according to which the Czech Republic and Hungary were allocated only 20 mandates in the European Parliament, while the present EU Member States with the same population have 22 mandates.

The preparation for negotiations on the accession of the Czech Republic to the EU required complex institutional and organizational arrangements, directly interlinked with an internal domestic process of preparing for EU membership. All sectors of the state administration became involved. The Government Committee on the European Integration is the body controlling the process, while the Prime Minister acts as its head. The coordinating role has been entrusted to the Ministry of Foreign Affairs of the Czech Republic.

Deadlines for adopting legal norms relating to EU laws were reduced as much as possible and were made more effective by amending the rules of procedure of the Chamber of Deputies of the Parliament of the Czech Republic. This was done based on a broad political consensus on the importance of preparations for accession to the EU and on the basis of an agreement between the Government and the Parliament. The Government approved an updated version of the National Programme of preparations for the EU membership, which contained short-term and medium-term tasks in those spheres, where full preparedness has not yet been achieved. Increased attention was devoted to educating members of the civil service in European affairs and in the communication strategy vis-å-vis the public. The Ministry of Foreign Affairs of the Czech Republic was made responsible for implementing these tasks on the basis of documents approved by the Government.

The predominantly favourable assessment of the Czech Republic in the Annual Report of the European Commission was a great encouragement to the country in its preparations for the accession to the EU, even though criticism prevails in certain spheres. The European Commission shifted the emphasis in assessing the progress of preparations from the harmonization of legislation to progress in the application of legal provisions already harmonized. As a follow-up to its regular report, the European Commission has issued a document entitled Strategy for Enlargement, which stipulates that negotiations with the candidate countries who fulfilled the criteria for membership are to be completed in the course of 2002. This would mean that new members could be admitted as of the end of 2002.

The Czech Republic has gradually harmonized its foreign policy with the Common Foreign and Security Policy of the EU, to the extent that this is made possible by its status as an associate member. It has also endeavoured to be involved to a maximum degree in formulating the Common European Security and Defence Policy, while stressing the most effective arrangement of institutional relations between the EU and NATO.

In its preparations for the accession to the EU, the Czech Republic has jointly consulted on matters concerning the European integration within the framework of candidate countries of the so-called Luxembourg Group and as part of cooperation between the countries of the Visegrad Group, where Prime Ministers of these countries regularly meet EU partner countries.

By joining NATO in 1999, the Czech Republic solved the basic problem of its security. The strategic position of the state changed fundamentally. The Czech Republic became a full participant in the consultation mechanism on all security matters in the Euro-Atlantic area. In 2000, one year after becoming a member of NATO, the Czech Republic took an active part in the activities of all political and military branches of the Alliance. The Czech Republic has a long-term strategic interest in continuing the process of enlarging NATO. It hopes that the upcoming Prague Summit of the Alliance will invite other countries willing and capable of accepting the responsibilities and obligations of membership. It is aware of the interconnection between further enlargement and the capacity of new members to live up to their commitments. The decision of the December meeting of the Alliance foreign ministers to hold the next NATO summit in 2002 in Prague was a success for the Czech Republic.

In 2000, the Czech Republic concluded the process of adapting its internal national security legislation. It adhered to all multilateral NATO treaties and agreements and began professional cooperation at various specialist levels on the basis of applicable relevance. It continued to adapt its armed forces in accordance with the NATO Strategic Concept and to ensure the complete integration of the Czech Army in the military bodies and the NATO integrated structure. Work continued in the course of the year on the new Security Strategy of the Czech Republic, which the Government approved in January 2001. This document replaced the Security Strategy of the Czech Republic as a NATO member state. The Ministry of Foreign Affairs of the Czech Republic took a significant part in its preparation. The Ministry collaborated with the Ministry of Defence in drawing up conceptual documents for the structure of the armed forces. It participated in the institutionalisation of crisis planning, alongside other ministries.

The Czech Republic, together with other Alliance member states, took part in discussions on international security. The Alliance devoted its main attention to the security and stabilization of the situation in South-Eastern Europe, to relations with the EU, with the Russian Federation, and with Ukraine, and to the further enlargement of the Alliance.

The Czech Republic took an active part in NATO missions in Bosnia and Herzegovina and in Kosovo with the objective to implement the policy of the Alliance in South-Eastern Europe, aimed at integrating the region in the Euro-Atlantic community. The Government of the Czech Republic decided to extend the Czech participation in both missions in 2001 at the same size as in 2000, i.e. one mechanized battalion in Bosnia and Herzegovina (approx. 600 persons) and one reinforced company in Kosovo (approx. 200 persons). Apart from military participation, the Czech Republic prepared internal conditions for sending non-military experts to foreign missions.

In 2000, the Embassy of the Czech Republic in Lithuania in Vilnius became the NATO contact embassy for Lithuania. The Czech Republic thus became involved in the programme of NATO contact embassies in partner countries. This programme helps to present the policy, the activities and the objectives of NATO and ensures a two-way communication between the partner country and the NATO Headquarters. The Czech Republic also offered the candidate countries, mainly Slovakia and Latvia, help in their preparation for membership. The activities of the Western European Union (WEU) have been reduced as the Common European Security and Defence Policy expanded. Responsibility for the application of the so-called Petersberg missions has been transferred to the EU. The Czech Republic, as an associate member of the WEU, took part in practically all the WEU activities. The Czech Republic wanted its position as an associate member of the WEU to be replaced by a mechanism of intensive cooperation of the six European states which are members of NATO but not members of the EU (the so-called NEEA). A meeting of the West European Armament Group (WEAG) took place simultaneously with the session of the WEU in Marseilles in November 2000, where it was decided to reduce the activities of the WEU. It was at this session that six new members, including the Czech Republic, were accepted into WEAG. For the Czech Republic this was the culmination of long efforts to achieve full membership in this organization, which opens new opportunities for the Czech defence industry.

Good relations with neighbouring states are a major priority of the Czech foreign policy.

The strengthening of relations with Slovakia have confirmed that they are of a special nature. With the problems concerning the division of the property of the former Czechoslovak Federal Republic settled in 1999, contacts in all spheres and at all levels were intensified in 2000. The contractual base in those areas, which offer specific benefit to the citizens of both countries such as culture, education, and health care, has been expanded. Expanding cross-border cooperation also helped to strengthen mutual relations. Regional cooperation, above all within the Visegrad Group, but also within the Central European Free Trade Agreement (CEFTA) and the Central European Initiative (CEI), also developed successfully. The Czech Republic supported efforts by Slovakia to become a member of NATO and of the European Union. Relations with the Federal Republic of Germany have attained the best level since the establishment of the Czech Republic. After its accession to NATO, Germany has become an ally of the Czech Republic for the first time in modern history. Germany is among the staunchest champions of the enlargement of the EU. The Governments of the two countries have taken a number of steps towards settling problems of the past and stressed that their relations must concentrate on the future. In 2000, an agreement was reached with Germany on compensation to be paid to citizens of the Czech Republic who were forced to slave labour during the Second World War. In July 2000, the *Bundestag* passed a law on the establishment of a Foundation Remembrance, Responsibility, and Future . Economic and regional cooperation intensified. Germany was the biggest trade partner of the Czech Republic in 2000, Czech-German trade amounted to 36% of the overall foreign trade turnover of the Czech Republic. Germany was the biggest foreign investor in the Czech Republic.

Relations between the Czech Republic and Poland saw another positive development in 2000 and have been especially good. They are founded on common historical experiences, common interests, and from 1999 also on the alliance of the two countries in NATO. Both countries cooperate in preparing for the European Union membership. Relations have also centred on regional cooperation and in the Central European area have been a significant stabilizing factor. Emphasis was placed also on economic relations mutual trade has grown.

Economic relations between the Czech Republic and Austria have also increased. The Czech-Austrian trade has developed most dynamically. Austria has continued to be the third biggest trade partner of the Czech Republic and the third biggest investor. However, certain problems arose in 2000 in the Czech-Austrian relations in the political sphere. The Czech Republic participated in the measures taken by 14 EU member states in response to the fact that the programme of the new Austrian Government contained certain elements, which were problematic for the Czech Republic. Mutual relations were also marked by a different approach to the completion of the Temelin nuclear power plant. A meeting of the Prime Ministers of the two countries in Melk in December 2000 laid a basis for a gradual improvement of relations at the political level. Cultural cooperation continued and contacts in border regions were strengthened. The agreement reached on compensation to Czech citizens who during the Second World War were forced to slave labour in Austria had a positive effect on bilateral relations.

Hungary is a significant partner of the Czech Republic in Central Europe. In 2000, relations were characterized by a dynamic and all-encompassing development of cooperation on a bilateral and multilateral scale and, above all, as partners in NATO.

The renewed regional cooperation between the Czech Republic, Hungary, Poland, and Slovakia was further strengthened within the Visegrad Group (V4). Apart from contacts between the Presidents and Prime Ministers of these countries, contacts also

continued on a parliamentary and expert level and there were many negotiations between the ministries. The establishment of the one million euro Visegrad Fund to support the scientific, educational, and cultural cooperation was a significant success. Another priority of the restored Visegrad Cooperation which has been accomplished was the support of Slovakia in its effort to become a member of NATO and the EU. The Visegrad Group has become a respected regional association. Frequent meetings of the Prime Ministers of the V4 countries with top representatives of the European Union Member States testify to this.

On a regional level, the Czech Republic participated in cooperation within CEFTA by promoting the economic progress of the participating countries, strengthening trade exchanges, and integration in the EU. In 2000, all the CEFTA member states were negotiating their accession to the EU.

In 2000, the Czech Republic paid great attention to the CEI, which includes 17 countries of Eastern and South-Eastern Europe. Hungary held the presidency of the CEI in 2000. The Czech Republic, as the presiding country the previous year, was active within the so-called troika. The Federal Republic of Yugoslavia was accepted to the CEI at the summit in Budapest. The Czech Republic supported the membership the Federal Republic of Yugoslavia.

The Czech Republic participated actively in the implementation of the Stability Pact for South-Eastern Europe, while aiming to acquire the status of a full participant and member. It concentrated on developing a political dialogue between the member countries on current problems pertaining to the development of the region, the preparation of high-quality projects of the CEI and the Stability Pact for South-Eastern Europe, with emphasis on creating democratic institutions and a constitutional state, the defence of human rights, the achievement of European standards, and the restoration of trade and economic ties in the region with the participation of Czech firms. A Czech-Greek Council was set up in the context of the Stability Pact for South-Eastern Europe. It was inaugurated by the Foreign Minister of the Czech Republic Jan Kavan on the basis of a Memorandum on Cooperation in the Economic Restoration of South-Eastern Europe.

Bilateral relations between the Czech Republic and the member states of NATO and the EU were further strengthened in 2000 as part of the ties of alliance within NATO and preparations for the accession to the European Union. Relations between the Czech Republic and its Trans-Atlantic partners, the US and Canada, were further intensified. The alliance within NATO and the accession partnership with the EU were favourably reflected in the bilateral relations of the Czech Republic with the most influential West European countries Great Britain and France. The Czech Republic strengthened its relations also with other states in the common Euro-Atlantic area.

The Czech Republic placed great emphasis on reinforcing its relations with the EU and NATO candidate countries. In line with the policy of the European Union, it participated in the political and economic stabilization of South-Eastern Europe. It expected that the promising democratisation changes in the region, particularly in the Federal Republic of Yugoslavia, in 2000, would be reflected in the political and economic stabilization of the region.

In its relations with the Russian Federation, the Czech Republic did its best to restore standard contacts with emphasis on widening and deepening economic cooperation. The Czech Republic devoted attention to relations with Ukraine. With the aim of harmonizing its visa policy with that of the EU, the Czech Republic introduced visas in 2000 with the Russian Federation, Ukraine, Belarus, and other states of the former Soviet Union.

The Czech Republic stepped up its efforts to increase its relations with the countries of Asia, Africa and Latin America. The essence of these relations was in the economic sphere. In 2000, the contractual basis was extended mainly in the sphere of visas and trade.

The activities of the Czech Republic in international organizations fully reflected the growing significance of multilateral diplomacy in international relations. This applies both to world and to regional organizations. The Czech Republic was increasingly involved in their activities.

The main event in the United Nations (UN) in 2000 was the Millennium Summit. In the Millennium Declaration adopted at the Summit, the international community expressed its support for the irreplaceable role of the UN, for the use of its potential in solving global problems and making its work more effective. By submitting its own proposals, by co-sponsoring a number of resolutions, and by adopting its independent positions, the Czech Republic took an active part in the Millennium Summit and in the subequent fifty-fifth session of the General Assembly of the UN, special followup meetings, meetings of commissions and bodies of the Economic and Social Council of the UN, and in the UN programmes and international specialized organizations. In the UN Human Rights Commission, it tabled, for the second time, alongside Poland, a resolution on the state of human rights in Cuba. The resolution was passed by a majority of votes by the Commission. The Czech Republic, furthermore, submitted a draft resolution on so-called thematic procedures, which was also adopted. It supported measures to make the activities of the UN peacekeeping forces more effective. In 2000, as in the previous period, the Czech Republic was involved in UN peacekeeping operations in various parts of the world. It decided to send a large number of police officers to the UN operations in Kosovo and Bosnia and Herzegovina.

The Czech Republic traditionally devoted great attention to the activities of the United Nations in the sphere of the non-proliferation of arms, arms control and disarmament. It welcomed the successful conclusion of the Sixth Review Conference of the Treaty on the Non-Proliferation of Nuclear Weapons and joined the efforts of the international community to prevent the illegal trade in small arms and light weapons. The Czech Republic took part in dealing with the problem of the poorest developing countries, in finding new ways of financing development aid and social affairs. It supported a policy of full employment, the application of recommendations of the International Labour Organization and took an active part in Conference of the Parties to the Climate Change Convention.

In 2000, the Czech Republic was also active in the Organization for Security and Cooperation in Europe (OSCE). It cooperated within its political, security and human rights dimension. The activities of the OSCE during this period concentrated mainly on South-East European problems, on the preparation of the OSCE Document on Small Arms and Light Weapons, on the implementation of the results of the Istanbul Summit of November 1999 and on the preparation of the session of the OSCE Ministerial Council. The Czech Republic continued its efforts to strengthen the operative activities of the OSCE. The Czech diplomacy was striving to increase the participation of Czech representatives in the structures of the organization. The participation of the Czech Republic in OSCE missions was highly appreciated. Close cooperation with the partners and allies in NATO, the EU and the Visegrad Group was a characteristic feature of the activities of the Czech Republic in the OSCE.

As a member of the preparatory group, the Czech Republic took part in 2000 in preparations for the Community of Democracies Conference. It was held in Warsaw in June 2000, was attended by 107 countries and it ended by the signing of the Warsaw declaration. In line with its Concept of Foreign Policy, the Czech Republic regarded the conference as an opportunity for deepening cooperation between democratic countries in their endeavour to build and consolidate a community of peace, security, cooperation, democracy and prosperity. The Czech Republic will remain a member of the preparatory group for the Community of Democracies Conference, in which there are two representatives for Europe, Africa, America and Asia.

In 2000, the Czech Republic devoted great attention to the activities of the Council of Europe. The Chairman of the Parliamentary Assembly Lord Russell-Johnson visited the Czech Republic in June 2000. In September 2000, Prague hosted the meeting of the Political Committee of the Parliamentary Assembly of the Council of Europe. The Czech Republic continued to advocate the so-called Czech initiatives on the establishment of a General Court of Justice in the Council of Europe, which would ensure a uniform interpretation and application of all Council of Europe treaties.

The year 2000 was marked by intensive efforts by the Czech Republic to be included in the contractual mechanism of the Council of Europe. As of 31 December, 2000, the Czech Republic is the contractual party of 73 and signatory of 23 treaties; this has placed it in the first place among those states which became members of the

Council of Europe after 1990. In 2000, the Czech Republic deposited 14 ratification documents or papers on adherence and signed 16 treaties. Of the total number of 59 treaties of the Council of Europe, which are important for the accession to the EU, the Czech Republic is a contractual party to 41 and signatory of 11 treaties. Among the most noteworthy steps taken by the Czech Republic towards its incorporation in the contractual base of the Council of Europe in 2000 was its signing of the Revised Social Charter and 12 protocols of the Convention for the Protection of Human Rights and Fundamental Freedoms stipulating a general ban on discrimination.

The defence and promotion of human rights is one of the priorities of Czech foreign policy. The Czech Republic pays attention especially to specific aspects of human rights but neither does it ignore relations with certain countries or regions. Czech foreign policy gives pride of place in the field of human rights to the rights of ethnic minorities (especially in relation to the issue of the Roma community), the rights of women and children, as well as the issue of refugees. Emphasis was placed on the European dimension of the Roma problem. Possible solutions to the Roma problem were explored within international organizations, especially the UN, the OSCE and the Council of Europe.

The visit of the UN High Commissioner for Refugees Sadako Ogata in the Czech Republic in February 2000, in connection with upgrading the UNHCR Liaison Bureau to a branch of the UNHCR in the Czech Republic, was a significant event. The high commissioner expressed her satisfaction at the situation in the Czech Republic in the field under her jurisdiction, she expressed appreciation for the new asylum law, as well as for the progress which the Czech Republic had made over ten years in its approach to refugees; she also praised the attitude and role of the state in the integration of foreign nationals in society.

Development and humanitarian aid are part of the foreign policy of the Czech Republic. It offers development aid mainly to countries which are on the path of establishing or consolidating democracy and human rights or a market economy or with which the Czech Republic has traditionally close relations. Foreign development aid was offered mainly to Asia (33%), the Middle East (21%), Latin America (15%), the East European countries (12%), the Balkans (12%) and Africa (7%).

In 2000, as in previous years, the Czech Republic also offered direct humanitarian aid to countries hit by natural catastrophes or disasters, as part of the solidarity of the international community. The state budget earmarked 30 million CZK for humanitarian aid. This aid was provided either directly to the affected states or through the intermediary of international governmental and non-governmental organizations. It was directed to almost 30 countries.

The economic dimension of foreign policy continued to be strengthened in 2000 in accordance with the Government Policy Statement and the Concept of Foreign Policy. The agreement between the Ministry of Foreign Affairs and the Ministry of Industry and Trade of 8 October, 1998, on reinforcing the trade and economic sections of embassies has been updated. Representatives of the business community declared that the material, personnel and methodical reinforcement of trade and economic sectors had helped to improve the effectiveness of Czech economic diplomacy.

In 2000, the Czech Republic took an active part in the work of international economic organizations, especially CEFTA, WTO, OECD, and the IMF. The Ministry of Foreign Affairs of the Czech Republic, in collaboration with other ministries, contributed to the elaboration of documents for the top meetings of these organizations. Appointments to the presidency of the Committee on Environment Policy, to several posts of deputy-chairman in this field and the inclusion of the Czech Republic representative in the working group for the preparation of a proposed review of prospects and a strategy of the environment for the first ten years of the 21st century can be regarded as a token of significant recognition of the work of the Czech Republic in the OECD and as a success of economic diplomacy.

In 2000, the Czech Republic was given the task of organizing the Annual Meeting of Boards of Governors of the International Monetary Fund and the World Bank. It thus took its place among the group of twenty countries which have organized this exceptionally demanding event during more than half a century of the existence of these two most important financial institutions. The meeting was held in Prague on 26 28 September and was attended by some 20,000 persons from 182 countries all over the world. All officials highly appreciated the efforts of the Czech Republic, including the good organization of the Annual Meeting under most complicated conditions.

The Czech Republic took part in the EXPO 2000 world fair in Hannover in 2000. It had a unique opportunity to give a comprehensive overview of Czech culture visitors at the fair. The Czech participation at EXPO 2000 was relatively successful and met with a good response among visitors and the media.

The Ministry of Foreign Affairs of the Czech Republic continued its efforts to raise the quality of the foreign service. The application of the provisions of a Career Code, which came into force on 1 January, 1999, and the introduction of a system of regular training and assessment of each staff member allowed for the early implementation of the principles of the law on the civil service. The Diplomatic Academy of the Ministry of Foreign Affairs introduced a system of educational and training papers in order to provide for professional training in priority areas such as the European Union and security policy.

Attention was devoted to creating a new information system and improving the quality of organizational and administrative work. The Ministry of Foreign Affairs website (<u>www.mzv.cz</u>) has been operational since 31 December, 1999, under the terms of the law on free access to information. A department of public information has been established to deal with queries from the public.

I. MULTILATERAL COOPERATION

1. Summary information on multilateral cooperation

In 2000, the Czech Republic directed again its main attention to preparing for incorporation in the European Union (EU). As part of negotiations on accession to the European Union, the Czech Republic opened all 29 chapters; 13 of them have been completed to date. An Inter-Governmental Conference on the Reform of Institutions was completed at the December session of the European Council in Nice. The reforms adopted, together with the approved document of the European Commission, the Strategy of Enlargement, create the conditions for the enlargement of the European Union by candidate countries, and its effective functioning.

Following the admission to NATO in 1999, the Czech Republic took part in all the NATO activities during the year 2000, concentrating primarily on the situation in South-Eastern Europe, relations between NATO and the EU, relations with the Russian Federation and further enlargement of NATO. In accordance with NATO requirements, the Czech Republic continued to reform its armed forces and completed essential adaptations of its internal security legislation. The experience of NATO so far and the active approach of the Czech Republic, Hungary and Poland notwithstanding certain marginal shortcomings confirm that the decision to enlarge the Alliance has been justified. A great success of the Czech diplomacy was the decision of the December meeting of NATO foreign ministers to hold the next summit of the Alliance in 2002 in Prague.

As in the previous period, the Czech Republic took an active part in the work of the Organisation for Security and Cooperation in Europe (OSCE). It devoted appropriate attention to the political, security, economic and human rights dimensions of the OSCE. A characteristic feature of the activities of the Czech Republic in the OSCE was cooperation with its partners and allies in NATO, the EU and the Visegrad Group. Efforts by the Czech Republic to intensify the OSCE operational activities also continued in 2000. This was to be achieved through greater activity by representatives of the Czech Republic in the work of the OSCE and their involvement in long-term missions, as well as by a more representative participation of the Czech Republic in the organisation s structures.

The Czech Republic participated in promoting a political dialogue with the countries of the Stability Pact for South-Eastern Europe, and made a significant

financial and material contribution to the establishment of democratic institutions, projects for establishing democratic bodies, the defence of human rights, and economic restoration of the region, both on a multilateral and bilateral scale. The Czech Republic has begun to be regarded as a donor country.

The Czech Republic enjoyed high international appreciation for the way it organised the Annual Meeting of Boards of Governors of the International Monetary Fund and the World Bank, which was held in Prague on 26 28 September, 2000. The Government of the Czech Republic supported the procedure for Slovakia's accession to the Organisation for Economic Cooperation and Development (OECD), which was successfully completed. After a five-year membership in the OECD, the Czech Republic is gradually assuming a higher degree of responsibility. The fact that it took over the chairmanship of the Committee on Environment Policy and took part in preparing the environment strategy for the first decade of the new millennium represented a major recognition for its work in the OECD. The experience gathered in the OECD became a significant component of the preparation of the Czech Republic for admission to the EU.

The interest of the international community in increasing the role of the United Nations (UN) and making the work of this organisation more effective in dealing with the pressing global problems facing mankind in the new millennium was reflected in the adoption of the Millennium Declaration at the Millennium Summit. The Czech Republic demonstrated its traditional positive approach towards the activities of the United Nations in the course of the deliberations of the Millennium Summit, as well as during the fifty-fifth session of the General Assembly of the United Nations, at two special sessions of the General Assembly of the United Nations. In 2000, the Czech Republic was involved in United Nations peacekeeping operations in various parts of the world. The participation of Czech civilian police officers in operations in Kosovo and Bosnia and Hercegovina was increased. The Czech Republic, furthermore, expressed its unequivocal support for proposed measures to make the UN peacekeeping operations more effective.

In the sphere of non-proliferation, arms control and disarmament, the Czech Republic welcomed the successful conclusion of the Sixth Review Conference of the Treaty on the Non-Proliferation of Nuclear Weapons, and devoted great attention to the hard work done by the international community to discontinue the illegal trade in small arms and light weapons.

The Czech Republic took an active part in preparations for the United Nations Third Conference on Least Developed Countries and in the search for new ways of financing development cooperation as part of preparations for the International Conference on Financing for Development. At the twenty-fourth special session of the General Assembly of the United Nations on social development, the Czech Republic supported the so-called full-employment policy and the implementation of accords of the International Labour Organization. The Czech delegation was active in The Hague at the deliberations of the Sixth Conference of the Parties to the Framework Convention on Climate Changes, and supported efforts towards completing the ratification of the Kyoto Protocol. The activities of Czech multilateral diplomacy fully reflected the rising significance of multilateral diplomacy on a worldwide scale.

2. The Czech Republic and the European Union

As in previous years, in 2000 preparation for accession to the European Union has been one of the priorities of the Czech Republic's foreign and internal policy.

Selected visits by representatives of the Czech Republic:

8. 2. 2000 a working meeting of Minister of Agriculture Fencl and the Commissioner of the European Commission for Agriculture, Rural Development and Fisheries Fischler at the European Commission in Brussels;

16. 2. 2000 President Havel made a major speech in the European Parliament in Strasburg on the future European vision;

6. 6. 2000 Minister of Agriculture Fencl attended a Conference of Agriculture Ministers in Brussels on the implementation of the Special Accession Programme For Agriculture and Rural Development (SAPARD);

8. 6. 2000 Prime Minister Zeman and Deputy Prime Minister and Minister of Foreign Affairs Kavan visited the European Parliament and the European Commission;

5. 9. 2000 Minister of Environment Ku vart presented the Implementation Plan for the environmental sphere to the Commissioner of the European Commission for Environment Wallstr m in Brussels;

18. 10. 2000 Deputy Prime Minister and Minister of Foreign Affairs Kavan held talks in Brussels with Mr. Verheugen, Commissioner of the European Commission for Enlargement, concerning Austrian blockades of the Czech border crossing points in connection with the Temelin nuclear power plant.

Visits by representatives of EU institutions:

4. 5. 5. 2000 the Commissioner of the European Commission for Environment Wallstr m visited the Czech Republic;

11. 5. 2000 the Commissioner of the European Commission for Employment and Social Affairs Diamantopoulou visited the Czech Republic; during her visit a joint

document of the Czech Republic and the EU was signed, entitled Common Assessment of Priorities of Employment Policy;

22. 6. 2000 the Commissioner of the European Commission for Enlargement Verheugen attended the Day of Europe in Hradec KrÆlovØ;

7.8.12. 2000 the Commissioner of the European Commission for Health and Consumer Protection Byrne visited the Czech Republic.

Other activities

31. 5. 2000 a Conference of Transport Ministers was held in Prague, where Minister of Transport and Communications Schling met the Vice-President of the European Commission de Palacio and two members of her cabinet;

24. 7. 2000 the Chairman of the Commission of Regions Chabert visited the Czech Republic;

In September 2000, the Chairman of the European Patent Office Kober visited the Czech Republic;

9. 10. 2000 Minister of Environment Ku vart attended the sixth informal meeting of the European Commission Commissioner for Environment Wallstr m with the environment ministers of the candidate countries; the meeting was attended by the European Commission Commissioner for Enlargement Verheugen and by the Chairman of the EU Council for the Environment and French Minister of Environment Ovine;

In the second half of 2000 negotiations between representatives of the Czech Republic and Europol intensified, aimed at signing a bilateral agreement on cooperation with Europol; it is expected that these negotiations will continue in 2001.

Meetings of joint bodies and negotiations

6. 7. 6. 2000 meeting of the EU Czech Republic Association Committee in Prague;19. 9. 2000 Deputy Prime Minister and Minister of Foreign Affairs Kavan headed a delegation to the EU Czech Republic Association Committee meeting in Brussels.

Information on the progress of negotiations on an agreement on the accession of the Czech Republic to the EU

The bilateral Inter-Governmental Conference (IGC) on the accession of the Czech Republic to the EU opened at ministerial level on 31 March, 1998.

The updating of screening (comparing legislation) took place in the first half of the year 2000; it focused on the newly adopted acquis for 1999 and covered all twelve candidate countries. The screening took place in writing when the Czech Republic drew up reports on the appropriate chapters on the ability to take over the acquis for

the period 1998 1999. The reports contained information on whether or not problems are likely to arise during the period under discussion, as well as on when and how the appropriate EU legislation would be adopted and implemented.

All the candidate countries also prepared reports on the progress achieved by 1 January, 2000, in the chapters which had been opened or preliminarily concluded during negotiations with the EU (i.e. for 23 chapters). By the end of February 2000, the Czech Republic had handed over reports on the progress made with regard to ten chapters completed by this date, and by 19 April, 2000, reports on the remaining chapters.

The European Commission used these reports in drawing up technical monitoring tables, as well as for the so-called Annual Monitoring Report on Accession Negotiations with the common objective to give the EU Member States a picture of the state of preparation of a specific candidate country with regard to individual chapters (at the moment only of the Luxembourg Group).

By the beginning of December 1999, the Czech Republic had submitted to the EU Position Documents on all present 29 chapters. The documents on the chapters Institution and Miscellaneous will be submitted to the EU in the final phase of the accession negotiations in accordance with the agreement. On the basis of a request by the EU, on 9 May, 2000, the Czech Republic submitted to the European Commission supplements to all Position Documents. They contained the position of the Czech Republic on the acceptance of the new acquis, adopted in 1998 1999. The Czech Republic did not identify any problems connected with the acceptance of the new acquis and will not request a transition period in this connection in any of the chapters.

In the course of the accession negotiations at the level of representatives, new chapters, Regional Policy and the Coordination of Structural Instruments and Finance Control, were opened on 6 April, 2000. It was proposed to conclude in anticipation of the chapter on Common Foreign and Security Policy. A further meeting at the level of representatives was held on 26 May, 2000, where the chapters Freedom of Movement of Persons, Co-operation in the Fields of Justice and Home Affairs, Schengen and Financial and Budgetary Provisions were opened. At a ministerial meeting on 14 June, 2000, the last chapter to be opened was Agriculture. The chapters Common Foreign and Security Policy, Customs Union and, once a compromise has been found, the chapter External Relations, were concluded. The number of the total chapters concluded on a preliminary basis had thus reached 13.

The opening of all 29 chapters by the end of the presidency of Portugal created the conditions for a transition to a qualitatively higher phase of negotiations to a phase of substantive negotiations. It is in this phase that there will be an identification of concrete problems, the elimination of those problems, which could be removed by a further mutual clarification of positions and gradual negotiations on the most

problematic spheres. A certain qualitative shift in the pre-accession negotiations was evident already during the rotating French presidency when the EU accepted certain requests on transitional periods of a technical nature.

During the French rotating presidency as well as during the previous presidency the Inter-Governmental Conference met twice at the level of representatives (5 October and 1 December) and once at the ministerial level (5 December). The agenda once again included the chapters the Company Law, Transport Policy, Social Policy and Employment, Regional Policy and Co-ordination of Structural Instruments, and the Environment, but no major progress has been made in these negotiations.

The original date of the second Inter-Governmental Conference at the level of representatives was 16 November, 2000. The agenda was intended to include the chapter Energy, possibly the Environment. In view of the fact that the Member States failed to adopt a common position on either of the mentioned chapters, the Conference was postponed. Following a number of negotiations between the Czech Republic and Austria at various levels, a compromise version of the common position of the EU was finally found, at least for the chapter Environment. That was discussed at an alternative session at the level of representatives, held on 1 December, 2000. The discussion of the chapter Energy was again postponed to the first half of 2001.

During the French rotating presidency, the Czech Republic did not succeed in concluding any of the chapters ahead of time. The number of concluded preliminary chapters remained at 13 (Cyprus concluded 17 preliminary chapters, Estonia 15 and Hungary 14).

The main priority of the French rotating presidency was the successful conclusion of the Inter-Governmental Conference on the reform of European Union institutions.

Institutional and organizational arrangements of the internal preparation for membership of the EU

All departments of the state administrations were involved in preparing negotiations on the accession of the Czech Republic to the EU.

In view of the consensus of political parties on the significance of preparations for the accession of the Czech Republic to the EU, it has been possible to amend the existing Standing Orders of the Chamber of Deputies of the Czech Republic Parliament. This amendment has made it possible to cut the process of passing laws, which are linked with European law, including the possibility of adopting a legislative proposal already during the first reading. On the basis of an agreement between the Government and the Parliament of the Czech Republic, the legislative proposal was submitted to the Committee for European Integration of the Chamber of Deputies of the Parliament of the Czech Republic already during the interdepartmental proposals phase. The members of the Committee were thus able to become acquainted with the proposal and possibly submit amendments before the Government approves it.

The Committee for European Integration was the major governmental body coordinating the preparation for the EU accession. Prime Minister acts as its head and Deputy Prime Minister and Minister of Foreign Affairs as executive deputy-chairman. On the basis of experience accumulated and with the aim of improving the quality of the work of the Committee, Deputy Prime Minister and Minister of Foreign Affairs prepared a draft amending the status and standing orders of the Committee for European Integration.

The Working Committee for Czech Republic's Integration into European Union was ensuring the coordination and implementation of tasks connected with preparations for membership. Its members were representatives of all ministries and other central state administration institutions.

In preparing for accession to the EU, the Ministry of Foreign Affairs of the Czech Republic collaborated with the Council of Economic and Social Accords and with representatives of employers as part of the Work Team for Integration in the EU.

National Programme for the Preparation of the Czech Republic for Membership in the European Union 2001

The Government of the Czech Republic approved the updated version of the National Programme for Preparation for Membership in the European Union (National Programme 2000) on 31 May, 2000. The document was based on the National Programme 1999. It contained short-term, as well as medium-term tasks of the Czech Republic in areas where full preparation for membership had not yet been achieved. The chapter Financial Needs in the National Programme 2000 for the first time stipulated the finance requirements of short-term and long-term priorities in close connection with the state budget for 2000 and the draft budget framework for 2001 and 2002. The way in which the National Programme 2000 had been drafted was praised in the Regular Report of the European Commission on the Czech Republic s Progress towards accession for 2000.

Regular report of the European Commission on progress made by the Czech Republic in the process of accession and material of the European Commission Document of enlargement strategy

On 8 November, 2000, the European Commission published its third Regular Report of the European Commission on the Czech Republic's Progress towards accession (hereafter Report). The Report assessed the progress achieved since the publication of the Regular Report for 1999 on 30 September, 2000.

In drawing up the Report, the European Commission made far-reaching changes in its structures and methodology. In its third part, the Report was put together according to individual chapters of community legislation, it dealt with the capacity of candidate countries to carry out the duties placed upon them by their EU membership, and which are directly connected with their negotiations on accession. In each chapter, the European Commission assessed the ability of the state administration to implement harmonized legislation.

The report makes it clear that the European Commission is shifting the focus in assessing the progress made in the harmonization of the Czech legislation with community legislation (even though this sphere remains the centre of its attention) into the sphere of assessing the ability and capacity of the state administration to implement harmonized legislation, and, if the need arises, to enforce it. It placed emphasis on the determination and necessity to complete and implement structural reforms.

The report was predominantly favourable for the Czech Republic. This applies to the entire report in general, as well as to most of its sections. On the other hand, some of its significant and sensitive chapters were the object of repeated criticism by the European Commission, in brief, there are still problems there. Apart from the capacity of the state administration, corruption, and the judiciary, this applied to agriculture, culture and audio-vision, and to some extent also the environment.

As in 1999, the Government adopted a series of measures aimed at speeding up legislative work and improving the implementation of existing legislation in spheres, which had been criticized in the European Commission s report.

Apart from the regular reports for individual candidate countries, the European Commission prepared a Document on the Strategy of Enlargement. It deals mainly with a general assessment of the preparation of candidate countries for the accession to the European Union and with evaluating the accession strategy. It proposed a timetable, (a so-called road map) for future accession negotiations. The Document also contained a proposal that negotiations with those candidate countries, which fulfil the criteria of membership, should be completed in the course of 2002, which would allow the European Union to welcome new member states as of the end of 2002.

The Europe Agreement

The basic contractual document, which in 2000 determined relations between the Czech Republic and the European Union, was the Europe Agreement, establishing an association between the Czech Republic and the European Community and its Member States (Europe Agreement). The Europe Agreement came into force on 1 February, 1995.

The Accession Council has been given the task of monitoring the implementation and interpretation of individual provisions of the document; it meets regularly at the level of foreign ministers of the Czech Republic and Member States and also with a member of the European Commission. The Accession Committee, made up of senior civil servants of the Czech Republic and the European Commission, or the Committee for European Integration of the Chamber of Deputies of the Parliament of the Czech Republic, monitors the implementation of the Europe Agreement; the Committee consists of representatives of the Chamber of Deputies and the Senate of the Parliament of the Czech Republic and of representatives of the European Parliament.

On the basis of the provisions of the Europe Agreement, negotiations on the further liberalization of trade in agriculture and fisheries continued in 2000. On 1 July, 2000, Government Resolution No. 180, stipulating priority customs tariffs for imports of certain agricultural products and foodstuffs originating in the EU, entered into force. It was agreed that new trade policy conditions, liberalizing trade in processed agricultural products will come into force on a reciprocal basis on 1 July, 2001, in the light of a decision by the Accession Council.

Decisions of the Czech Republic-EU Accession Council, adopted in 2000

3. 8. 2000 Decision of the Czech Republic EU Accession Council on accepting the conditions for the participation of the Czech Republic in programmes of the Community in the field of preparations for employment and education;

4. 10. 2000 Decision of the Czech Republic EU Accession Council on accepting the conditions for the participation of the Czech Republic in the Community Youth action programme;

8. 11. 2000 Decision of the Czech Republic EU Accession Council on amendments in Protocol 4 to the Europe Agreement (origin of goods);

4. 12. 2000 Decision of the Czech Republic EU Accession Council on extending the validity of the dual control system for the period between 1 January and 31 December, 2001;

11. 12. 2000 Decision of the Czech Republic EU Accession Council on the transition of the Czech Republic to the second phase of accession.

Protocol to the Europe Agreement on assessing the conformity and acceptance of industrial commodities

The Protocol to the Europe Agreement on assessing the conformity and acceptability of industrial commodities which is planned to be signed in 2001 enables the gradual integration of the Czech Republic in the single market of the EU as regards agreed production spheres; in this way it goes beyond the classic form of

agreements on mutual recognition. The removal of technical obstacles in trade with the Member States is, thanks to the recognition of the system of assessing conformity in the Czech Republic, eliminating duplicity, the timing and financially demanding verification of commodities exported to/from the European Union, a further contribution. In the field of mutual recognition the Czech Republic, alongside Hungary, has made the greatest progress of all candidate countries.

Mutual economic relations

The volume of mutual trade has confirmed the exceptional importance of the European Union for the Czech Republic. The EU has been its major economic partner and had a 65.1% share in the total turnover of foreign trade in 2000. Bilateral trade reached the sum of 1,540.9 billion CZK during the period under discussion. Czech exports to the EU amounted to 768.0 billion CZK, i.e. 68.5% of all Czech exports, and imports from the EU to the Czech Republic reached 772.9 billion CZK, i.e. 62.0% of all imports to the Czech Republic.

Compared to 1999, Czech exports to the EU increased by 23.7% and imports by 22.1%

The balance of bilateral trade was negative for the Czech Republic in 2000; there was a deficit of 4.9 billion CZK.

As regards the composition of commodities in Czech exports, the predominant items were in the spheres of machinery, electrical equipment, cars and transport vehicles, products of the chemical industry, ceramic products and glass, and in the food industry beverages. Among the major imports from the EU to the Czech Republic there were again machinery, electrical equipment, cars and transport vehicles, products of the chemical industry, iron and steel, timber and timber products, and paper products.

Pre-accession aid (Phare, ISPA and SAPARD)

The number of programmes by which the Czech Republic receives pre-access assistance has been expanded as of 2000. In addition to the Phare Programme, there is now the programme for supporting agriculture and the revival of rural areas Special Accession Programme for Agriculture and Rural Development (SAPARD) and the programme of infrastructural projects in the environment and transport Instrument for Structural Policies for Pre-Accession (ISPA). While in 1999 the annual resources allocated under Phare amounted to 69 million euro, the sum total of preliminary defined annual contributions under the three mentioned programmes for the period 2000 2006 amounts to 158 184 million euro (Phare 79 million euro, including 19 million euro from the programme of cross-border cooperation, SAPARD 22 million euro, ISPA 57 83 million euro).

The Phare Programme helps to implement the Copenhagen criteria of EU membership and the selection of projects, which are determined by priorities of the Accession Partnership and the National Programme for the Preparation of the Czech Republic for the EU membership.

A full 20 projects of the total of 29 contained an instrument for pre-accession twinning assistance, which acts as an intermediary for assistance by counsellors from the EU Member States in implementing projects on the spot. Receiving pre-accession assistance was determined by participation of the Czech side in the financing of all projects, at least by one-quarter, furthermore by adopting legislation essential for the implementation of the projects.

The ISPA project focused on supporting investment projects, which help improve the infrastructures of the environment and transport networks in Trans-European corridors. Under this programme the sum of 55 80 million euro per annum has been earmarked for the Czech Republic.

Financial assistance by the EU has been subordinated by participation in financing ISPA programmes by public funds of the Czech Republic. Funds for ISPA projects will be drawn after the conclusion of the international treaty, entitled Memorandum on understanding on the use of the ISPA National Fund (it was signed on 13 December, 2000) and after the signing of the Finance Memoranda on individual projects.

In 2000, the ISPA governing board approved five projects, which are to commence in 2001. They include two environmental projects renewal of the sewage systems in Ostrava and Brno, and three projects in the field of transportation reconstruction of sections of the railway lines Usti nad Orlici-Ceska Trebova, and Zabori-Prelouc, and the construction of a Dobra-Frydek-Mistek by-pass.

The objective of the SAPARD programme is to help the candidate countries to solve concrete tasks in introducing the acquis related to a Common Agricultural Policy and structural changes in individual sectors of agriculture in rural areas. The annual sum of 22 million euro has been earmarked for the Czech Republic to be distributed at a 2:1 ratio among projects in the agricultural sector and rural development. Financial assistance is linked with the requirement of participation in financing by public funds.

The basic programme document of the Czech Republic for the SAPARD programme is the Agriculture and Rural Development Plan of the Czech Republic for 2000 2006, which the European Commission approved by its decision of 26 October, 2000. The contractual relationship will be secured by a financial agreement covering several years and an annual finance agreement to be negotiated for each current year. Apart from signing a finance agreement for several years and specific annual finance agreements as well as an agriculture and rural development plan for the Czech Republic, the accreditation of a Payment Agency and implementation section of the

Ministry of Agriculture by the European Commission is an essential prerequisite for commencing the functioning of the SAPARD programme.

Communication strategy

Communication with the widest public preceding the acceptance of the Czech Republic by the EU has been defined in the outline of the document Communication Strategy of the Czech Republic before the accession to the EU, which was discussed by the Committee for European Integration of the Chamber of Deputies of the Parliament of the Czech Republic and afterwards completed by the Working Committee on the Implementation of the European Agreement in October 1997. The nature of the communication strategy is mainly educational; its aim is to give Czech citizens objective information on the EU and the broader connection of admission of the Czech Republic to the EU.

The Government entrusted the Ministry of Foreign Affairs of the Czech Republic with carrying out a communication strategy. In view of the progress of negotiations and an increasing demand for information, a new communication strategy sector dealing with this agenda was introduced on 1 May, 2000. Apart from this, the sector drew up a concept of external communication strategy and coordinates the training of civil servants in European affairs.

The aim of the communication strategy can be achieved only if it is perceived as a national strategy, which incorporates all sections of society. A Council for Communication Strategy was set up in 2000 for this purpose. It carries out the function of a consultative body of the Ministry of Foreign Affairs of the Czech Republic on matters of principle pertaining to communication strategy. Its first meeting took place on 7 June, 2000. The Council is composed of political representatives from all political parties (chairmen and vice-chairmen of committees for European integration of the Parliament of the Czech Republic and chairmen of committees for foreign affairs of the Czech Parliament), representatives of the academic community, specialists in media affairs, and representatives of key sectors and interest groups. Inter-ministerial coordination is the responsibility of the earlier established consultative committee for the implementation of communication strategy.

In 2000, the communication strategy concentrated on improving information about the EU among relatively well informed sections of the population, e.g. small and medium-size firms and young people. It also did its utmost to attract attention of sections which until then had not given too much attention to the EU housewives, senior citizens and, to some extent, those living in rural areas. This orientation motivated the introduction of several projects, for example, a nationwide essay competition on a European topic, regional activities in smaller towns, a project on the gradual training of non-governmental organizations and interlinking these (so-called netting), study trips for journalists, the Euroskop internet website, issuing publications, the establishment of European regional information centres, events for business people, competitions for students, cooperation with the media, etc. Specialized agencies arranged regular opinion polls which made it possible to update the focus of the communication strategy regularly.

The second session of the Council for Communication Strategy took place on 15 December, 2000. Its extensive discussion, the useful results, and consensus on points of principle demonstrated the justification for this body.

In the middle of 2000, the Communication Strategy Section prepared a concept of external communication strategy in relation to EU Member States with the aim of presenting the Czech Republic as a candidate country capable of fulfilling commitments arising from EU membership without major problems and prepared to accept its share of responsibility for the future progress of Europe. A large proportion of activity is carried out under the sponsorship of Czech Republic's embassies in EU Member States, which are based on territorial plans drawn up by the embassies (media projects of the Czech Republic, seminars, conferences, etc.). In August 2000, the Communication Strategy Section announced a competition for a unified image of communication strategy and basic information materials. These are publications about the Czech Republic (in English, French, and German), informative leaflets about the Czech Republic and its relationship with the EU (in 11 languages), exhibition material (so-called kits), identical folders and material for a series of lectures at Czech embassies. The Council for Communication Strategy also discussed these items and they were submitted to the Consultative Committee for the implementation of communication strategy.

In May 2000, the European Commission adopted a new communication strategy to promote enlargement. In the second half of 2000, individual embassies contacted the representatives of the European Commission in each member state offering their collaboration, with a view of taking concrete actions in 2001.

Regular contacts continued with the delegation of the European Commission in Prague with the aim of coordinating information as part of communication strategy. In 2000, 39 million CZK was earmarked in the state budget for the communication strategy.

Training in European affairs

In 2000, the Ministry of Foreign Affairs of the Czech Republic continued to coordinate activities focusing on training civil servants in the EU affairs. On the basis of Government Resolution No. 841 of 25 August, 1999, the Deputy Prime Minister and Minister of Foreign Affairs Kavan together with the Deputy Prime Minister and

Chairman of the Legislative Council and the Minister of Interior, submitted a draft of unified methodology for training officials in European affairs. The draft was adopted by the Government Resolution No. 46 of 12 January, 2000. The decision stipulated that deputy ministers, senior directors, directors of departments, and selected groups of officials at ministries and other central bodies of the state administration complete their training in European affairs by 31 August, 2000. All departments fulfilled this task.

The basic source of the funds for the training in 2000 were the Phare Programme and the state budget. Moreover, support was also given by Technical Assistance Information Exchange Office (TAIEX) bilateral assistance coming from EU member states.

Phare projects:

Basic training of 80 civil servants in European affairs (10 lecturers);

Additional training on the EU of 50 officials;

The ABC of the European Union (25 two-day courses on the EU) for 500 officials; A course on financial control in the EU countries for 100 participants;

Educational activities funded from the state budget:

Basic course on the EU for 1,000 participants;

Seminar on an Introduction to Laws of the European Community for 70 participants;

Distance training course on EU affairs;

Seminar on committees and negation in the political process of the European Community for 40 officials;

Training on negotiation techniques for 40 officials;

A conference Current Developments of the EU from Amsterdam to the Inter-Governmental Conference on the reform of institutions for 400 participants.

Cooperation with TAIEX:

In 2000, TAIEX prepared a number of courses to meet the needs of the state administration of the Czech Republic (seminars, workshops, study trips), focusing mainly on:

Approximating the legislation of the single market;

Providing greater information on technical assistance offered by the European Commission and member states;

Providing technical assistance based on specific requirements by individual subjects.

All the projects arranged in collaboration with TAIEX made it possible to train 500 officials in 2000.

Bilateral cooperation projects, especially with France and Denmark, were arranged in the form of seminars.

Parliamentary cooperation

A regular dialogue between Deputies and Senators of the Parliament of the Czech Republic and Deputies of the European Parliament contributed significantly towards achieving the objectives of the European Agreement. This took place mainly within the Parliamentary Committee on the Czech Republic-EU accession which consists of a Permanent Delegation of the Chamber of Deputies of the Parliament of the Czech Republic for Cooperation with the European Parliament, a Permanent Delegation of the Senate for Cooperation with the European Parliament and a Permanent Delegation of the European Parliament and a Permanent Delegation of the European Parliament and a Permanent Delegation of the European Parliament. Meetings are generally held once every six months. The 11th session of the parliamentary committee on Czech Republic-EU accession was held on 18 19 April, 2000, in Prague and the 12th session on 13 14 December, 2000, in Strasburg.

Meetings of chairmen of Parliaments in associated countries with the President of the European Parliament Ms. Fontaine continued on a multilateral level. One such meeting was held in Ljubljana between 17 19 April, 2000. The Chairwoman of the Senate of the Czech Republic Bene ovÆrepresented the Czech Republic. The Chairman of the Chamber of Deputies of the Parliament of the Czech Republic Klaus attended a meeting of Chairmen of Parliaments on 11 12 July, 2000, in Brussels. The items on the agenda were the ongoing Inter-Governmental Conference on the reform of the EU institutions, or rather the conclusions of the European Council in Feira.

The chairmen of foreign relations committees of the Parliaments of member and candidate countries also met regularly. Chairmen of European integration committees held similar meetings. The chairmen of the relevant committees of the Chamber of Deputies of the Parliament of the Czech Republic regularly attended these meetings.

Cooperation among candidate countries

The candidate countries of the so-called Luxembourg Group (the Czech Republic, Poland, Hungary, Estonia, Slovenia and Cyprus) inaugurated their negotiations on membership in 1998 and continued their effective cooperation based on common interests in the process of approaching the EU.

Two significant meetings of the foreign ministers of the said countries took place during that period. At the meetings in Ljubljana (5 June, 2000) and in Budapest (15 November, 2000), joint declarations were adopted demanding a concrete timetable for the enlargement of the EU. The fundamental ideas of the joint declarations of the foreign ministers of the Luxembourg Group were reflected in the conclusions of the European Summit in Nice.

Cooperation also continued in preparations for admission to the EU among the chief negotiators of the countries of the Luxembourg Group. Three meetings were

held in the period under discussion: 30 June 1 July, 2000 in Krakow (exchange of views on the subsequent progress of negotiations), 5 October, 2000 in Brussels (review of negotiations so far) and 10 11 December, 2000 in Budapest (discussion of the conclusions of the European Summit in Nice).

Senior representatives of the foreign ministries of all candidate countries met in Vilnius on 13 14 September, 2000.

The issue of European integration became a crucial item in the collaboration of the Visegrad countries. Enlargement of the EU became a constant item on the agenda of talks among senior representatives. The Prime Ministers of the V4 countries also met their colleagues from the EU Member States:

25. 27. 4. 2000 Federal Chancellor Gerhard Schr der in Gniezno;

4. 5. 2000 French Prime Minister Lionel Jospin in Budapest;

6. 10. 2000 British Prime Minister Tony Blair in Warsaw;

19. 12. 2000 Dutch Prime Minister Wim Kok in Bratislava.

Other significant meetings included:

1. 12. 2000 the Prime Ministers of the Czech Republic, Slovakia, Hungary and Slovenia met at a separate gathering in Bratislava;

16. 6. 2000 the Foreign Ministers of the Czech Republic, Hungary, and Poland met the French Foreign Minister Vedrin in Prague.

Incorporation of the Czech Republic in the EU Common Foreign and Security Policy

The Czech Republic participated in the Common Foreign and Security Policy in the manner facilitated by the country's associate status. During the period under discussion, the Czech Republic demonstrated a high measure of compatibility with the acquis of the Second Pillar of the EU. This helped Chapter 27 Common Foreign and Security Policy to be proposed in April 2000 for preliminary completion (its preliminary completion was formally confirmed on 14 June, 2000); this was within the framework of negotiations on the accession of the Czech Republic to the EU. By joining common activities, statements, declarations, and measures and by their implementation the Czech Republic demonstrated its preparedness for the accession to the EU in the fields of these common policies. As soon as the Czech Republic is admitted to the EU, it must be capable to participate fully in all its structures and to take advantage of all its instruments. The Czech Republic, together with the other candidate countries, continued to take an active part in a political dialogue with the EU, especially in working groups focusing on various topics, such as disarmament, non-proliferation of nuclear weapons, terrorism, human rights, and the UN or in working groups based on territories, such as the Western Balkans or Eastern Europe. This dialogue on an expert level was accompanied by regular meetings of political directors of the foreign ministries, European correspondents, and directors of political planning, meeting generally every six months.

The introduction of the Associated Countries Network (ACN) in December 1999 brought a new quality to the political dialogue between the Czech Republic and the EU. This system of special electronic mail established a link between the Secretariat of the EU Council and the foreign ministries of the candidate countries and thus provided for an operative multilateral exchange of relevant information between the EU and the associated countries.

The Czech Republic closely followed development of the Common European Security and Defence Policy. As a member of NATO and a candidate for membership in the EU, the Czech Republic demonstrated its eminent interest in consolidating European security and strengthening defence capacities. It confirmed this not only by an intensive and cooperative dialogue with the EU on the concept of European defence, but also by a concrete offer of a Czech contribution to the European rapid deployment forces. The Czech Republic declared that it would take an active part in an institutionalised dialogue on Common European Security and Defence Policy, both in the 15 + 15 format (e.g. the EU + candidate countries, Iceland, and Norway), and in the 15 + 6 format (e.g. the EU + the Czech Republic, Poland, Hungary, Turkey, Iceland, and Norway the European NATO members as well as non-members of NATO).

Common European Security and Defence Policy

Throughout 2000, the EU continued to work with intensity in promoting the Common European Security and Defence Policy (CESDP), by fulfilling the conclusions of the EU Helsinki Summit in December 1999, and by outlining and carrying out new tasks from the EU summits in Feira (June 2000) and Nice (December 2000). Czech foreign policy closely followed this process and presented its views on all major issues of the CESDP at bilateral and multilateral meetings.

The advance of the CESDP within the EU led to the gradual limitation of the activities of the Western European Union (WEU). The ministerial meetings of the WEU in 2000 (Porto May, Marseilles November) definitely decided to reduce the activities of this organization to a minimum, and transfer responsibility for the fulfilment of the so-called Petersburg tasks to the EU. The Czech Republic was an associate member of the WEU and participated in all its activities, except joint defence. The limitation of the activities of the WEU brought the status of associate member to an end. The Czech Republic expects that associate membership in the WEU will be replaced by a mechanism of intensive collaboration with the six European states that are members of NATO and not members of the EU (so-called Non-EU European Allies, NEEA).

On the basis of the WEU ministerial session decision from Marseilles, the major WEU operational activities have been terminated. The WEU military staff will cease to exist by July 2001. The Multinational Advisory Police Element (MAPE) police mission in Albania will be transferred to the EU during the first half of 2001. Western European Union Assisting Mission (WEUDAM) in Croatia will continue under the WEU command until the end of its mandate until 9 May, 2002. During the first half of 2002, the Satellite Centre and the Institute for Security Studies will be reassigned to the EU.

The WEU has not ceased to exist *de jure* as an organization, since its contractual foundation is the so-called Modified Brussels Treaty of 1955. Its Article 5 speaks of the collective defence of member states. The transfer of the Treaty to the jurisdiction of the EU did not have the support of all the EU members. That is why it was decided that WEU would remain in its residual form as the guardian of collective security. The WEU will continue to function as a forum for parliamentary cooperation (Parliamentary Assembly of WEU) and as a platform for defence industry cooperation, Western European Armaments Group (WEAG).

At the WEAG meeting which took place simultaneously with the WEU session in Marseilles, six new member states were admitted to this organization (Sweden, Finland, Austria, the Czech Republic, Hungary, Poland). For the Czech Republic this was the culmination of long-term efforts to achieve full membership in WEAG. Membership in this organization can be regarded as highly positive in the light of the opportunities for domestic firms in the defence industry, especially those that are united in the Defence Industry Association.

At its session in Helsinki on 10 11 December, 1999, the European Council decided to establish interim bodies for CESDP An Interim Political and Security Committee, an Interim Military Committee and an Interim Military Staff. These bodies began to work in early March 2000. Their work, lasting almost one year, has been evaluated, and the Nice Summit of the EU in December 2000 drew up the modalities of their functioning. In the course of 2000, the Czech Republic attempted to insist on the inclusion of its representatives in the work of these bodies. But this did not occur since the EU retained its decision-making autonomy. Yet, the EU decided to hold regular joint information meetings of these bodies with representatives of third countries.

The EU Planning Conference was held in Brussels in November 2000. Contributions of individual countries to the implementation of the fundamental European objective European Headline Goal (EHG) were summarized there. The amount of the resources was also assessed and the extent of additional resources was reviewed. The EU candidate countries, including the Czech Republic, made proposals for their contributions to the implementation of the EHG. These were favourably received by the EU with the proviso that they would be calculated above that of the EHG framework. But they will be assessed according to the same criteria as units of the EU

member states. The contribution of the Czech Republic consisted of a motorized battalion, chemical defence units, special forces, a field hospital, centres for humanitarian and relief operations and a helicopter flight. But the Czech Republic offered this contribution under the condition that it would be allowed to participate in political decisions on operations, in which it would be involved. This was the point the Czech Republic stressed in its position to the EHG, which it submitted in writing to the countries of the EU and NATO in May 2000.

The EU met the demand for political participation by third countries in operations, in which these states would be involved, by establishing a Committee of Contributors. This will be a platform for decisions on planned operations and will include all states, making a substantial contribution to EU operations.

The modalities on cooperation between the EU and third countries became one of the key questions of further cooperation in 2000 not only between these states but also between the EU and NATO. At its summits in 1999, the EU declared that it would draw up procedures for the incorporation of EU non-member countries in preparations of the decision-making on EU military operations while respecting the autonomy of the EU decision-making. In April 2000, an agreement was reached within the EU on methods of collaboration between the EU and these states. The negotiations between the EU and the candidate countries. Iceland, and Norway on matters concerning the CESDP were based on the 15 + 15 format (EU + 6 non-EU countries + 9 EU candidate countries). Another format of 15 + 6 (EU + non-EU countries) was subsequently set up within this format. The Czech Republic was able to participate in these debates, taking place mainly within the EU, only indirectly by submitting its views within the WEU, NATO, or at bilateral meetings with the EU member states. In negotiations with the key EU countries, it was possible to include principles in the EU documents that are acceptable for the Czech Republic and of which it would make maximum use in the future.

Since May 2000, several meetings have been in the 15+15 and 15+6 format at the level of military experts, political directors, ambassadors and one session at the level of defence ministers. At the Nice Summit of the EU in December, the EU Member States decided to hold these meetings as the need arose, but at least twice every six months, including one at the ministerial level. In the event of a crisis, the modalities of negotiations would be determined differently: either with regard to operational matters with the use of NATO capacities and means, or without them. A state, which takes part in such an operation, would be involved in the decision-making by means of the Committee of Contributors, and if the operation takes place with the utilization of NATO means and capacities, European NATO members, non-EU members would be involved automatically.

For the further development of relations between the Czech Republic and the EU on CESDP matters it is important for the candidate countries to be allowed to

nominate their representative for contacts with the EU Political and Security Committee as well as a liaison officer for contacts with the EU Military Staff.

The Czech Republic considers an agreement between the EU and NATO on establishing direct relations between the two organizations as a significant step for the future of CESDP. There have been meetings of the North Atlantic Council (NAC) and the interim Political and Security Committee. A NATO and EU meeting at the level of foreign ministers was held on the margin of the NATO ministerial session in December 2000.

An agreement was, moreover, reached, on establishing four EU/NATO working groups, where key issues pertaining to the NATO and EU cooperation are dealt with: 1. Security matters (especially classified information);

- The question of Berlin + (adaptation of NATO defence planning for the requirements of the EU and involvement of the EU in NATO planning capacities together with the identification of means and NATO command structures for EU operations);
- 3. Improvement of defence capacities;
- 4. Establishment of permanent EU/NATO working relations.

Since the Helsinki Summit in December 1999, the EU has been intensifying the coordination of non-military sources with the aim of managing crises and increasing its capacity in civilian crisis management. A EU Committee for Civilian Crisis Management has been set up and the Feira Summit in June 2000 approved an interim proposal of concrete aims for civilian crisis management. The proposal stipulated that the EU would establish rapid deployment police formations of 5,000 members of which 1,000 will be capable of being deployed within 30 days along the entire spectrum of operations, from conflict prevention to the specific requirements in various phases of operation in order to restore peace. During the second half of 2000, the French rotating presidency concentrated chiefly on establishing autonomous military capacities and left civilian crisis management more or less aside. That is why the commitment taken in Feira was merely repeated in Nice, and this sphere will be among the priorities of the Swedish rotating presidency.

In 2000, the Czech Republic began preparations that would enable it to offer the European Union some of its capacities for the solution of non-military crises in 2001.

3. The Czech Republic and North Atlantic Treaty Organization

In March 2000, the Czech Republic celebrated the first anniversary of its accession to the North Atlantic Treaty Organization (NATO). Throughout the year, the country

took an active part in the activities of all political and military sections of the Alliance. In accordance with the new Strategic Concept of the Aliance, the Czech Republic continued to adapt its armed forces and completed an essential revision of its internal security legislation. A great success of Czech diplomacy was the fact that the December 2000 session of foreign ministers decided to hold the next NATO Summit in Prague.

The entry of the Czech Republic into NATO resulted in a significant change in the position of the state in the European security system. The Alliance became the fundamental framework, guaranteeing the security of the Czech Republic. Membership in NATO allows the Czech Republic to be a full component of the Trans-Atlantic consultation mechanism of the nineteen allies in all matters concerning the security of the Euro-Atlantic region. Membership commits the Czech Republic to defend the territory of other allies and to build up its own defence capacities, including the capacity of taking an effective part in peacekeeping operations outside the territory of NATO.

The Czech Republic fulfilled the duties arising from membership in the Alliance. It participated actively in the agenda of political and military committees, command structures, agencies and other NATO bodies. It took part in the Alliance military missions. It gradually adapted its armed forces to be able to fulfil the requirements formulated in the Strategic Concept of the Alliance. The Czech Republic completed the adaptation of its internal security legislation, as well as the process of joining all multilateral NATO treaties and accords. Individual sections gradually established direct specialized contacts with bodies of the Alliance and attended their meetings.

The formulation of national positions on various NATO initiatives and establishment of cooperation and mutual support with other allied countries are essential for the successful work in bodies of the Alliance. The shortage of staff screened for work with NATO classified information remained one of the obstacles to the full incorporation in the work of the Alliance.

The Czech Republic, as a member of the Alliance, is most concerned about the security and stability in South-Eastern Europe. One of the means in carrying out this policy was the participation of the Czech Republic in Alliance operations in Bosnia and Herzegovina and in Kosovo in 2000. By Government Decision No. 1112 of 8 November, 2000, the Government of the Czech Republic decided to extend the Czech participation in two Alliance operations in 2001; they are to remain on the same scale as in 2000, e.g. a mechanized battalion in Bosnia and Herzegovina (approx. 600 men and an extended company in Kosovo (approx. 200 men). The Czech Republic is, moreover, preparing conditions at home to make it possible to send non-military experts to missions abroad. This will require a longer period since it is not a question of merely choosing suitable candidates, but also of adapting

internal legislation, which at the moment does not provide optimal conditions for the deployment of such experts.

Political developments in the Federal Republic of Yugoslavia culminated with the defeat of Slobodan Milosevic in the autumn of 2000 in the course of presidential elections and the victory of the opposition in the parliamentary elections in Serbia. In the opinion of the Czech Republic, political developments created the conditions for a certain restructuring of alliance operations in Bosnia and Herzegovina and in Kosovo.

The integration of the countries of South-Eastern Europe into the Euro-Atlantic community is a significant instrument in safeguarding peace and progress in the region. The Alliance is working towards this objective by means of the Euro-Atlantic Partnership Council (EAPC) and Partnership for Peace, by means of the South-East European Initiative (SEEI) which it supports, and the Stability Pact for South-Eastern Europe.

The fundamental political changes in Croatia are a significant contribution to the regional stability. The Czech Republic encouraged Croatia to carry out its programme of reforms. It welcomed Croatia's membership in the Euro-Atlantic Partnership Council, the Partnership for Peace and the Stability Pact for South-Eastern Europe, and stated its desire to cooperate with Croatia in these institutions.

In 2000, the Czech Republic for the first time attended a session of the NATO-Russia Permanent Joint Council at a ministerial level. At these sessions the Czech Republic underscored the importance of the Russian Federation as a major component of the European security system. The Czech Republic joined the positive evaluation of the ratification of the START II and the Comprehensive Nuclear-Test-Ban Treaty, as well as welcoming the inclusion of the Russian Federation in NATO s operations in the Balkans. The ministerial session in Brussels approved the working plan of the NATO-Russia Permanent Joint Council for 2001 and documents were exchanged on opening a NATO Information Office in Moscow.

The Czech Republic, together with other Alliance partners, emphasized the validity of the NATO-Russia Founding Act on the basis of which cooperation is taking place, which helps to improve stability in the Euro-Atlantic region. It assessed the results of the past period and found them promising and going in the right direction. But the Alliance countries criticized the Russian Federation for its operations in Chechnya. The Czech Republic underlined the need for a political solution, the investigation of all crimes, and enabling non-government organizations to function smoothly.

As a member of the Alliance, the Czech Republic appreciated the successful cooperation and consultations as part of the working plan of the NATO-Ukraine Work Plan, which helps to intensify this partnership. It favourably assessed participation in the Partnership for Peace, in military as in non-military aspects, and the incorporation of Ukraine in the Kosovo peacekeeping force. This participation demonstrates

Ukraine s commitment to join common efforts to safeguard peace and stability in the region and assists the inter-operability between Ukrainian and allied forces. The Czech Republic, moreover, attaches great importance to the NATO liaison office, which plays a decisive role in increasing Ukraine s participation in the Partnership for Peace and the NATO Information and Documentation Centre in Kiev.

The NATO ministerial session endorsed the NATO open-door policy. Ministers of member countries confirmed their determination to continue the enlargement of the Alliance, and stressed the significance of the Membership Action Plan (MAP). The plan outlines the aim of reinforcing the capacity of candidate countries in political, economic, defence and military, resource, security, and legal areas.

The Ministry of Foreign Affairs of the Czech Republic together with the Ministry of Defence of the Czech Republic and other sectors took an active part in the implementation of the second annual cycle of MAP. The Czech Republic expressed determination to offer advice, feedback, and assistance to applicants in preparing for possible future membership. A number of consultation rounds on several issues were arranged with Slovakia and Latvia. Regular round tables were held with Lithuania, attended by representatives of the Ministry of Foreign Affairs of the Czech Republic and Ministry of Defence of the Czech Republic. The Czech Republic was also helping Slovenia in its preparation to join NATO.

The Czech Republic has a strategic interest in the continued process of the enlargement of NATO. It has expressed the hope that at the forthcoming NATO Summit in Prague the Alliance will invite further countries which are willing and capable of accepting the responsibilities and commitments arising from the membership. No European democracy, whose acceptance would be in keeping with the Washington Treaty, will be excluded and will be judged purely on its own merit.

The process of establishing the European Security and Defence Identity (ESDI), in accordance with the conclusions of the NATO s Washington Summit in 2000, has been rather stagnating. It has not been possible to arrive at a consensus on the demand, of the EU to ensure access to the planned capacities and resources of the Alliance in the event of an operation under the leadership of the EU.

The Czech Republic welcomed the progress achieved in implementing the Defence Capabilities Initiative (DCI). DCI is an instrument for reinforcing military capacities which the Alliance urgently needs in order to fulfil its security tasks for the 21st century by making future multinational operations through the NATO spectrum effective. The purpose of DCI is to gradually create forces, which would display greater interoperability, mobility and which could be deployed without delay and capable of being involved in effective combat activities.

For this reason, too, the continued adaptation of the armed forces and the full integration of the Army of the Czech Republic in the military bodies and the integrated military structure of NATO was one of the priorities. Here the Ministry of Foreign Affairs of the Czech Republic contributed to preparing the conceptual documents on the structure of Armed Forces. It took a major part in drafting amended planning documents for NATO bodies and expert negotiations with representatives of the Alliance and individual member states.

The Czech Republic was fully aware that the state of the Armed Forces did not fully correspond to the requirements of the current security environment. That is why the Ministry of Defence of the Czech Republic prepared studies on the future requirements of the Czech Armed Forces. It knew that this would be a complicated process which was intended to create a more professional army within the next ten years, an army that would be smaller in size, lighter and more mobile and so far better prepared for missions abroad.

The Ministry of Foreign Affairs of the Czech Republic, together with other sectors, played a significant role in the institutionalisation of the crisis management bodies in the Czech Republic and in drawing up methodological materials for preparations and activities in crisis situations. Among the most vital forms of preparing crisis management bodies was the CMX/Crisex 2000 exercise which aimed at exercise in procedures and activities of the Czech Republic crisis management bodies, linked to NATO and WEU crisis management bodies in planning and preparing measures connected with crisis situations abroad. The Czech Republic now had the opportunity for the first time to carry out training of specific tasks at a level beyond departments as a member of the Alliance. The inclusion of members of the Permanent Delegation of the Czech Republic to the North Atlantic Treaty Organization and the Western European Union was of great significance.

A significant legislative adjustments took place in the Czech Republic. Conditions were gradually created for the incorporation of the Czech Republic in the activities of the Alliance and the implementation of its commitments stemming from the membership in NATO. At the beginning of August 2000, the Chamber of Deputies of the Parliament of the Czech Republic approved an amendment to the Constitution of the Czech Republic with regard to the deployment of troops abroad and accepting foreign troops on the territory of the Czech Republic. Parliament also approved the acceptance of the Status of Forces Arrangement (SOFA) and the Paris Protocol. Once the ratification papers are deposited, the Czech Republic will become a party to all NATO statutory treaties.

One of the crucial tasks in 2000 has been to fulfil the requirements of Act No. 148/1998 on the protection of classified information. Emphasis was placed on securing the protection of NATO classified information and on the introduction of a rigid secrecy regime.

The Czech Republic also joined the programme of NATO Contact Embassies in partner countries, which helped to present the policy, activities, and objectives of the Alliance. In August 2000, it was decided that the Czech Republic would represent NATO interests in Lithuania. The Contact Embassy ensured a two-way communication between the partner country and the NATO Headquarters. The programme is to ensure information about the alliance policy, ensure important contacts, provide commentaries for conferences and seminars arranged by NATO in partner countries and make arrangements for travel by the highest NATO representatives.

On 22 May, 2000, President Havel sent a letter to the NATO Secretary General Lord Robertson, in which he proposed to hold the 2000 NATO Summit in Prague. President Havel suggested that this would make it clear that the North Atlantic Treaty Organization differed from the organization of the Cold War era. The Summit would be a signal testifying that NATO was in fact changing to become an organization encompassing the entire Euro-Atlantic world. The choice of Prague, the capital of one of the new NATO members, would confirm that the Alliance takes its new members seriously; it would also have a symbolic significance for the countries which are only just applying for membership. The ministerial session of NATO finally decided in December 2000 to hold the next Summit in Prague.

In 2000, the first Czech officials began working in the NATO Executive Secretariat in Brussels. However, an adequate representation of the Czech Republic in the Alliance would need many Czech citizens to work in the NATO structures. The Ministry of Foreign Affairs of the Czech Republic received several hundred notifications of vacancies in the Alliance structures in 2000. It distributed them to appropriate locations, which included 33 addresses outside the Ministry. However, not a single candidate from the Czech Republic replied to the NATO offer. The reasons for the lack of interest were clearly the very high professional requirements NATO requires the knowledge of the two official languages (English and French) and lacking security clearance NATO requires the category NATO SECRET and possibly the fact that legislation has not been completed on sending citizens of the Czech Republic to work at foreign missions and secretariats of international organizations.

A concept providing for sending Czech citizens to international government organizations has been drawn up under the auspices of the Ministry of Foreign Affairs of the Czech Republic. In the future, an active approach by human resources departments in the appropriate sectors and the establishment of a database of applicants would be the key to finding suitable candidates.

4. The Czech Republic and regional cooperation

Visegrad Cooperation

Visegrad Cooperation was restored in 1998; the signature of a joint declaration by the highest representatives of Czechoslovakia, Poland, and Hungary in 1991 establisbed it. At the Bratislava Summit in 1999, the Prime Ministers of the Czech Republic, Hungary, Poland, and Slovakia decided that this cooperation would not be institutionalised. Regular meetings of its representatives at various levels form the basis for cooperation among the four Central European states. During the period between these meetings, it is always one of the V4 countries which preside over Visegrad Cooperation.

In 2000, an official meeting of the Prime Ministers of the Visegrad Group was held on 9 June, 2000, at til n Castle in the Czech Republic. There the Prime Ministers signed a Joint Declaration and an Agreement Concerning the Establishment of the International Visegrad Fund. They published an annual report on the activity of the Visegrad Group, which summarizes events and actions since the previous Bratislava Summit (the report contains information about more than twenty gatherings at the presidential, governmental, parliamentary, and expert level). They discussed the further orientation of Visegrad Cooperation.

This Summit brought to an end the annual period when the Czech Republic held the presidency. Visegrad Cooperation proceeded successfully during the Czech presidency. One of the key tasks for 2000 had been fulfilled the establishment of the International Visegrad Fund. Another priority of the restored Visegrad Cooperation had also been carried out assistance to Slovakia in its endeavour to bridge the setback in the European integration process.

Visegrad Cooperation became a fait accompli. Individual sectors organized their own meetings of Visegrad sections in accordance with their current needs. Advantage was taken of the natural possibilities offered by cooperation within the Visegrad Group. There were meetings of representatives of the Ministries of Interior, Culture, Defence, the Environment, Justice and Foreign Affairs, which have the task of coordinating Visegrad Cooperation.

Visegrad Cooperation expanded to the parliamentary and expert level.

The Visegrad Group was well received also on the international scene and among the direct neighbours of its countries. Several neighbouring countries showed interest in cooperation with it. A demonstration that the Visegrad Group is nowadays a generally respected regional association are frequent meetings of the Prime Ministers of the V4 countries with top representatives of European Union Member States.

Information about Visegrad Cooperation also improved. Proof is in the increasing number of articles in the press as well the greater frequency of visits on the Visegrad website (www.visegrad.org)

International Visegrad Fund

The Agreement Concerning the Establishment of the International Visegrad Fund was signed by the Prime Ministers of the countries of the Visegrad Group at their meeting on 9 June, 2000, at til n Castle. The purpose of the International Visegrad Fund is to support and promote cultural cooperation, scientific exchanges, research and cooperation in education, youth exchanges, and cross-border cooperation. The founders of the Fund aimed to boost activities going beyond those financed by individual ministries in which all V4 member countries are interested and which would assist improved awareness of the common Central European area.

Individual countries of the Visegrad Group contribute the sum of 250,000 euro per annum. This means that the Fund has an annual budget of 1 million euro.

The Secretariat of the Fund is in Bratislava. Its executive director is appointed by a Conference of Foreign Ministers, which is the supreme body of the Fund. The Council of Ambassadors (of the V4 countries) decides which concrete projects the Fund is to support; the Council is at the same time the body superior to the Secretariat.

Assistance by the International Visegrad Fund has been requested by civic organizations, non-governmental organizations as well as certain state and non-profit organizations. By 15 September, 2000, the first deadline for submitting requests for grants, the Fund had registered 236 projects. The total sum requested was in excess of 9 million euro. In view of the budget limitations, only 11% of all applicants, e.g. 26 projects, could be satisfied; 450,000 euro was available for the first round (every year two rounds are held to select projects).

Of the projects selected, 24 were quadrilateral, one was trilateral and one bilateral. This confirmed the great interest in cooperation among the countries of the Visegrad Group. It is to be expected that in the coming period this interest will increase even further.

Meetings of representatives of the Visegrad Group countries in 2000:

15 18. 2. 2000 meeting of Ministers of Culture in Krakow;

31. 3. 1. 4. 2000 meeting of the chief negotiators with the European Union in Brussels;

28. 4. 2000 meeting of the Prime Ministers of the V4 countries with German Chancellor Schr der in Gniezno;

26 28. 4. 2000 meeting of Chairmen of Committees for Foreign Affairs, Committees for European Integration, and Committees for Defence of the Parliaments of the V4 in Bratislava;

4. 5. 2000 meeting of the Prime Ministers of the V4 countries with French Prime Minister Jospin in Budapest;

11 12. 5. 2000 meeting of Ministers of Environment in Budapest;

1 3. 6. 2000 meeting of Ministers of Culture in Budapest;

9. 6. 2000 official Summit of the Prime Ministers at til n Castle;

6. 10. 2000 meeting of the Prime Ministers of the V4 countries with British Prime Minister Blair in Warsaw;

9 10. 10. 2000 meeting of Ministers of Culture in Bratislava;

12 13. 10. 2000 informal meeting of the Prime Ministers in Karlovy Vary;

19 20. 10. 2000 meeting of Ministers of Environment in Warsaw;

20. 10. 2000 meeting of Ministers of Interior in Bratislava;

26 27. 10. 2000 meeting of members of Governments responsible for ethnic minority affairs in Prague;

23 25. 11. 2000 meeting of Ministers of Justice in Szczyrk;

17 18. 12. 2000 meeting of Chairmen of Committees for Foreign Affairs, Committees for European Integration and Committees of Defence of the V4 Parliaments in Warsaw.

Central European Free Trade Agreement (CEFTA)

The Central European Free Trade Agreement (CEFTA) was signed on 21 December, 1992, in Krakow and came into force on 1 July, 1994. The following are CEFTA member countries: the Czech Republic, Hungary, Poland, Slovakia, Slovenia, Romania, and Bulgaria. The purpose of the institution is to create free trade areas for industrial goods and the far-reaching liberalization of trade in agricultural produce. CEFTA does not cover trade in services. In the case of industrial goods, the objective of the Agreement will be achieved, and on 1 January, 2001, all tariff and non-tariff obstacles to trade will be removed. The CEFTA countries are convinced that the liberalization of trade will facilitate their accession to the European Union.

CEFTA is not an international organization and thus has neither a secretariat nor any other bodies; negotiations are held mainly on the expert level and focus exclusively on the elimination of obstacles in trade.

Ministers responsible for external trade discuss and deal with topical problems once a year at meetings of the Joint Committee, the highest body of CEFTA. The presidency of CEFTA is held on a yearly rotation basis by Member States. Poland held the presidency in 2000.

The CEFTA is an open institution. To join it, a country must be in the World Trade Organization (WTO), it must have an Association Agreement with the EU and the consent of all members of the CEFTA. In 2000, no new state has applied for membership.

Several export meetings were held in 2000. They concerned the reciprocal recognition of certificates and the findings of laboratory tests, the activities of the Sub-Committee for Agricultural Trade and other issues.

The meeting of the Joint Committee took place in Warsaw on 11 October, 2000. It appraised the activities of the Sub-Committee for Agricultural Trade, it recommended a continued exchange of information on progress in negotiations with the EU and dealt with the way all CEFTA countries were fulfilling their commitments. It appreciated the results of expert negotiations in the field of the reciprocal recognition of certificates, it assessed the problem of protective measures and the position as to the ratification of supplementary protocols amending regulations in determining and verifying the origin of commodities; it also discussed preparations for a Summit of Prime Ministers of the CEFTA states.

The Summit of Prime Ministers of the CEFTA countries was held in Warsaw on 15 November, 2000. The Prime Ministers agreed that cooperation within CEFTA assisted the economic progress of the countries of the Agreement, the increase of mutual trade and promoted the process of their integration in the EU. It made a favourable assessment of the work of the Sub-Committee for Agricultural Trade but also noted persisting problems in trade in agricultural produce. They stressed the need to find a solution, which would correspond to the interests of all parties involved. The Summit adopted a Declaration in which the Prime Ministers recommended the further improvement of CEFTA mechanisms, the intensification of bilateral negotiations on the reciprocal recognition of certificates and the finding of laboratory tests. They also came out in support of greater contacts among business people and professional associations. They maintained that the exchange of information among CEFTA countries on their accession negotiations with the EU was most useful. The Prime Minisrers welcomed the cooperation of the CEFTA countries with the WTO and agreed to increase efforts to launch a further round in multilateral trade negotiations.

The Czech Republic appreciates the significance of the CEFTA for promoting trade, and is interested in the further liberalization of trade in the field of agricultural produce. It proposes to coordinate the fight against economic crime and the development of mutual investments. It sees the implementation of the CEFTA as part of the process of stabilization on the European continent.

The Central European Initiative and the Stability Pact for South-Eastern Europe

The Central European Initiative (CEI) came into being in 1989 as a quadragonale and included Italy, Austria, Yugoslavia, and Hungary, based on cooperation in the Adriatic-Danube Region. Its objective was to increase inter-governmental relations and promote various forms of cooperation among these neighbouring countries. The entry of the former Czechoslovak Federation in 1990 changed it into a pentagonal, and after a further enlargement it became the Central European Initiative. Following the break-up of the federation, the Czech Republic and Slovakia became two independent member states. In 2000, the CEI had 17 members in Central, Eastern and South-Eastern Europe. In 2000, the Czech Republic paid a great attention to relations between the Central, Eastern and South-Eastern European countries, which are associated in the CEI. This applied in particular to assisting stabilization and democratisation in the region and promoting cooperation among these countries.

In 2000, Hungary and the Czech Republic held the presidency, as the presiding country in 1999, the Czech Republic acted as part of a Troika .

Annual meeting of Heads of Governments (Summit) took place on 24 25 November, 2000, in Budapest as well as a meeting of the foreign ministers of the CEI countries. The Summit confirmed that the CEI countries would continue to apply the principle of shared aims and solidarity, and support less advanced countries in the region in their transition to European standards and incorporation in the European integration process and Euro-Atlantic structures.

One of the significant results of the Summit, proceeding from attempts by the international community to bring the Federal Republic of Yugoslavia from its political and economic isolation and to prevent new dividing lines on the continent, was acceptance of the Federal Republic of Yugoslavia as a member of the Central European Initiative. The Czech Republic supported membership of the Federal Republic of Yugoslavia also since it believed in the irreversibility of democratic reforms and in the interest of speeding up the renewal and reconstruction of South-Eastern Europe.

In view of the fact that tension continued in some parts of Kosovo even after local elections, the Central European Initiative advocated the continued activity of the United Nations Mission in Kosovo (UNMIK) and Kosovo Force (KFOR), and called on all parties involved to respect UN Security Council resolution 1244 (1999).

At the Summit the Prime Ministers discussed the increase of cooperation, above all in the field of cross-border and regional cooperation, which stimulates relations between Euro-region firms, institutions, and the local administration.

At the Summit, the Czech Republic expressed interest in joining the Danube Commission and in incorporating Czech firms in projects to restore the navigability of the Danube, the construction of bridges and in supplies for the protection of the environment.

The Summit stated the conviction that the process of stabilization and incorporation in the EU offered the countries concerned (F.Y.R. of Macedonia, Croatia, Albania, Bosnia and Herzegovina) a clear perspective for integration in the European process and that the EU would soon specify the criteria for the accession of the Federal Republic of Yugoslavia as well. In this connection, the countries of the Central European Initiative welcomed the conclusions of the EU Summit in Zagreb of 24 November, 2000, which confirmed these expectations.

The Ministry of Foreign Affairs of the Czech Republic, in collaboration with the Chamber of Deputies and the Senate of the Parliament of the Czech Republic, and with the Council of Europe, arranged an International Conference on Ombudsman (27 28 April, 2000), attended by ombudsmen from the countries of the Central European Initiative and Western Europe. The Conference was a contribution by the Czech Republic and the Central European Initiative to the work of the First Working Table of the Stability Pact for South-Eastern Europe.

The Ministry of Foreign Affairs of the Czech Republic, in collaboration with the National Educational Fund, arranged seminars on the following subjects: a policy of active employment and its financing, the competitiveness of small and medium firms, reform of the finance sector, reform of the public administration and the strategic management of firms. This was done within the framework of the Central European Initiative Working Group on Human Resource Development and Training. The Czech Republic was, furthermore, actively involved in the work of other Central European Initiative Working Groups for Science and Technology, Transport Environment, Culture and Education, Youth Affairs, and Combating Organized Crime.

In the course of 2000, the Czech Republic advocated the need for making the activities of Working Groups and other working bodies and structures of CEI more effective in order to take greater advantage of the potential of this regional institution. The assessment of the work of the Czech Republic in the Central European Initiative by other countries was most positive and consequently at the end of the year all members unanimously approved the membership of the Czech Republic in the Finance Committee for the next two years (2001 2002). This is a consultative body of the Central European Initiative with the jurisdiction to decide specific questions on behalf of the Committee of National Coordinators.

The Central European Initiative expanded its contacts and identified spheres of common interest with international organizations (EU, Council of Europe, United Nations Industrial Development Organization (UNIDO)), with financial institutions such as European Bank for Reconstruction and Development (EBRD), and with other regional initiatives. This applied mainly to the South-East European Cooperative Initiative (SECI), the Black Sea Economic Cooperation (BSEC), and the South-East European Cooperation Process (SEECP). The OECD participated in the preparation of the CEI Workshop on Women in Business . It is expected that the OECD will in the future also participate in further activities of the CEI.

The Czech Republic advocated the transfer of expert knowledge and experience of the OECD, the European Economic Commission, the United Nations and United Nations Industrial Development Organization (UNIDO) to member organizations of the CEI in South-Eastern Europe region. The Czech Republic considered sharing experience accumulated in the integration process with the other countries of the CEI.

The Czech Republic was active in the implementation of the Stability Pact for South-Eastern Europe and endeavoured to obtain the status of a full participant and member. The Government of the Czech Republic earmarked resources for various projects. A Working Table for the Good Governance area in the section devoted to reform of the state administration. The Czech Republic took part in the preparation of educational programmes for members of the armies in South-Eastern Europe and the implementation of the Dayton Peace Accord as part of the Third Working Table. The greatest demands were made on the preparation and putting into practice of projects of the Second Working Table with an economic dimension for economic revival, development and cooperation as a result of the incomplete transformation in accepting countries of South-Eastern Europe, but in a number of instances as a result of complicated administrative procedures in negotiations with international finance institutions. The Czech Republic mainly sponsored projects, dealing with pressing humanitarian problems (reconstruction of a ward at the Dragisa Misovic hospital in Belgrade) and the renewal of the infrastructure, as well as projects of a systems character, for example, in the power industry, transport and the protection of the environment.

In 2000, the Czech Republic placed great emphasis on a political dialogue among member countries on current problems connected with developments in the region, on the preparation of high-quality projects of the Central European Initiative and as part of the Stability Pact for South-Eastern Europe e.g. building democratic institutions and a constitutional state, the defence of human rights, imposing European standards and the revival of trade and economic ties for Czech firms. The Czech-Greek Council was set up on 23 February, 2000; it was inaugurated by the Deputy Prime Minister and Minister of Foreign Affairs Kavan on the basis of a Memorandum on Czech-Greek Cooperation in the Economic Renewal and Development of the South-East European Region. It is expected that the two countries will use the potential of their traditional links with the South-East European countries and that the Czech Republic will join the Greek plan for restructuring Balkans.

5. The Czech Republic and other European fora

The OSCE

The Organization for Security and Cooperation in Europe, which includes 55 states, is the only all-European organization for security and cooperation of a Euro-Atlantic-Asian dimension. It is a natural place for a political dialogue among all countries in this part of the world about security and stability problems. The Trans-Atlantic

dimension of the OSCE contributes to security and stability in Europe. The OSCE is the only security organization in Europe in the sense of regional accords under Chapter VIII of the UN Charter. Consequently, it is the basic instrument for early warning, forestalling conflicts, crisis management, and post-conflict renewal in this region.

The OSCE has drawn up a broad range of standards in the security and human rights sphere and is carrying out a vital role in monitoring the situation. It is engaged in conflict prevention consultancy and in post-conflict reconstruction, in building a constitutional state and applying human rights standards.

In 2000, the OSCE was under the Austrian presidency and did its utmost to implement and outline the decisions of the Istanbul Summit of November 1999.

In the sphere of security, the OSCE, which plays a major role in armament and disarmament (Treaty on Conventional Armed Forces in Europe, Dayton Peace Accord), dealt primarily with the question of small arms and light weapons. The approval of the OSCE Document on Small Arms and Light Weapons which concentrates first and foremost on combating illegal trade in these weapons, was one of the few successes of the November session of the OSCE Council of Ministers in Vienna on 27 28 November, 2000.

The OSCE was, furthermore, a forum for negotiations of 30 countries on conventional disarmament in Europe. The Agreement on the Adaptated Treaty on Conventional Armed Forces in Europe, signed in Istanbul on 19 November, 1999, which goes beyond the numerical and zonal limits of the original treaty, will come into force after ratification by all the 30 contracting countries. The great majority of countries, including the Czech Republic, had not yet ratified the Adapted Treaty in 2000.

The return of the Federal Republic of Yugoslavia to the OSCE in November 2000 was a significant event. This took place at the session of the OSCE Council of Ministers in Vienna. The Federal Republic of Yugoslavia has been admitted as a new state just as have the other states of the Federal Republic of Yugoslavia (the membership of the Federal Republic of Yugoslavia in the OSCE had been suspended as of 1992). Intensive negotiations took place during the last few weeks of 2000 on the preparation of the OSCE mission to the Federal Republic of Yugoslavia.

OSCE missions in the territories have been successful. Strong OSCE missions operated in South-Eastern Europe, additional missions with various mandates and names were active in all Central Asian republics but also in Moldova, the Baltics, and Belarus. An Assistance Group to Chechnya, which was not permitted to return to this area, operated in 2000 in Moscow.

The OSCE participated in organizing and conducting elections in Bosnia and Herzegovina and sent observers to monitor elections in a number of states involved.

At the session of the OSCE Council of Ministers in Vienna on 27 28 November, 2000, which was intended to be the culmination of the activities of the organization

in 2000, agreement could not be reached among the participating states in a number of spheres important for European security and for the work of the organization as such. Agreement was not reached on the preparation of a ministerial declaration (only a text was adopted concerning South-Eastern Europe) which was meant to be the basic document of the session and which was to include a passage with an inventory of the Istanbul Commitments.

The OSCE Council of Ministers managed to adopt merely part of the originally anticipated documents and decisions. The most important of these was the OSCE Document on Small Arms Light Weapons. The Council of Ministers also adopted a decision on enhancing the OSCE s efforts to combat trafficking in human beings. But it did not adopt a document on the protection of children in armed conflicts. After two years of complicated negotiations, a decision was adopted on the nomination of a new High Commissioner of the OSCE on Ethnic Minorities; as of 1 July, 2001, R. Ekeus from Sweden was appointed. On the other hand, the Council of Ministers did not succeed in drawing up and adopting a decision on the legal status of the OSCE and scale and criteria for financing future OSCE activities.

In 2000, the Czech Republic participated in all aspects of the work of the Organization for Security and Cooperation in Europe. The country devoted due attention not only to the political and security dimension of the OSCE but also to economic and human rights aspects. In its activities within the OSCE, the Czech Republic collaborated closely especially with its partners and allies in NATO, the EU and the Visegrad Group.

The Czech Republic frequently took the initiative within the OSCE in submitting proposals on a number of regional problems such as Chechnya, Moldova, and Belarus. The Czech Republic supported positions put forward by the EU on various aspects of the activities of the OSCE or its declarations on events or problems under discussion in the OSCE. The Czech Republic also adopted at times EU positions in its own declarations.

The Czech Republic participated in the work of the OSCE mainly through its Permanent Mission to the United Nations, the OSCE and other international organizations in Vienna. Deputies and Senators of the Parliament of the Czech Republic members of the Permanent Delegation to the Parliamentary Assembly of the OSCE of the Chamber of Deputies of the Parliament of the Czech Republic worked on a parliamentary level of the OSCE. Czech representatives took part in OSCE missions in Kosovo, Bosnia and Herzegovina, and Croatia, as well as in other states in the Balkan and Central Asian region. A Czech representative served as a Deputy Head of the OSCE Assistance Group for Chechnya.

Deputy Prime Minister and Minister of Foreign Affairs Kavan represented the Czech Republic at the OSCE Council of Ministers meeting in Vienna on 27 28 November, 2000. The Czech Republic, like a number of other states, considers the flexibility of the OSCE to be a great advantage, since it proceeds from the fact that its functioning is not based on international legal documents but on political commitments. The continued flexibility and effectiveness of the organization remains a priority interest of the Czech Republic in its relations with the OSCE. The Czech Republic shares this interest with its allies in NATO and the EU countries.

Among the significant contributions made by the OSCE to the stability of the region has been the monitoring of elections in countries, which are only starting to establish a democratic environment. This is a problem coming under the Office for Democratic Institutions and Human Rights (ODIHR) which assesses the preparation and procedure of elections, e.g. whether basic democratic standards are respected, above all, transparency, equality in the contest of political parties, and so forth. The Czech Republic took part in a number of short-term OSCE monitoring missions. Observers from the Ministry of Foreign Affairs of the Czech Republic, Deputies or Senators, as well as members of non-governmental organizations participated in these missions.

The Czech Republic was among the countries, which advocated the reinforcement of the economic dimension of the OSCE. The most noteworthy OSCE action in this field is the Economic Forum, held every year in Prague. The Ministry of Foreign Affairs of the Czech Republic as well as other ministries participate in its preparation and organization. The Eigth Economic Forum was held on 1 14 April, 2000, on the subject Economic aspects of post-conflict rehabilitation: the challenge of transformation. A number of preparatory and follow-up OSCE conferences and seminars are closely connected with the Economic Forums. The states of the Commonwealth of Independent States (CIS) showed a special interest in the economic dimension of the OSCE.

Heads of OSCE missions in most cases highly appreciated the work of Czech members of these missions. As a result of the endeavours of the Ministry of Foreign Affairs of the Czech Republic and the Permanent Mission of the Czech Republic to the international organizations in Vienna, a Czech representative was appointed to the office of the OSCE Representative on Freedom of the Media. This was part of so-called seconding when the post is filled by the State sending a representative. Another Czech representative has been appointed to the Office for Democratic Institutions and Human Rights (ODIHR) to work in the group of the coordinator of OSCE activities combating trafficking in human beings.

The Czech Republic also gave its full attention to the human rights element of the OSCE and took an active part in the organization in this field. It continued its active work following from its initiative in the Roma question, which is now seen as an all-European issue. It prepared the work of the contact position for Roma and Sinti (CPRSI) in the ODIHR, for example by offering a voluntary contribution of

USD 10,000. In November, the Ministry of Foreign Affairs of the Czech Republic in collaboration with CPRSI organized a seminar in Prague on the political involvement of the Roma.

The Prague Office of the OSCE Secretariat, which serves as the OSCE archive and documentation centre and supports the Prague activities of the organization, mainly the Economic Forum, confirms Prague as one of the OSCE centres. The Czech Republic gives its all-round support to this office.

Among the contributions of the Czech Republic to the work of the OSCE in 2000, it is worth to mention:

The Czech Republic (supported by Denmark) initiated and organized a reconnaissance flight by an aircraft of the Army of the Czech Republic above Bosnia and Herzegovina and covered a major portion of the expenses incurred by this action. The flight covered the two parts of Bosnia and Herzegovina (the Federation of Bosnia and Herzegovina and the Serb Republic) and included representatives of the two parts of the state. This was done in support of the Dayton Peace Accord and as a contribution to the security element of the Stability Pact for South-Eastern Europe. The objective of the flight was to verify the possibility of exploiting air space as a security and confidence-building measure in Bosnia and Herzegovina, and inform the parties concerned about the methods used in this process;

The Czech Republic offered USD 10,000 as a contribution to the OSCE voluntary fund for Moldova which was to be used in part to help the Russian Federation finance the withdrawal of its armaments from Moldova;

The Czech Republic provided USD 30,000 for humanitarian aid to Chechnya, through the intermediary of the Foundation People in Need ;

The Ministry of Foreign Affairs of the Czech Republic, in collaboration with other ministries prepared a database of civilian experts for REACT (OSCE Rapid Expert Assistance and Cooperation Teams). The database is expected to be fully functional during the first half of 2001.

Inter-departmental cooperation continued, directed towards overcoming persisting problems in connection with sending citizens of the Czech Republic to various offices and posts in international organizations, and with finding a comprehensive systemic solution for this matter.

Treaty on Conventional Armed Forces in Europe

Negotiations between 30 parties to the Treaty on Conventional Armed Forces in Europe, which have been going on for several years, were completed on 19 November, 1999, during the OSCE Istanbul Summit, when finally the Agreement on the Adopted Treaty was signed and the Final Act of the Conference of the CFE Treaty parties concerned was adopted. The Agreement sets out the principles of the amendment of

the provisions of the original CFE Treaty, which reflect the changed political and security situation in Europe since the signing of the Treaty. The adapted CFE Treaty is a vital component of the European security structure. During the existence of the CFE Treaty, many states, above all NATO states, have cut the size of their conventional weapons by more than agreed to in the original treaty.

The original Treaty was negotiated on the basis of group limitations (for the states of NATO and the former Warsaw Pact Treaty) with the aim of reducing the concentration of conventional weapons, especially in Central-Eastern Europe, and to setting a collective ceiling to the military hardware of these groups of states, limited by the treaty. The Adapted Treaty eliminated this group approach. Similarly, as with the original CFE Treaty, its amended version contains numerical limitations for five basic categories of conventional weapons (tanks, infantry combat vehicles, artillery systems, combat aircraft, and helicopter gunships). In the view of the Czech Republic, the amendment eliminates one of the last, albeit indirect, ties of the former Czechoslovakia's membership in the Warsaw Pact Treaty. The new system of limitation is based on a legally binding confirmation of the level for each signatory state. Since armed forces from other signatory states could be stationed on the territories of some of the signatory states, the Treaty distinguished between the so-called national and territorial level.

Even though the amended CFE Treaty lays down the limitation of the level individually, it stipulates the possibility for situations of crisis of a so-called temporary deployment of the armament of another state over and above the declared national/territorial level. If the need arises, this would allow the Czech Republic to deploy alliance reinforcements on its territory while not violating the amended CFE Treaty. Temporary deployment is accompanied by a number of transparency measures, which should rule out its misuse.

The amendment of CFE Treaty furthermore reinforces verification mechanisms, notification and a more extensive exchange of information among signatory states, which is a reflection of a higher degree of confidence among them. The amendment also creates the conditions for the accession of new states, which is a great contribution to improving stability and security in Europe. The possibility of accession applies to OSCE Member States located geographically between the Atlantic and the Urals.

At the negotiations, the Russian Federation was the one who applied pressure on Central European States (especially the new members of NATO) to impose the same binding limitations to this region as to the flank region. The Czech Republic and its allies managed to reach a compromise solution in the sense that legal commitments are supplemented only by political commitments as regards certain regional limitations without denying the right to use the mechanisms of the Treaty, which create the essential flexibility to secure national security (temporary deployment). During the negotiations, it was agreed that other states, too, accepted similar political commitments. The Czech Republic, Poland, Hungary, Germany, Slovakia, Belarus, Ukraine (on part of the territory of the flank region) and the Russian Federation (for the Kaliningrad and Pskov Regions) undertook not to use the possibility of a gradual increase in their levels, which the Adapted Treaty allows under certain circumstances. For a similar reason, the Czech Republic (as Poland, Hungary, and Slovakia) undertook to reduce the size of hardware in territorial categories, limited by the Treaty. This reduction is fully in keeping with the concept of the development of the defence sector and has been discussed with the other allies within NATO.

All signatory countries, in keeping with their internal legal code, must ratify the Treaty. It will come into force 10 days after the last ratification documents have been submitted to the CFE Treaty depository, i.e. the Government of the Netherlands. Under the legal code of the Czech Republic, the Agreement on the Adapted Treaty needs to be ratified by both chambers of the Parliament of the Czech Republic.

Council of Europe

Activities in the political sphere

The major political topic of the Council of Europe in the first half of 2000 has been the situation in Chechnya. The Parliamentary Assembly of the Council of Europe suspended the Russian delegation s right to vote and called on the Committee of Ministers to consider suspending the membership of the Russian Federation in the organization. At the 106th session of the Committee of Ministers in May 2000, which was to deal with the appeal of the Parliamentary Assembly, the Czech delegation called on the Russian Federation to intensify its co-operation with the Council of Europe and its bodies. The Committee of Ministers did not support the exclusion of the Russian Federation from the organization, pointing to the gradual move of the Russian Federation towards co-operation and to the absolute necessity to maintain lines of communication with the Government of the Russian Federation.

The 107th Committee of Ministers in November 2000 mainly discussed the situation in South-Eastern Europe and in the Caucasus. It also dealt with the membership applications of Armenia and Azerbaijan. The Czech Republic supported the admission of both countries to the Council of Europe and called on them to make greater efforts to observe human rights. It welcomed democratic changes in the Federal Republic of Yugoslavia and hoped that existing problems would be settled by diplomatic means.

Lord Russell-Johnston, accompanied by the Deputy Chairwoman of the Parliamentary Assembly and Head of the Permanent Delegation of the Czech Republic to the Parliamentary Assembly of the Council of Europe Ms. t povÆ, visited the Czech Republic in June 2000. In September 2000, Prague hosted a session

of the Political Committee of the Parliamentary Assembly of the Council of Europe. In August 2000, the Permanent Delegation of the Czech Republic submitted a report to the Monitoring Committee of the Parliamentary Assembly on fulfilling its commitments in fields of nationality, the legal status of aliens, higher territorial selfadministration entities, racism, xenophobia, the registration of religious associations, and the lustration law. The report will be used in the so-called post-monitoring procedure for observing further progress in adhering to commitments, which are linked with membership in the Council of Europe.

In May 2000, the Congress of Local and Regional Authorities of the Council of Europe approved a resolution and recommendation on the state of local and regional democracy in the Czech Republic. The report on the documents appraises the positive development in regionalization in the Czech Republic, the signature of the European Charter of Regional Self-Government and the European Framework Convention on Transborder Co-Operation.

The Czech Republic proceeded with its initiative in the Council of Europe on the establishment of a General Judicial Authority, which would ensure a uniform interpretation and application of all treaties of the Council of Europe. On the basis of a report submitted by the Rappourteur Cyril Svoboda, the Parliamentary Assembly supported the establishment of a General Judicial Authority in its recommendation No. 1458 (2000). In connection with this recommendation, the Committee of Ministers asked the Committee of Legal Experts on International Law to assess the initiative. But at its session in September 2000, the Committee recommended postponing the discussion of the initiative, especially in view of differing views held on the matter.

The Council of Europe organized two significant conferences in 2000. The European Conference against Racism, Racial Discrimination, Xenophobia, and Related Intolerance was held in Strasburg in October 2000. Its objective was mainly to harmonize the positions of European countries prior to the forthcoming World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance to meet in August 2001 in Durban, South Africa.

The European Ministerial Conference on Human Rights was held in Rome in November 2000. It marked the 50th anniversary of the signing of the European Convention on Human Rights. But it also paved the way for the signing of Protocol No. 12 to the Convention. The Czech Republic was among its first signatories.

Treaty activities

The incorporation of the Czech Republic in the treaty mechanism of the Council of Europe continued in 2000. By 31 December, 2000, the Czech Republic was a contracting party of 73 and signatory of 22 treaties. It held first place among all

post-communist countries (by a comparison: by that same date Slovakia was a contracting party of 57 and signatory of 12 treaties, Slovenia 68 and 5, Hungary 51 and 15). In 2000, the Czech Republic placed 14 instruments of ratification and of accession with the Depository of the Council of Europe and signed 16 treaties. Out of the total of 59 treaties of the Council of Europe, which are important for the accession of the Czech Republic to the EU (the so-called De Vel list), the Czech Republic is a contracting party of 41 and signatory of 11 treaties.

Among the most noteworthy steps taken by the Czech Republic in joining the treaty system of the Council of Europe in 2000 was the signing of the Revised Social Charter and of the Protocol No. 12 to the European Convention on Human Rights, which includes a general ban on discrimination.

The Advisory Committee on the Framework Convention for the Protection of National Minorities visited the Czech Republic in October 2000. Members of the Committee met representatives of the Government of the Czech Republic and non-governmental sector who are involved in the implementation of the Convention.

6. The Czech Republic and international organizations

The United Nations and associated organizations

The Millennium Summit of the United Nations and the Fifty-fifth Session of the United Nations General Assembly

The Millennium Summit was held in New York as part of the fifty-fifth session of the United Nations General Assembly. It was the biggest meeting of Heads of States and of Governments in the history of the United Nations (UN). The central theme of the Summit was the role of the UN in the 21st century in solving all major problems of humanity. The most significant result of the Summit was the Millennium Declaration, in which member states reiterated their confidence in the UN and its Charter and stated their determination to work towards the achievement of its objectives in the following fields: the values and principles of the world at the turn of the millennium; peace, security, and disarmament; development and the elimination of poverty; protection of environment; human rights; democracy and the smooth running of public relations; protection of the most vulnerable; special needs of Africa; consolidation of the UN. The firm support of the UN makes it clear that the world community is aware of its potential and strives to increase it even further, mainly in priority areas such as the development and struggle against poverty, ignorance, disease, injustice, violence, terror and crime, and degradation and destruction of the Earth. The determination to increase the role of the UN and take energetic steps towards safeguarding peace has been confirmed in the Security Council's Declaration on Ensuring an Effective Role for the Security Council in the Maintenance of International Peace and Security, Particularly in Africa (Security Council's resolution 1318 (2000)), which the Security Council adopted unanimously at the highest level (only for the second time in the UN history) on 7 September, 2000. President Havel represented the Czech Republic at the Millennium Summit. In his speech on 8 September, 2000, he called for greater effectiveness and reform of the UN and underscored the key role of human responsibility in the worldwide process of reform. President Havel signed the International Convention for the Suppression of the Financing of Terrorism and the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict. He also submitted ratification documents of the International Convention for the Suppression of Terrorist Bombings.

The main topics at the General Debate at the fifty-fifth session of the General Assembly (role of the UN in maintaining peace and security, in the sphere of globalisation, the defence of human rights, the protection of the environment and making the activity of the UN more effective) were essentially a follow-up to discussions in previous years, but their concept was greatly influenced by the Millennium Declaration. Tuvalu and the Federal Republic of Yugoslavia were accepted as new members of the UN, thereby increasing the number of UN members to 189.

In his address in the General Debate on 16 September, 2000, the Head of the Delegation of the Czech Republic, Deputy Prime Minister and Minister of Foreign Affairs Kavan stressed that the Millennium Summit was a unique opportunity to make the UN more effective and to reinforce its capacity to solve global problems. He welcomed the Brahimi Report on the reform of the UN peacekeeping operations and recommended increasing the quality and the effectiveness of the UN peacekeeping operations in safeguarding peace by the more comprehensive understanding of peace in all phases of conflict (from prevention to the post-conflict reinforcement of peace). He further recommended a more effective decision-making process of the Security Council, the reorganization of the certain pertinent structures of the Secretariat, and closer cooperation of the UN with regional organizations. He stressed the need for reform of the Security Council, supported its enlargement in the two categories of membership, and further supported the reform of the scale of contributions to the UN. The Czech Republic, which had supported the introduction of a new scale of contributions for peacekeeping operations, declared that all debts ought to be paid up before accepting a new contributions scale. The Minister expressed appreciation for the work of the two criminal tribunals for the former Yugoslavia and Rwanda and suggested the establishment of similar tribunals for Cambodia and Sierra Leone. He

greeted efforts by the international community to establish an International Criminal Court. He said that the attention of all member states should be turned towards securing the right of every human being to a dignified and secure life. Referring to the question of humanitarian intervention, he said that the Czech Republic demands that any intervention in the sovereignty of member states should have the mandate of the UN. He called for re-evaluation of economic sanctions, which are frequently counterproductive. Instead of the individuals against whom they are directed, they hit the innocent population. That is why the Czech Republic advocates targeted sanctions directed against leading representatives of states which are violating international law, for example, an embargo on visas for specific persons or freezing foreign bank accounts of specific persons. The Minister proposed formation of a panel of experts, which would deal with these matters and draw up a thorough report. He advocated the independence of Palestine and emphasized that the Czech Republic opted for a peaceful solution. He spoke in favour of continued disarmament and the non-proliferation of weapons of mass destruction. He apraised the work of Kosovo Force (KFOR) and United Nations Mission in Kosovo (UNMIK) but pointed to the need for further steps to ensure a multiethnic, multicultural, and democratic Kosovo.

At the fifty-fifth session of the General Assembly, the Czech Republic was the cosponsor of a number of resolutions. In accordance with the priorities of the foreign policy of the Czech Republic, the delegation submitted some of its own positions on various points (for example, disarmament, the International Atomic Energy Agency, reform of the UN Security Council, reform of the scale of contributions, human rights, the combating of international terrorism, the report of the International Law Commission, etc.). As in previous years, the Czech Republic joined most of the joint declarations of the EU and cooperated with delegations of EU member states, which was a manifestation of the improving coordination of foreign political positions on all major problems on the agenda.

Conferences and special sessions of the United Nations

The Twenty-third special session of the General Assembly on the advancement of women entitled Women 2000: gender equality, development and peace for the 21st century was held in New York at the beginning of June 2000. It evaluated the implementation of the conclusions of one of seven world conferences, which were held in the 1990 s on the most pressing problems of economic and social progress. The objective of the Twenty-third special session was to sum up the situation as regards the implementation of the action platform adopted at the Fourth World Conference on Women in 1995 in Beijing and to outline updated tasks for future work. The national report prepared by the Czech Republic points to the need for greater equality in opportunities for men and women with their incorporation in the decision-making process; a struggle must be waged against violence used against women, against the trafficking in women, etc.

A Political Declaration and a Final Document were the key documents of the session; these documents contain commitments of the Governments of Member States, adopted by consensus. Their compromise character, the procedure of informal talks at the special sessions in the course of their preparation, as well as several speeches demonstrated that for the time being the difference in political and cultural positions on the subject on the agenda on a global scale was a serious obstacle to the solution of the questions outlined. The delegation of the Czech Republic, together with the majority of the EU member states and associated countries, did not consider the results on the deliberations sufficiently useful, especially in the areas of reproduction health, family or rights in the sexual sphere.

The Twenty-fourth special session of the General Assembly on social development, held at the end of June 2000 in Geneva also assessed the implementation of the commitments in the Action Programme of the World Summit for Social Development (Copenhagen 1995). The Political Declaration and the Final Document confirmed the validity of demands such as reducing the number of persons living in extreme poverty by 2015, and raising the volume of development aid by advanced countries to the value of 0.7% of their annual GDP (the present volume offered by OECD countries amounted to less than 0.3% of annual GDP). The Czech Republic as a starting donor has until now provided approximately 0.02% of its GDP), the need for investments in human resources, as well as fundamental conditions for sustainable economic growth, the struggle against HIV/AIDS and making pharmaceutical products for other contagious diseases widely accessible. On the basis of experience accumulated in recent years, the humanization of technical progress, a more radical approach to debt cancellation initiatives, cooperation of the UN with Bretton Woods institutions and of governments with civil society, the elimination of barriers obstructing access to technical achievements and for vulnerable groups of the population or including the private sector in development activities were strongly emphasized. Developing countries made the strongest protest against the exploiting by the UN Secretariat of statistical data, which do not fall within the series of monitored criteria approved by consensus. The Czech Republic supported first and foremost a policy of full employment and the implementation of recommendations by the International Labour Organization, advocated by the European Union.

At the election into UN specialized commissions and programmes at the session of the UN Economic and Social Council (ECOSOC) the Czech Republic, a member of ECOSOC, succeeded in having its candidates elected and became a member of the Commission for Social Development and the Statistical Commission. The June 2000 ECOSOC high-level meeting in New York discussed the utilization of information and communication technology for the improvement of the work of the UN and for sustainable social and economic development. The Ministerial Declaration adopted together with expert analyses laid the foundation for the Information and Communication Technologies (ITC) Task Force in the UN to expand development aid in the technological sphere. Other sections of the ECOSOC meeting concentrated on increasing the effectiveness and coordination of humanitarian operations with a view to utilizing the information and communication task force for technologies and resources of the private sector and dealing with the pressing issue of the security of humanitarian relief workers. In view of the concern expressed by many member countries that humanitarian aid could be replaced by humanitarian intervention, no generally acceptable final document has been adopted.

Negotiations on harmonizing and eliminating duplicities in UN development programmes were important for the Czech Republic because, since 2000, the country has been going through a three-year transition period, after which it will be transferred permanently from the group of recipients of development aid to that of donors, and this in view of the values of annual GDP. Apart from bilateral development aid, multilateral development programmes offer great scope for making the donor activities of the Czech Republic more visible.

The Eight session of the Commission on Sustainable Development, meeting in April 2000, adopted a decision on procedure in international trade, financing and investments and territorial planning in the interest of sustainable development. Professor Moldan, representing the Czech Republic, was elected chairman of the Commission for a one-year term, which will culminate at the Ninth session of the Commission in April 2001.

The election of Ambassador Vacek, Head of the Permanent Mission of the Czech Republic to the United Nations, the OSCE and other International Organisations in Vienna, to the post of chairman of the Forty-fourth session of the Commission on Narcotic Drugs (CND), was an expression of recognition of the work of the Czech Republic in the Commission; the Czech Republic has been a member of the Commission for three years. The Czech Republic has been concerned with the implementation of the conclusions of the Twentieth UN special session of the General Assembly in 1998 on drugs. While cooperating with the International Narcotics Control Board in carrying out UN agreements in the field of international cooperation in the fight against drugs, the Czech Republic also supported the expedient consolidation of UN programmes in this field with special emphasis on control of acute centres of the threat of drugs (Afghanistan) and a greater balance between UN activities in favour of drug supply reduction on the one hand, and drug demand reduction on the other hand. As a country with an advanced chemical and pharmaceutical industry, the Czech Republic devoted special attention to the control of substances, representing a significant element in the worldwide reduction of the manufacture of drugs.

In 2000, ECOSOC gave its greatest attention to the transportation of hazardous goods, safety in transportation tunnels and the problem of violence against women. Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways was signed. The joint project ECOSOC/Central European Initiative (CEI) connected with the CEI Economic Forum in November 2000 was of great significance.

In relation to the World Food Programme (WFP), the Czech Republic continued on the course of cooperation and offered 80 tonnes of sugar worth 1.5 million CZK to the Federal Republic of Yugoslavia as part of its development aid through the WFP. The conditions were created in the WFP to incorporate Czech exporters of food and agricultural products in tender invitations of the WFP.

In collaboration with the United Nations Development Programme (UNDP), the Czech Republic has been issuing a Report on Human Development in the Czech Republic for four years, which summed up the major trends of social and economic transformation. The Labour and Social Affairs Research Institute in Prague drew up the Report for 1999, published in 2000. Following its earlier successful membership in the Executive Board of the UNDP/United Nations Population Fund (UNFPA) Population Fund, which is the joint governing body of the UNDP and the UN, the Czech Republic presided over this Executive Board in 2000. The meeting of foreign ministers with the UNDP Administrator on seeking new sources for the financing of development was assessed most favourably. The meeting was held in New York on the eve of the fifty-fifth session of the United Nations General Assembly under the chairmanship of the Czech Foreign Minister.

A four-year programme of training experts from developing countries was covered by resources of the UNDP Trust Fund as part of the Czech Republic development aid. The signing of an agreement with the UNDP regional office created the conditions for the active involvement of the Czech Republic in UNDP regional projects in Central and Eastern Europe.

The Ministry of Foreign Affairs of the Czech Republic arranged an agreement with the winning candidate of a public contest for the post of national contact persons for cooperation with the UN Volunteers programme (UNV). This is based on a government agreement between the Czech Republic and UNV of 1998. In 2000, there was a slight increase in the number of offers for participation of Czech volunteers, mainly in UNDP development programmes, and the Ministry of Foreign Affairs of the Czech Republic began to take systematic advantage of the services of the national contact quarters as part of preparations for the International Year of Volunteers in 2001; the Ministry made arrangements for citizens whose preparedness for voluntary service abroad is regarded as a contribution to the development of a civil society as well as a significant form of non-state diplomacy.

The Ministry of Foreign Affairs of the Czech Republic, in collaboration with the Czech Committee for UNICEF, took part in 2000 in the preparation of special

session of the General Assembly on children, which is to meet in September 2001 to assess the implementation of the conclusion of the 1990 World Summit for Children. The Ministry welcomed the opportunity for the Czech Republic to participate in the production of an introductory documentary film for the opening of this session.

International specialized organizations of the United Nations system

At the end of 2000, the Government of the Czech Republic discussed the Additional Protocol, which the country had signed in 1999 in accordance with the interest in consolidating the effectiveness of the international safeguards system of the International Atomic Energy Agency (IAEA). The Czech Republic also supported activities aimed at a revision of the Agreement on the Physical Protection of Nuclear Materials. In February 2000, two expert missions, organized by the IAEA, were arranged in the Czech Republic. They stated unequivocally that the Czech Republic had a clearly defined control and legislative framework and that the license process was proceeding in accordance with the best global standards. Experts of the IAEA furthermore made a favourable evaluation of the state of preparation of the State Office for Nuclear Safety Ms. D. DrÆbovÆ, responded to Austrian concerns about the safety of Temelin. A report by the Western European Nuclear Regulatory Agency (WENRA) of October 2000 spoke in similar terms.

The Czech Republic contributed to the IAEA technical assistance programmes. Between 1998 2000 it contributed the sum of USD 200,000 to a project for Ukraine, which aimed at installing a new system for non-destructive control of VVER-1000 reactor vessels. A two-year programme to help Armenian nuclear surveillance in evaluating the integrity of the primary circuit of the Medzamor nuclear power plant was inaugurated in 2000; its value was USD 100,000. A joint programme between the Czech Republic and the IAEA for building a centre for the manufacture of short-term radiopharmaceuticals for determining diagnoses in cardiology and oncology at the Na Homolce Hospital was successfully concluded in 2000.

The Czech Republic continued its intensive cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO). The Czech Committee for UNESCO, which includes among its members representatives of central and other significant scientific, cultural and educational institutions and personalities of Czech science and culture, offered their moral sponsorship to about 20 events. In 2000 2001, UNESCO will offer financial subsidies for 7 projects, amounting to approximately USD 100,000. Ms. MoserovÆmember of the Senate of the Parliament of the Czech Republic, was for two years chairwoman of the UNESCO General Conference. In this

capacity, she attended a meeting of the Executive Council in 2000 as well as a number of major UNESCO international events in various parts of the world.

The Director-General of UNESCO K. Matsuura visited the Czech Republic in February 2000 at the invitation of President Havel. There was an open exchange of views on the future activities of the organization.

The Czech Republic s representation at UNESCO was reorganized in 2000 (the post of the permanent representative was separated from the post of bilateral ambassador), which will provide for more intensive cooperation with the organization s Secretariat and the Permanent Missions of other countries.

The Czech Republic took an active part in the reform process of the organization. It was a member of the UNESCO working group for the 21st century, whose decisions of will clearly influence the future orientation of the organization. The Czech Republic presented itself in UNESCO as an advanced democratic state with a rich cultural tradition. Member states appreciated the fact that 10 government scholarships were regularly offered to the UNESCO scholarship bank. The meeting of the World Heritage Committee in November 2000 approved the inclusion of the column of the Holiest Trinity in Olomouc in the UNESCO World Heritage List. This increased the number of the enlisted historical sites on the territory of the Czech Republic to ten.

The Czech Republic became a member of the Council of the International Telecommunication Union (ITU) between 1999 2002. In 2000, it began to take an active part in preparations of the World Summit on the Information Society to be held in 2003 and organized mainly by the ITU.

In June 2000, the World Health Organization (WHO) issued its World Health Report 2000 which aims to quantify and compare health systems. The Czech Republic received one of the foremost places among Central and East European states. At an official visit by the Director of the Regional Office for Europe M. Danzon and negotiations of the Standing Committee of the Regional Office for Europe in Prague, it was announced that next year the Czech Republic would be the pilot country for further statistical analyses following on the Report.

A visit by the Director-General of the Food and Agriculture Organization (FAO) J. Diouf to the Czech Republic in May 2000 was the climax of the successful cooperation of the Czech Republic with that organization. An agreement was signed during the visit on including Czech experts, financed by resources earmarked for Czech development aid, in FAO projects and programmes. Both sides stated their favourable opinion on the current state of relations, especially in the Czech development aid offered through the intermediary of the FAO trust fund. The Czech Agricultural University in Prague demonstrated its appreciation of the work of Mr. Diouf by awarding conferring an honorary doctorate on him. President Havel also received the FAO Director-General.

The Eighty-eighth International Labour Conference, the supreme body of the International Labour Organization (ILO), met at the end of May and beginning of June 2000. The Conference was attended by a tripartite delegation of the Czech Republic. It adopted a revised accord and ILO recommendation on the protection of motherhood, dating back to 1952, and rescinded a number of obsolete accords of the 1930s; it also stated its views on a number of current political problems and trends such as the rights of workers suffering from HIV/AIDS, the rights of workers in occupied Palestinian territories, equal opportunities for both sexes in places of work, and so forth. In light of continued forced labour in Myanmar a resolution was passed calling for the speedy introduction of sanctions under Article 29 of the ILO accord, which the Czech Republic supported.

A tripartite delegation of the Czech Republic attended the Sixth Regional Conference in December 2000; the main point on its agenda was the inclusion of database and communication technologies in the work process and in the preparation of human resources.

Work on the amendment of the law on civil aviation proceeded in connection with relations with the International Civil Aviation Organization (ICAO) under the specialized auspices of the Ministry of Transport and Communications of the Czech Republic; the objective is to unify the country's legislation with international standards. The Czech Republic announced its intention to propose its candidate in 2001 for a seat in the ICAO Council.

The participation of the Czech Republic in the work of the International Maritime Organization (IMO) in 2000 concentrated mainly on IMO specialized committees with regard to harmonizing legislation with international legal, technical, safety and environmental standards for the shipping and transportation of cargo by sea, both on a global and on a European scale.

The Sixth meeting of the International Seabed Authority (ISA) was held in 2000. At its autumn session, the Czech Republic was elected to the ISA Council. The activities of the Czech Republic in ISA follow mainly from successful participation in exploratory missions and in the interest of a specialized sponsor, e.g. the Ministry of Industry and Trade of the Czech Republic. Another objective is the follow-up exploitation of this favourable position in the promising branch of excavating minerals from the seabed. In 2000, the Czech Republic signed an Agreement on the Privileges and Immunities of ISA and commenced the process of their ratification.

New opportunities were considered in 2000 for including the Czech Republic as a donor in the future activities of the United Nations Industrial Development Organization (UNIDO) and in the implementation of its integrated development programmes. UNIDO has undergone some internal reforms. UNIDO is an organization, which in the previous period was among those which promoted development aid to the Czech Republic. The Director-General of UNIDO C. Magariños visited Prague in October 2000. He discussed the preparedness of the Czech Republic for continued cooperation, especially in the field of cleaner production.

The Czech Republic became a contracting party to the Agreement on Combating the Expansion of the Desert (the agreement came into force in April 2000). It is important from the point of view of an integrated procedure against the expansion of the desert, which has a not negligible adverse influence on the food situation of a number of countries. Membership will provide for the direct participation of Czech experts in projects in which the Czech Republic has been involved with success, such as geologists or veterinary surgeons; it will also help to activate Czech development aid to developing countries.

The Sixth Conference of the Parties to the United Nations Framework Convention on Climate Change met in The Hague in November 2000. It was intended to determine the mechanisms of implementing the Kyoto Protocol and thereby assist its large-scale ratification. But agreement could not be reached in view of differing standpoints. It was decided that the Conference would continue in Bonn in May 2000. The Czech Republic played a significant role in the establishment of a group of states which hold similar views on climatic change close to the EU, stressing the environmental integrity of the Protocol and legally binding limits of greenhouse gases production.

The participation of the Czech Republic in the International Organization of the Francophonie (OIF) extends the possibilities of cooperation with its member states, which include not only traditional Francophone states but also the Central and East European countries. The Czech Republic was awarded observer status at the OIF in September 1999. The Ministry of Foreign Affairs of the Czech Republic, as the specialized organizer of cooperation with OIF set up a network of permanent collaborators at other Czech ministries (Ministry of Culture, Ministry of Education, Youth, and Sports, Ministry of Industry and Trade, and Ministry for Local Development). A Club of Friends of Francophone Affairs was set up in the Chamber of Deputies of the Parliament of the Czech Republic. A Club of Francophone Journalists was also established. In February 2000, the Czech Republic was represented at the International Conference on Women and La Francophonie in Luxembourg and in June 2000, the Director of the Regional Branch of the Agency of Francophonie Universities visited the Czech Republic. It was decided to set up a Czech Committee of the Francophone Economic Forum which should start the work from 1 January, 2002. In November 2000, a Czech delegation attended the International Symposium on Democracy, Rule of Law, and Freedom in the Francophone region in Bamako, Mali. A Czech representative attached to UNESCO regularly attended the deliberations of the UNESCO Francophonie Section in Paris. In the sphere of the environment, cooperation was established between the Ministry for the Environment and the Institute of Energy and the Environment with its seat in Canada. The Four Days of Francophony were held in March 2001 in the Czech Republic. The Czech Republic participated for the first time in the Fourth Games of la Francophonie in Ottawa-Hull in July 2001.

WTO, OECD

World Trade Organization (WTO)

The World Trade Organization (WTO) was established on 1 January, 1995, as a result of the Uruguay Round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT). The WTO is responsible for controlling the multilateral trade system and is a forum for negotiations towards the liberalization of trade in commodities and services and for drawing up regulations in all spheres connected with trade. In 2000, the WTO had 140 members and some 30 states were negotiating their membership. The WTO and its documents represent the basic outline for the Czech Republic s foreign trade policy.

The Czech Republic, one of the founding members, underlined its trade policy and economic interests in the WTO. It conducted bilateral talks with states joining the WTO. Customs duty on industrial goods was carried out in the Czech Republic within the WTO in accordance with the conditions stipulated in the List of Concessions to the Czech Republic. The latest reduction (with the exception of textile, pharmaceutical and chemical products where the operational period is 10 years) has been carried out on 1 January, 1999, which put into practice the commitment of cutting customs duties of these products, as agreed.

The Czech Republic also fulfilled its obligations arising from the agreement on agriculture. Under the List of Concessions and obligations and in accordance with the set timetable, the Czech Republic reduced import duties and gave access to its market to selected items. Obligations concerning the level of domestic support and export subsidies, provided in individual calendar years have also been observed and gradually reduced. With regard to protective measures for imports of agricultural produce, the Czech Republic currently applied these measures only in the case of sugar imports.

License procedure is carried out in the Czech Republic in accordance with the provisions of the Agreement on Licensing Procedures, which are reflected in Act No. 62/2000 on certain measures in the export and import of commodities and on license procedure. The agreement on the application of Art. VI GATT 1994 (antidumping has been incorporated in Act No. 152/1997. Antidumping procedure has been applied in accordance with the antidumping law and as of 11 October, 2000, antidumping customs duties have been imposed on the import of certain salt products for human consumption. The Agreement on Subsidies and Countervailing Measures has been reflected in Act No. 63/2000 on protection against the import of subsidized products.

Specific obligations adopted by the Czech Republic under the General Agreement on Trade and Services (GATS) and the protocols referring to these include the consolidation of previous autonomous liberalization measures, e.g. maintaining standards in access to markets and national performance, valid on the date these agreements were concluded. The Czech Republic has undertaken not to introduce new limitations on access to markets in these regions, which applies in the same way as the notification duty on new legal arrangements on the pertinent sector of services. Czech suppliers of services have until now used the opportunities for access to foreign markets on a relatively small scale.

The Agreement on Trade Aspects of Intellectual Property Protection has committed States parties to provide minimum protection and the imposition of rights of intellectual property as a condition for the elimination of obstacles to international trade. The Czech Republic completed implementing the provisions of this Agreement in 2000 and included it in its legislation.

Following the abortive third WTO Ministerial Conference in Seattle in 1999, it was not possible, even in 2000, to reach agreement on the launching of a new round of multilateral trade negotiations, notwithstanding considerable efforts. But a preparatory phase was in progress, i.e. a phase of so-called mandate negotiations on trade in agricultural products and trade in services.

Negotiations on trade in agricultural products will be gradually directed towards reducing domestic support, export subsidies, and protection of the market. The first phase which will last until March 2001 is to take the form of preparations and is to determine the objectives, methods, and procedure of future negotiations. The Czech Republic proceeds from the need to achieve an appropriate standard of support and protection for the domestic market. It notes that further reform measures in Czech agriculture will depend on the continued EU accession process. The Czech Republic will place emphasis on the extra-production function of agriculture.

The first preparatory phase of negotiations on trade in services will end by March 2001. The negotiations will concentrate on the reduction or elimination of the adverse effects of regulatory measures with regard to the objectives of national policy and the level of development of individual Member States. The Czech Republic advocates recognition of contractual and unilaterally adopted liberalizing measures in trade in services. The negotiation position is regularly coordinated with the EU with the aim of harmonizing Czech legislation and bringing commitments and the trend of liberalization measures into line with the EU commitments. The Czech Republic proposes that all sectors of services should be incorporated in the negotiations, that conditions of access to markets be balanced with regard to the quantity and quality of national obligations. Other proposals are the restriction of exceptions in the most-favoured-nation clause, greater transparency of the list of commitments and completing negotiations on protective measures and subsidies.

Negotiations took place in the Council for trade aspects of rights to intellectual property, which aimed at creating a multilateral system for the registration of geographical labels for wine, possibly spirits. Consultations were started on the initiative of the Czech Republic on a possible increase of the degree of protection for geographical marking of other products. The Czech Republic and other states would like this agenda to be included among mandate negotiations and open multilateral negotiations hand in hand with negotiations on agriculture and services. These attempts came up against the negative position of certain Member States but in 2000 a final decision had not been made.

The failure of the third WTO Ministerial Conference gave the impetus to a further search for a way out from the impasse that had arisen. That is why a process of restoring mutual confidence among Member States and other states vis-á-vis WTO and of increasing internal and external transparency has been launched. A mechanism has been set up under which questions linked with the application of WTO accords and agreements are assessed; the aim is to find a mutually satisfactory solution and change the hesitant, and even negative attitude of most developing countries to the new round of negotiations. It was hoped that the new round of WTO negotiations would commence at the end of 2001.

In connection with the confidence restoration process, verification was carried out in 2000 on the way WTO agreements and accords were being carried out. It concentrated mainly on the failure by developing countries to implement the agreements and accords of the GATT Uruguay Round which make it impossible to take full advantage of benefits arising from the multilateral trade system. Advanced states were interested in a link between the implementation and the new round of multilateral negotiations, whereas developing countries were more concerned merely with the continued verification of implementation and the functioning of the existing mechanism.

The Czech Republic took an active part in negotiations aimed at measures to improve access to markets for products originating in the poorest countries and backed an initiative for duty-free and quota-free access of the least developed countries to foreign markets. The Czech Republic came out in favour of the concept of a broad based round of multilateral trade negotiations.

The EU conference with associated countries, attended by the Czech Republic at the ministerial level, took place in July 2000; it dealt with the coordinated activities of these countries in the WTO.

Organization for Economic Cooperation and Development (OECD)

In 2000, it was 40 years since the foundation of the OECD. The Czech Republic has been a member of the organization for five years it joined the OECD on 21 December, 1995, among the first transforming economies in Central and Eastern

Europe. In accordance with its strategic interest in creating external conditions for economic growth and the prosperity of the state and in a long-term sustainable progress of the world economy, the Czech Republic was increasingly involved in the OECD in 2000. Its active work in the organization helped to create good initial conditions for membership in the EU.

The new dimension of cooperation between the Czech Republic and the OECD began when the country was asked to join the agreement on the International Energy Programme of 1974, e.g. to take full membership in the International Energy Agency (IEA), which is associated with the OECD. This membership will follow at the beginning of 2001 after the submission of ratification documents.

The Czech Republic continued to support Slovakia's efforts to join the OECD in 2000. The Czech Republic also supported assistance in stabilizing and renewing South-Eastern Europe, as demonstrated by its substantial financial contribution.

As globalisation expanded and worldwide economic processes became more and more interdependent, the OECD devoted great attention to cooperation with selected significant economies of non-member states. The Czech Republic supported these activities and, in line with of its own national interests, regarded some of them as a priority. They include the programme of cooperation with the Baltic states and Russia.

The inclusion of Member States in the activities of the OECD, which has the character of a permanent inter-governmental conference on economic and social development problems, requires active participation by the majority of the central bodies of state administration. This facilitates the informal coordination of national economic policies and procedures in expanding a homogeneous economic environment. Apart from the tasks arising for the OECD from the founding agreement, activities in 2000 focused on topical problems. Their solution is necessary in the current stage in the development of global economic processes. These included in particular:

Maintaining the sustainable development of society. The OECD helps to bring this about by striving for the integration of the economic, social and environmental policy of the governments of member countries. For this purpose it prepared recommendations for governments both of member states, and of non-members with the aim of ensuring the development of a global society on a sustainable trajectory;

Harmful fiscal competition that damages national fiscal systems can be solved only on a global scale. The OECD opened a dialogue in 2000 with the most significant so-called tax havens in non-member economies. The Czech Republic plays a vital role in this dialogue;

The struggle against the corruption of foreign public individuals in international business transactions. In 2000, the OECD continued its investigation into how

member countries ensured the application of an international agreement by the same name in their legislation. The Czech Republic presented its ratification documents on this agreement on 21 January, 2000. The evaluation, which the OECD published in June 2000, was favourable for the Czech Republic.

Further noteworthy projects proceeded in 2000, such as the identification of growth sources, an analysis of health systems, employment strategy, electronic trade, equal opportunities for men and women, the public administration and management, or a regulatory reform.

The Director-General of the OECD Nuclear Energy Agency (NEA) Echavarri visited the Czech Republic on 68 March, 2000. (NEA is one of the specialized organizations of the OECD). During his visit, Mr. Echavarri visited the Temelin nuclear power plant and observed a successful functioning test.

On 25 27 June, 2000, a Czech delegation attended a session of the OECD Council at ministerial level. The meeting concentrated on a policy of supporting growth and social solidarity, proposals arising for administration and management from technological progress, and on a multilateral trading system. The OECD Council approved an amendment to the Declaration on International Investments, which is part of the Directive for a supra-national society. Governments of Member States are advising their investors to maintain these Directives on the territories of OECD Member States, as well as in other countries where they are engaged in transactions, and to maintain ethical principles, taking into account aspects of human rights as distinct from economic aspects and basic work standards, the environment, sustainable development, the protection of consumers and the struggle against corruption.

A conference on the labour market and employment in public services was held in Prague on 3 4 July, 2000. It was attended by a number of ministers from the OECD member and non-member countries as well as by the OECD Deputy Secretary--General Moe. Deputy Prime Minister and Minister of Labour and Social Affairs pidla represented the Czech Republic. The Ministry of Labour and Social Affairs of the Czech Republic organized the Conference in collaboration with the OECD.

The visit of the OECD Secretary-General Johnston in Prague on the occasion of the meeting of the IMF and World Bank in September 2000 helped to promote contacts between OECD top representatives and members of the Government of the Czech Republic.

Work on the preparation of reviews of national policies in the field of regulatory mechanisms and economic and energy policy was most useful for the Czech Republic.

Throughout 2000, the Czech Republic expanded its activity in all OECD working groups. The appointment of Czech representatives to the Committee for an Environment Policy to several Deputy Chairman posts in this area, and the inclusion

of Mr. Moldan in an eight-member working group for the preparation of proposals for environment strategy and future prospects for the first ten years of the 21st century, were a demonstration of the recognition of the Czech Republic's contribution to the work of the OECD.

International Monetary Fund, World Bank and other major international economic organizations

International Monetary Fund (IMF)

The International Monetary Fund (IMF) was founded in 1944 and Czechoslovakia at that time was one of the founding members. But in 1954 its membership was suspended for failing to fulfil obligations stipulated in the statute (the volume of economic data to be submitted). In 1990, Czechoslovakia s full membership was restored. Following its break-up, the Czech Republic and Slovakia, as successor states, became members in 1993 and took upon themselves all rights and obligations arising from their membership. The IMF today has 182 members. The Articles of Agreement of the IMF clearly state that its major aim is to promote international monetary cooperation and currency stability and facilitate the expansion of balanced growth of international trade. The Board of Governors is the supreme body of the IMF. The official representative of a member country in the IMF acts the governor, nominated by the Government. The Czech representative is the Governor of the Czech National Bank, currently Z. Tøma. According to international practice, a deputy minister of finance normally holds the post of deputy governor. The number of votes of the Czech Republic in the IMF is determined by its membership quota and stands at 0.39% of all voting rights.

Current cooperation takes mainly the form of regular IMF missions to the Czech Republic under Article IV of the Articles of Agreement of the IMF. They result in recommendations for economic policy, above all, in the monetary, fiscal, and salary areas. In addition to these regular missions there, are occasional non-regular visits (so-called Staff Visits the last of these was in October 2000), aimed at expanding and supplementing information gathered during regular missions. The results of these missions are always submitted to the IMF Council of Executive Directors. After that, the Council of Executive Directors draws up a detailed report giving an account of the economic and financial situation of the Czech Republic and its evaluation. This serves as a basis for a brief report to be published in the media. The Czech Republic is among the IMF countries, which have also given their consent to the publication of a detailed report in full.

In 2000, the Czech Republic participated in the Financial Sector Assessment Program (FSAP), organized by the IMF and the World Bank. The Programme makes a very thorough evaluation of the financial sector in the context of the identification

of its strong and weak aspects. The first stage of the work was executed at the end of November and beginning of December 2000, aimed at observing the standards and codes of the financial sector of the Czech Republic. The second visit by a mission took place at the beginning of 2001 and its objective was an assessment of the vulnerability of the financial sector.

On 26 28 September, 2000, the Annual Meeting of the Boards of Governors of the International Monetary Fund and of the World Bank Group was hosted in Prague. The joint deliberations of the Boards of Governors of the two institutions was preceded by deliberations of their consultative bodies, e.g. the Development Committee, the joint consultative body of the IMF and the World Bank for safeguarding and the transfer of resources to developing countries, and the International Monetary and Financial Committee, the consultative body of the IMF Board of Governors. By its magnitude and importance, this event was one of the most important international occasions and the biggest congress event ever to be organized in the Czech Republic the Annual Meetings of the Boards of Governors of the IMF and the World Bank in Prague were attended by almost 20,000 persons from 182 states from all over the world. The Czech Republic was one of 20 states, which so far have had the opportunity to organize such a session of prominent bankers, economists and politicians. All official assessments had words of praise for the Czech Republic and of recognition for the perfect organization under most difficult circumstances.

World Bank

The Czech Republic is a member of the World Bank, as of the IMF, since the foundation of the country on 1 January, 1993. The Board of Governors is the supreme body of the World Bank. The Governor of the World Bank representing the Czech Republic was the Minister of Finance and his alternate was the Deputy Governor of the Czech National Bank. Voting rights of the Czech Republic are determined by the size of its capital deposit and amount to 0.41%.

The World Bank Group consists of the following institutions:

International Bank for Reconstruction and Development (IBRD), which provides financial and technical assistance to developing countries and to economies in the process of transformation;

International Development Association (IDA), which finances the development of the poorest countries;

International Finance Corporation (IFC), which finances development projects in developing countries and economies in the process of transformation, such as the Czech Republic, by means of long-term credits and minority capital investments; Multilateral Investment Guarantee Agency (MIGA);

International Centre for Settlement of Investment Disputes (ICSID).

The Czech Republic is among the clients of IBRD. In 1991, IBRD granted Czechoslovakia at the time a credit of USD 450 million to finance structural changes in the economy, especially the establishment of an infrastructure. After the break-up of Czechoslovakia, USD 300 million were allocated to the Czech Republic. At present the Czech Republic still has to repay USD 180 million. The Czech Republic has not drawn any further credits from IBRD and does not intend to do so in future. Cooperation presently concentrates on technical assistance by the World Bank, which in 2000 included the following projects:

A project assessing public expenditure which was to serve as one of the foundations when preparing the budget for 2002;

A project to build institutional capacities for crisis management;

A project of the Financial Sector Assessment Programme, aimed at investigating the stability of the finance sector; executed in the Czech Republic by the World Bank in collaboration with the IMF;

A project for the completion of the transformation of banks and firms aimed at evaluating the legislative and institutional framework of the restructuring of banks and businesses by claiming the settlement of debts has been completed in 2000.

Cooperation between the Czech Republic and the World Bank in the environment sector continued successfully in 2000. Under the relevant project the Czech Republic made contributions in this sphere but also drew grants from the World Bank environment fund for the protection of the environment of the Czech Republic, mainly for protection of the ozone layer, the biological diversity and the utilization of waste heat.

In 2000, preliminary discussions began between the Czech Republic and the World Bank on the so-called graduation of the Czech Republic from the IBRD, e.g. the transfer of the Czech Republic from the group of recipients of technical assistance and credits into the group of advanced states, which provide this assistance. The Governor of the State Bank is to state his opinion on this matter officially at a 2001 joint spring session of the IMF and the World Bank in Washington.

Other major international economic organizations

Contrary to the worldwide focus of the IMF and the World Bank, the European Bank for Reconstruction and Development (EBRD) aims to offer assistance to transitional countries of Central and Eastern Europe, as well as to the countries of the former Soviet Union in support of their market economies. The EBRD offers loans to 26 countries; it is expected that as of 2001, financial assistance will also be given to the Federal Republic of Yugoslavia, which became the sixty-first member of the EBRD in October 2000.

The supreme body is the Board of Governors, where the Czech Minister of Finance represents the Czech Republic. His alternate was the Governor of the Czech National Bank. The share of the Czech Republic in the subscribed capital of the EBRD amounts to 0.88%, which also represents the voting rights of the Czech Republic. The Board of Governors meets once a year at an annual session of EBRD. The last annual session of the Board of Governors was held in Riga on 21 22 May, 2000.

The EBRD in the Czech Republic concentrates mainly on financing the private sector. Since its foundation, it has approved 32 projects for the Czech Republic, amounting to 676.6 million euro. Of these, 18 projects have been financed by the capital deposit of EBRD (409.3 million euro) and 14 projects by a credit (206.0 million euro). In the public sector, the EBRD has concluded two agreements on financing: 42.8 million euro for the development of telecommunications and 18.8 million euro to finance the Czech railways. Six new projects to the value of 51.5 million euro have been signed in 2000.

The European Investment Bank (EIB), is a financial institution of the European Union that has its own legal jurisdiction and financial independence. Its members include the EU member states. The membership of the Czech Republic and its share in raising the capital of the EIB will be negotiated together with accession of the Czech Republic to the EU. The activities of the EIB in the Czech Republic concentrate chiefly on financing projects to integrate transport, telecommunication, and energy infrastructures. The EIB also pays attention to the environment, support of small and medium businesses, and public services. Outline agreements on financial cooperation are concluded to support activities of the EIB. These agreements are the contractual legal foundation for grants offered to the Czech Republic and Czech economic institutions. The latest outline agreement between the Czech Republic and the EIB was signed on 2 December, 1997, and it is expected that it will remain valid until the Czech Republic's accession to the EU. In 2000, EIB granted the Czech Republic financial resources amounting to 455 million euro (4 projects). Altogether the Czech Republic obtained financial resources from EIB worth of 2,362 million euro. These resources were used to pay for projects with state guarantees amounting to 1,605 million euro (12 projects), as well as for projects without state guarantees to the value of 757 million euro (13 projects). All projects are devised in such a way as to help the Czech Republic to come as close as possible to the standards of the European Union.

The Council of Europe Development Bank (CEB), formerly (until 1 November, 1999) Social Development Fund of the Council of Europe, was founded in 1956 and belongs to the Council of Europe. It contributes to the development of social investment programmes and offers credit to its member countries or to finance institutions approved by the Governments of these countries. The activity of the CEB is based on subscribed capital and its own available funds. CEB is a multilateral

development bank with a social vocation. It is legally and financially autonomous and constitutes the chief instrument of a solidarity policy pursued by the Council of Europe. The CEB has 35 members. The Czech Republic has been a member since 12 February, 1999.

The prime objective of CEB is to help to solve social issues associated with the presence of refugees, displaced persons, migrants, or victims of natural or ecological disasters. CEB finances primarily projects for job creation and the construction of social housing, creating a social infrastructure, helping small and medium businesses and projects in protection of the environment, promoting education and health, the modernization of agriculture, improving the quality of the environment in urban areas at a disadvantage and the restoration of historical monuments.

The governing bodies of CEB are: the Governing Board, the Administrative Council and the Auditing Board.

In May 2000, the CEB Administrative Council agreed to a loan of 32.5 million CZK to participate in financing a project of communal housing for the Romany population in Brno. The loan has so far not been used since in the course of a revision of the project at the end of the year it was found that the budget expenditure had risen from 65 million to 150 million CZK and consequently the structure of the financing of the project must be amended. In 2000, work commenced at the Ministry for Local Development of the Czech Republic on two compact projects (social housing and reconstruction of selected castles and chateaux in Central Europe), which should be financed in collaboration with CEB credits.

7. Non-proliferation, arms control, and disarmament

Weapons of mass destruction

In 2000, the Czech Republic continued to support measures aimed at advancing the non-proliferation of weapons of mass destruction and bringing about gradual elimination of nuclear weapons and their delivery vehicles.

a) Nuclear weapons

The Czech Republic continued to implement the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and to support its full implementation and universal application. It actively participated in the Sixth NPT Review Conference in New York on 24 April 19 May, 2000, the most significant event in the area of nuclear non-proliferation and disarmament in that year. Among its successes was the fact that for the first time in 15 years its participants adopted a Final Document. The Czech Republic welcomed the fact that the Conference recognized the need for negotiating

a Fissile Material Cut-off Treaty (FMCT) within the next five years and for establishing in the Conference on Disarmament in Geneva an appropriate subsidiary body to deal with nuclear disarmament, that it confirmed the principle of irreversibility in nuclear disarmament, the need for reduction of tactical nuclear weapons on the basis of unilateral initiatives, etc. The Joint Declaration of the nuclear-weapon states at the Conference, with an unequivocal obligation regarding nuclear disarmament, greatly contributed to a consensus even though specific timetable has not been given.

In the First Committee of the fifty-fifth session of the General Assembly, the Czech Republic voted in support of the resolution A World Without Nuclear Weapons: the Need for a New Agenda, which was among the most important items on the agenda of the disarmament talks in the General Assembly. The Czech Republic supported the creation of nuclear-weapon-free zones, as well as zones without other weapons of mass destruction on a voluntary basis, in accordance with the guidelines on the establishment of nuclear-weapon-free zones adopted by the Disarmament Commission in April 1999. The Czech Republic does not consider it to be realistic to apply pressure on introducing nuclear-weapon-free zones in areas where political conditions for this or a necessary consensus of all countries concerned does not exist.

The Czech Republic held the chairmanship of the Preparatory Commission of the Comprehensive Nuclear Test Ban Treaty Organization (CTBTO) in the first half of 2000. It strived to help towards the CTBT s entry into force. On various occasions, for example in the First Committee of the fifty-fifth session of the General Assembly, it appealed to states which had so far not signed or ratified the CTBT to do so without delay. As the chairing country, the Czech Republic participated in promoting the Facility Agreement adjusting the relationship between the UN and the Preparatory Technical Secretariat of the CTBTO. This agreement will enable investments to be made through the intermediary of local UNDP offices and UN passports to be granted to all officials of the Preparatory Technical Secretariat of the CTBTO. The Czech Republic supported, and is involved in completing and testing the International Monitoring System (IMS) even before the treaty comes into force. In 2000, the Czech Republic continued to negotiate Agreement between the Preparatory Commission of the CTBTO and Government of the Czech Republic on the Conduct of Activities, including Post-Certification Activities, relating to International Monitoring Facilities for the CTBT (Facility Agreement) which will create the conditions for the operation of a seismological monitoring station of the IMS in Southern Moravia.

The Czech Republic, as a member of the Zangger Committee and the Nuclear Suppliers Group, concentrated on the activities of these informal groups of countries, mainly on increasing their transparency.

b) Chemical and biological weapons

The Fifth Conference of the contracting states of the Organization for the Prohibition of Chemical Weapons (OPCW) met in The Hague on 15 19 May, 2000; that is where the two-year term of the Czech Republic in the Executive Council of the OPCW officially came to an end. Based on the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, the Executive Council meets five times a year.

The Director-General of OPCW Bustani visited the Czech Republic in May 2000, at the invitation of the Minister of Industry and Trade. During his visit, the Ministers of Foreign Affairs, Industry and Trade, and Defence received him. In October 2000, a delegation of the Committee of Foreign Affairs, Defence and Security of the Senate of the Parliament of the Czech Republic visited the OPCW and was briefed about its activities and objectives. In November 2000, the Czech Republic arranged for the OPCW Technical Secretariat to conduct practical training of inspectors of the Organization at the training premises in Vy kov, together with instruction on ways of investigating and liquidating an attack with chemical weapons.

Throughout the year, experts of the Ad Hoc Group (AHG), conducted negotiations in Geneva with the aim of drawing up the final version of a text of an internationally and legally binding instrument the Verification Protocol on consolidating the Convention on the Prohibition of Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BTWC). Representatives of the Czech Republic from the Ministries of Foreign Affairs, Defence, and Health participated in these negotiations. The negotiations were extremely complicated and demanding. The delegation of the Czech Republic repeatedly requested the prompt completion of the text of the protocol, so that it could be submitted for signing even prior to the BTWC Fifth Review Conference in 2001. In this context, the Czech Republic started preparations for the establishment of an independent national control body.

In October 2000, the Czech Republic was represented at the Plenary Session of the Australia Group in Paris, which discussed certain measures to make the activities of this control body in the sphere of chemical and biological weapons more effective.

As in previous years, no firm progress was made in 2000 on the non-proliferation of weapons of mass destruction and disarmament. Somewhat more promising progress was made in the areas of chemical weapons, at least as regards fulfilling the provisions of the Chemical Weapons Convention, and, as regards biological weapons, constant pressure was being applied on intensifying verification measures. On the other hand, there is stagnation in the sphere of nuclear weapons and their nonproliferation and total liquidation. This unfortunate state of affairs has its long-term impact especially on the negotiations of the main disarmament forum the Conference on Disarmament in Geneva. The Czech Republic, in collaboration with EU members and associate members and with NATO members intends to strive in the Conference on Disarmament to overcome the present unfavourable state of affairs and to support universal and consistent implementation of NPT and CTBT, as well as prompt negotiations on FMCT.

Delivery vehicles of weapons of mass destruction and anti-missile defence

A plenary session of the Missile Technology Control Regime (MTCR) met in Helsinki in October 2000. The main topic on the agenda was a discussion and the approval of the text of an international code of conduct against the proliferation of ballistic missiles. If the code receives wide support in the international community, it could contribute towards endeavours to halt the proliferation of missiles and related technology. In the First Committee of the fifty-fifth session of the General Assembly, the Russian Federation together with China and Belarus submitted a resolution Preservation of and compliance with the Treaty on the Limitation of Anti-Ballistic Missile Systems, which was passed by a majority. The Czech Republic, alongside the majority of EU members and associate members, as well as other states, abstained, because it is of the opinion that the question of the ABM Treaty should be addressed on a bilateral basis by the United States and the Russian Federation.

Conventional weapons

The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (hereafter the Ottawa Convention) came into force for the Czech Republic on 1 April, 2000. Since that date, more than 120,000 land mines of a total of 329,100 have been destroyed in the Czech Republic. A new technology and a delaboratory belt was used in the destruction in the Czech Republic as of 2 May, 2000. The development and introduction was the responsibility of the Ministry of Defence of the Czech Republic. The last deadline for the destruction of all land mines in the Czech Republic will be set on the basis of experience gathered during the first year the delaboratory equipment is in use. In accordance with Art. 4 of the Ottawa Convention, the Czech Republic will in any case do everything possible to observe the specified deadline, namely 1 April, 2004. The Czech delegation presented information on the destruction of mines and the fulfilment of obligations arising from the Ottawa Convention at the second meeting of participating countries in Geneva in September 2000.

In December 2000, a delegation of the Czech Republic attended the Second Annual Conference in Geneva on the Protocol II on Prohibition or Restrictions on the Use of Mines, Booby-Traps and other Devices, annex to the Convention on Certain Conventional Weapons (CCW), which the Czech Republic ratified in 1998. At these

negotiations and at the Preparatory Committee for the Review Conference of the state parties, several proposals were submitted regarding anti-vehicles mines and explosive remnants of war, as well as proposal on expanding the scope of the connention to include non-international conflicts.

Throughout 2000, efforts continued in the international community to look for a solution to the problem of small arms and light weapons (SALW). In the course of ongoing negotiations, the Czech Republic hoped to achieve a balanced relationship between the interest of the international community in the implementation of foreign political obligations, concentrating on the most stringent control, especially the export, import, and re-export of SALW, including adequate international transparency, and the protection of the security and trade interests of states. The Czech Republic took account of commitments arising from the country's membership in the United Nations, NATO and the Organization for Security and Cooperation in Europe, as well as of the process of incorporating the country in the EU and also having regard to the share in implementing measures emerging from the participation of the Czech Republic in the international control regime for the control of exports of conventional weapons, material for dual use, the so-called Wassenaar Arrangement.

8. Foreign development and humanitarian aid

Foreign development aid

Foreign development aid provided by the Czech Republic is governed by the Principles of Foreign Development Aid, approved by the Czech Government Resolution No. 153 of 15 March, 1995. This aid is given predominantly to countries which aim to introduce or consolidate democracy, human rights and a market economy, as well as to countries with which the Czech Republic maintains traditional close relations. Concrete development projects are an inseparable part of Czech foreign policy.

Development aid projects are approved annually by the Government of the Czech Republic on the basis of a plan of individual projects, submitted by the Ministry of Foreign Affairs of the Czech Republic, which coordinates them. The projects are proposed and carried out by the various departments depending on their purpose; they take the form of bilateral or multilateral cooperation. The Chamber of Deputies of the Parliament of the Czech Republic approves the amount of the resources earmarked for foreign development aid as part of the Czech state budget. After the approval, the resources are transferred from the chapter of the General Accounts Administration to the budgets of the individual departments. In 2000, the sum of 345 million CZK was

set aside for development projects, in the years to come this sum is to increase proportionately, depending on the possibilities of the economy so that the Czech Republic gradually reaches the level of development aid granted by EU or OECD Member States.

The Czech Republic granted development aid mainly to Asia (approximately 34%), followed by the Middle East (21%), Latin America (15%), Eastern European countries (12%), the Balkan countries (12%), and Africa (7%).

The system of granting development aid, its principles and organizational provisions were thoroughly assessed in 2000, with the aim of introducing amendments to increase its effectiveness and to make its priorities and organizational provisions comparable with the policy and practice of advanced OECD and EU countries.

Foreign humanitarian aid

By providing foreign humanitarian aid, the Czech Republic demonstrates its solidarity with the international community in dealing with crisis situations and problems, which are beyond the power of the countries affected. The Czech Republic offers aid to specific countries, either directly or through international governmental and non-governmental organizations and institutions, observing the principles of the international community and of the International Committee of the Red Cross and Red Crescent, the United Nations, the EU, and Organization for Security and Cooperation in Europe. It respects the principle of impartiality. The Czech Republic grants humanitarian aid through the following means:

- Sending a rescue team (firefighters, dog handlers, speleologists, mine rescue service, chemical experts, etc.);
- Offering material aid needed or requested in the affected area (food, medicine, medical material, blankets, tents, awnings, accommodation units);
- Financial aid to Czech or foreign humanitarian organizations by a specific frozen transfer for operations in the affected region, possibly directly to the institutions in the country concerned;
- Advisory and technical aid provided by specialists on the spot or providing information to prevent human casualties or limit material losses;
- Combined aid.

In 2000, the Czech Republic offered humanitarian aid within the limits of its possibilities to almost 30 countries affected by exceptional events natural catastrophes, technical disasters, or conflicts and war. Under the terms of the new Act No. 239/2000 on an integrated rescue system the jurisdiction, of individual institutions (Ministry of Interior, Ministry of Defence, Ministry of Finance, and Ministry of Agriculture) has been clarified, in order to make humanitarian aid more effective. The Ministry of Foreign Affairs of the Czech Republic, in accordance with

Act No. 2/1969 on the establishment of ministries and other central institutions of the state administration, the so-called law on authority, is responsible for coordinating activities.

In 2000, the Czech Republic granted humanitarian aid from resource reserves of the General Accounts Administration to 23 countries with 25 projects; this aid amounted to 26.7 million CZK. The Government of the Czech Republic further decided on 21 July, 1999, in decision No. 765, to release 22.7 million CZK from the funds of the Ministry of Foreign Affairs of the Czech Republic, to help to reduce the effects of the Kosovo crisis and to give additional humanitarian aid to the Balkan countries.

The territorial distribution of humanitarian aid was most varied. Apart from the Balkans, which represented a separate chapter, aid by the Czech Republic went to three continents:

In Europe to France (lending electricity generators to reduce the effects of storms during the first few days of 2000), to Hungary (during the floods and the escape of cyanide into the river Tisa), to the Netherlands (following the explosion of a pyrotechnical warehouse in the town of Enschede), to extinguish fires in Greece and F.Y.R. of Macedonia, and to Belarus (Insulin supplies), to Ukraine (supplies of medical instruments), to Moldova (to reduce the effects of storms and severe icing) and to Slovakia (extinguishing extensive forest fires);

In Asia to Mongolia (struggle against famine), to Cambodia (aid during floods), to Georgia (help to refugees after the conflict of war), to Vietnam (floods), Palestinian Authority (medical equipment), to the Democratic People's Republic of Korea (restoration of agriculture) and to Chechnya (food and distribution of water filters); In Africa to Mozambique, South Africa, Zimbabwe (floods), Sierra Leone (aid to children hit by war), and to Ethiopia and Eritrea (reducing famine and help to refugees).

Humanitarian aid by the Czech Republic has helped the countries affected to save lives and property and did much to spread the good name of the Czech Republic abroad.

Report on the Foreign Policy of the Czech Republic I. Multilateral cooperation

II. Bilateral Relations of the Czech Republic

1. Summary information on bilateral relations

Bilateral relations are the foundation of the external relations of the Czech Republic. At the end of 2000, the Czech Republic had diplomatic relations with 176 states. In accordance with the Concept of the Foreign Policy, priority attention was devoted to relations with neighbouring states and member states of the North Atlantic Treaty Organization (NATO) and the European Union (EU).

With the accession of the Czech Republic to NATO in 1999 relations with the other member states in Europe and in North America strengthened. The countries included Belgium, Denmark, France, Italy, Iceland, Canada, Luxembourg, Germany, the Netherlands, Norway, Hungary, Poland, Portugal, Greece, Spain, Turkey, the United States and Great Britain.

In connection with the ongoing negotiations on the Czech Republic's accession to the European Union, bilateral relations with the 15 member states of the EU increased and became closer. This applied to the following countries: Belgium, Denmark, Finland, France, Ireland, Italy, Luxembourg, Germany, the Netherlands, Portugal, Austria, Greece, Spain, Sweden, and Great Britain.

The revival of regional cooperation within the Visegrad Group helped to promote bilateral relations with Slovakia, Hungary and Poland. The Czech Republic did its utmost to ensure that relations with Slovakia reach an above-standard level. Agreements were reached with Germany and Austria, providing for compensation to be paid to Czech citizens who were in forced labour camps during the Second World War. The Czech Republic was engaged in an intensive dialogue with Austria on certain issues, which had an impact on their relations.

The Czech Republic maintained most intensive political and economic relations as well as extensive cultural contacts. More than 80% of the turnover of Czech foreign trade was with these countries and the countries in this region had the greatest share in direct foreign investments in the Czech Republic.

The Czech Republic made every effort to maintain and promote relations with the countries in Eastern and South-Eastern Europe. The objective of Czech foreign policy was to restore standard contacts with the Russian Federation, with special emphasis on expanding and increasing economic cooperation.

The Czech Republic laid emphasis on expanding relations with the South-Eastern European countries and increasing relations with its traditional partners in the region. It took advantage of bilateral relations and international organizations to consolidate stability in the region. The Czech Republic identified with the priorities of the Stability Pact for South-Eastern Europe, which included the preservation of lasting peace, prosperity, and stability in the region, the expansion of effective regional cooperation and a firm position of the region in Europe.

In keeping with the Concept of Foreign Policy the Czech Republic expanded its contacts with the countries of Asia, Africa and Latin American during the period under discussion. The main emphasis in bilateral relations was on the economic sphere. During this period, more treaties and agreements were signed with special reference to visas and trade.

The chapter on bilateral relations contains basic data on the relations of the Czech Republic with individual countries. In accordance with the Concept of Foreign Policy it gives pride of place to neighbouring countries. In the next section it deals with relations with the countries of NATO and the EU, then with relations of the Czech Republic and the Baltic countries, with relations with the countries of Eastern and South-Eastern Europe and certain other European states. Separate sections are devoted to relations of the Czech Republic with the countries of Asia and the Pacific, the Middle East and Eastern and North Africa, relations with the countries in Sub-Saharan Africa and relations with the Latin American countries. Individual countries are listed in the relevant sections in alphabetical order with the exception of section 2. Relations of the Czech Republic with the countries of Central Europe .

The data on foreign trade of the Czech Republic with individual countries have been taken over from information provided by the Czech Republic Customs Administration; they are given in current prices and rounded up or down. (The exact values are given in the table supplement.)

2. Relations of the Czech Republic with the Central European countries

SLOVAKIA

The special relations between the two countries were maintained in 2000. After solving the matter of the division of property of the former Czechoslovak Federal Republic in 1999, there has been a further intensification of contacts in 2000 covering all spheres and at all levels. An example was the increasing number of treaties especially in the field of culture, education and health, which will be of substantial

assistance to citizens of the two countries. Broadening cross-border cooperation also did much towards more active relations. Great attention has been devoted to procedure on border checkpoints between the two states as well as to other methods of making travel between the two countries more comfortable. Cooperation within regions groupings (V4, Central European Free Trade Agreement (CEFTA), Central European Initiative) has also been expanded successfully.

Slovakia was the second biggest trade partner of the Czech Republic.

Visits representatives of the Czech Republic:

31. 1. 2. 2. 2000 visit by a delegation of the Committee for European Integration of the Chamber of Deputies of the Parliament;

15 18. 2. 2000 visit by a delegation of the Committee on Education, Science, Culture, Human Rights and Petitions of the Senate;

22 24. 2. 2000 visit by a delegation of the Committee on European Integration of the Senate;

3 4. 4. 2000 official visit by the Chairwoman of the Senate L. Bene ovÆ;

17 18. 4. 2000 official visit by Deputy Prime Minister P. Rychetsk ;

28 29. 4. 2000 Deputy Prime Minister and Minister of Foreign Affairs J. Kavan attended a conference on current issues of enlarging NATO, arranged in Bratislava by the New Atlantic Initiative;

2 4. 5. 2000 visit by a delegation of the Senate Committee on National Economy, Agriculture and Transport;

24 27. 9. 2000 visit by a delegation of the Constitution and Legal Committee of the Chamber of Deputies of the Parliament;

6. 10. 2000 working visit by the First Deputy Prime Minister and Minister of Labour and Social Affairs V. pidla;

10. 10. 2000 official visit by the Chairman of the Chamber of Deputies of the Parliament V. Klaus;

2. 11. 2000 official visit by Prime Minister M. Zeman;

27 29. 11. 2000 official visit by Senator J. MoserovÆ, Chairwoman of the General Conference of UNESCO and Chairwoman of the Czech UNESCO Commission.

Visits by representatives of Slovakia:

18. 2. 2000 visit by Deputy Prime Minister L. Foga;

30. 3. 2000 visit by Deputy Prime Minister P. Ham k;

18 19. 4. 2000 visit by a delegation of the Committee of the National Council for Education, Science, Youth, and Sport;

22 23. 5. 2000 official visit by Prime Minister M. Dzurinda;

9. 6. 2000 participation of Prime Minister M. Dzurinda at a summit of the V4 Premiers at til n;

25 28. 9. 2000 participation of Deputy Prime Minister I. Miklo at the meeting of the IMF and World Bank;

12 13. 10. 2000 Prime Minister M. Dzurinda attended an informal summit of the V4 Prime Ministers at Karlovy Vary;

27. 10. 2000 Deputy Prime Minister P. CsÆky at a meeting of representatives of the V4 countries responsible for human rights and the rights of ethnic minorities;

7 9. 11. 2000 visit by a delegation of the Committee of the National Council for the Incompatibility of Functions of State officials;

15 16. 11. 2000 visit by a joint delegation of the Special Control Committee for the Supervision of the Activities of the SIS and of the Special Control Committee for the Supervision of Military Intelligence;

21 22. 11. 2000 visit by a delegation of the Committee of the National Council for Defence and Security;

21 23. 11. 2000 visit by a delegation of the Committee of the National Council for the Environment and Protection of Nature;

13 14. 12. 2000 visit by Deputy Prime Minister L. Foga.

Economic relations

In 2000, Slovakia remained the second biggest trade partner of the Czech Republic with a 6.8% share of the total foreign trade turnover. The Treaty on the Introduction of a Customs Union contributed to extensive economic and trade cooperation.

Czech exports to Slovakia amounted to 86.1 billion CZK in 2000, while imports amounted to 74.7 billion CZK. With a turnover of 160.7 billion CZK, the Czech Republic was in credit to the equivalent of 11.4 billion CZK.

The commodities most in demand were machinery and equipment (29.8%), market products (25.6%) and chemicals (13.5%). koda automobiles were the most significant export item.

Trade in agricultural and food products was a sensitive aspect of trade relations in 2000; it accounted for approximately 11.3%. Problems in this sphere have been regularly discussed at meetings of the Customs Union Council as well as at sessions of its Committee for the Coordination of Agricultural Policy.

A problem that in part influenced the results of mutual trade was caused by certain protectionist measures. Non-tariff measures introduced by the Slovakia were mainly quantitative limitations, and as of June 1999, also an import surcharge which was reduced to 5% as of 1 July, 2000, and abolished by 1 January, 2000.

Quantitative limitations affected mainly cane or beet sugar (3,500 tonnes), sweetened non-alcoholic beverages (540,000 hectolitres) and beer (532,000 hectolitres). On the other hand, the Czech Republic applied a reciprocal quota of the same size to imports of sugar and a quantitative limitation of the import of iso-glucose (5,000 tonnes/year for 2000).

Expert talks took place in 2000, concerning significant economic treaties an Agreement on the protection of and mutual support for investments and an Agreement on mutual recognition of the findings of laboratory tests of agricultural and food products.

Attention was also devoted to improving the situation at border crossing points in dealing with cargo consignments. There were partial improvements in 2000 but a greater qualitative shift is expected in 2001.

Bilateral Agreements concluded in 2000

Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on border crossing points, Prague, 28 March, 2000;

Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on cooperation in the field of legislation and the harmonization of legal codes to be in keeping with laws of the European community, Bratislava, 18 April, 2000;

Procedural protocol to the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on cooperation in the field of legislation and the harmonization of legal codes to be in keeping with the laws of the European community and providing working translations of laws of the European community and dealing with them, Bratislava, 18 April, 2000;

Agreement between the Ministry of Defence of the Czech Republic and the Ministry of defence of the Slovak Republic on the mutual guarantees of the quality of commodities, TrenŁ n, 3 May, 2000;

Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on the mutual protection of classified information; Prague, 23 May, 2000;

Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on cooperation in culture, education and science, Prague, 23 May, 2000;

Treaty between the Czech Republic and the Slovak Republic on verifying and covering the cost of medical care, Prague, 23 May, 2000;

Agreement on cooperation between the Ministry of Industry and Trade of the Czech Republic and the Ministry of the Economy of the Slovak Republic, Prague, 23 May, 2000;

Supplementary protocol No. 1/2000 of the Ministry of Industry and Trade of the Czech Republic and the Ministry of the Economy of the Slovak Republic to the Agreement on cooperation between the Ministry of Industry and Trade of the Czech Republic and the Ministry of the Economy of the Slovak Republic, Prague, 23 May, 2000;

Protocol between the Ministry of Defence of the Czech Republic and the Ministry of Defence of the Slovak Republic on cooperation in safeguarding air traffic, the

joint transportation and exchange of information on flights by military aircraft in the vicinity of the state borders between the Czech Republic and the Slovak Republic, Prague, 2 October, 2000;

Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on cross-border cooperation, Bratislava, 2 November, 2000; Agreement between the Government of the Czech Republic and the Government of the Slovak Republic, amending certain provisions in the Protocol on the definition of the concept original products and methods of administrative cooperation, as mentioned in Art. 1 of the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic of 8 November, 1999, amending the provisions in Art. 1 of the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic of 21 December, 1996 amending the provisions in Art. 1 of the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic of 21 December, 1996 amending the provisions in Art. 1 of the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic of 22 December, 1996 amending the origin of commodities and methods of administrative cooperation of 22 February 1993, Bratislava, 16 November, 2000.

Cultural relations

A common language environment, history, traditions and personal contacts provide for exceptionally intensive contacts precisely in the cultural field. These took place on three levels:

Official exchanges are guaranteed by an Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on Cooperation in Culture, Education and Science, signed on 23 May, 2000, in Prague. The Ministry of Culture the Czech Republic has drawn up a proposal for an inter-departmental Programs of Cooperation for 2001 2003; the previous programs expired in 1999.

The permanent official support for theatre festivals (Nitra, Czech Theatre in Bratislava, the Puppet Festival Babkarska Bystrica) as well as cooperation between the two National Theatres is anchored in the treaty of 1992. In 2000, the Eight ARTFILM film festival, under the auspices of the Minister of Culture of the Czech Republic, was held in Trencianske Teplice with the participation of Czech artists and Czech films.

The annual Czech Days, arranged at Ko ice with the support of the Czech General Consulate in Ko ice, helped to promote the Czech Republic in Eastern Slovakia and to promote bilateral contacts between associations of Czech expatriates in Slovakia.

Lively contacts were arranged on a comercial basis organized by agencies. This applied mainly to popular music, performances by theatrical agency presentations, exhibitions arranged by private galleries, etc. Non-profit organizations played a significant part in mutual cultural exchanges by amateur or minority groups.

POLAND

Relations between the Czech Republic and Poland developed in a positive manner and can be described as especially good neighbourly relations. They are based not only on common historical experience but also on common interests and, as of 1999, also on the alliance of the two countries within NATO; they are reaching their historically most active level.

The two countries collaborated closely in preparing for their accession to the European Union, both bilaterally and within the Luxembourg Group of candidate countries. Cooperation between the two countries is of a significant regional dimension. A special place is held by Visegrad Cooperation and by Central European Free Trade Agreement in economic relations. Cooperation within the Euro-Regions played a special role.

Poland was in sixth place among the trade partners of the Czech Republic.

Visits by representatives of the Czech Republic

28 31. 1. 2000 visit by a delegation of the Committee for Science, Education, Culture, Youth and Sport of the Chamber of Deputies of the Parliament;

31. 3. 2000 visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan together with the Minister of Defence V. Vetch ;

17 18. 4. 2000 visit by a delegation of the Committee for European Integration of the Chamber of Deputies of the Parliament;

28 29. 4. 2000 participation of Prime Minister M. Zeman in the festivities to mark the 1000th anniversary of the assembly at Gniezno;

26 27. 6. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan in the Conference of the Community of Democracies;

1 5. 10. 2000 visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate;

6. 10. 2000 participation of Prime Minister M. Zeman at a joint meeting of the V4 Prime Ministers and Britain;

15. 11. 2000 participation of Prime Minister M. Zeman in a meeting of Prime Ministers of CEFTA countries;

17 18. 12. 2000 meeting of Chairmen of Parliamentary Committees of the Visegrad Group for Foreign Affairs and Defence and for European Integration.

Visits by representatives of Poland

22 23. 2. 2000 visit by President A. Kwa niewski;

9. 6. 2000 participation of Prime Minister B. Buzek and Minister of Foreign Affairs Geremek in a meeting of Prime Ministers and Ministers of Foreign Affairs of the Visegrad Group at til n;

12 13. 10. 2000 participation of Prime Minister B. Buzek at an unofficial summit of Prime Ministers of the Visegrad Group in Karlovy Vary.

Economic relations

Poland is a traditionally significant trade partner of the Czech Republic. With a 5.5% share, it was the fourth biggest market for Czech exports in the early 1990s. After a temporary decline in the early 1990s, caused by the political and economic transformation of the two countries, exchanges are now picking up dynamically. There has been an increase in economic exchanges, investments and other forms of economic cooperation.

The Czech Republic and Poland have a similar position in many international economic organizations they are associate members of the EU, members of OECD, the WTO and also founding members of Central European Free Trade Agreement (CEFTA). The Central European Free Trade Area has created the fundamental framework for trade exchanges. The meeting of prime ministers of the CEFTA countries in Warsaw in November 2000 confirmed that a free trade area covering industrial goods would be created on 1 January, 2001, between the Czech Republic and Poland, as a result of the abolition of all tariff and non-tariff obstacles to trade. Whereas trade in industrial goods has been greatly liberalized, certain restrictions arising from the significance of the agricultural sector in individual countries persist in agriculture between the CEFTA countries.

From the very beginning of their existence, Czech exports have had a higher dynamic than imports from Poland. In 2000, the turnover of trade attained 105.2 billion CZK. Czech exports were worth 60.9 billion CZK, while imports from Poland amounted to 44.3 billion CZK. The Czech surplus was 16.6 billion CZK (a higher surplus was attained only in trade with Germany). The growth of Czech exports in 2000 was due mainly to agricultural products. Although exports of industrial goods with a higher value added tax increased more slowly, they nevertheless accounted for two-thirds of Czech exports. Although more than half of the trade surplus with Poland was from trade with products included in the category of machines and transportation equipment, trade in transportation equipment accounted for a substantial proportion of the trade surplus. The koda MladÆ Boleslav car factory was the major Czech exporter (about 10% of total exports to Poland). The commodities that predominated in Polish exports to the Czech Republic were semi-finished goods and raw materials, while exports of consumer goods increased rapidly.

There were no problems of substance which would hamper the further development of trade. Both sides have applied protective measures on certain commodities (coal on both sides, the Czech side on sugar and syrups, the Polish side on wheat, butter, tomato concentrate, starch and maize).

Bilateral Agreements concluded in 2000

Agreement between the Government of the Czech Republic and the Government of the Republic of Poland on Scientific and Technical Cooperation, Wroclaw, 13 January, 2000;

Treaty between the Czech Republic and the Republic of Poland on Cooperation in the Event of Catastrophes, Natural Calamities, and Other Emergencies, Warsaw, 8 June, 2000;

Treaty between the Czech Republic and Republic of Poland amending the Treaty between the Czech Republic and the Republic of Poland on Small Borderland Contacts, signed in Prague on 17 January, 1995, Warsaw, 8 June, 2000;

Accord between the Ministry of Education, Youth and Physical Training of the Czech Republic and the Ministry of National Education of the Republic of Poland on Cooperation in Education for the years 2000 2003, Warsaw, 14 June, 2000.

Cultural relations

Relations between the two countries in this field are based on the Programs for Cultural, Educational, and Scientific Cooperation. Work has been in progress to prepare a new cultural agreement, which would follow on the Agreement on Cultural and Scientific Cooperation of 1991.

An example of successful cultural cooperation was the theatre festival On the Border, arranged every year since the beginning of 1990 simultaneously in the towns of Czech and Polish T n. It was a review of the most interesting performances by Czech, Polish, Slovak, and Hungarian ensembles, plus seminars and discussions by drama experts from the countries concerned.

A large Festival of Czech Culture was held in Wroclaw in November 2000; it presented major trends in Czech music and literature, from rock to classical music and modern folklore, all performed by top artists.

FEDERAL REPUBLIC OF GERMANY

Czech-German relations have developed dynamically in all spheres, mainly in the political, economic and cultural fields. There have been more intensive contacts at all levels and these relations have been supplemented by contractual documents.

As a result of the admission of the Czech Republic to NATO in 1999, the partnership with Germany has for the first time in our modern history turned into an alliance. Germany has concluded an agreement to support the accession of the Czech Republic to the European Union. The Governments of the Czech Republic and of the Federal Republic of Germany put strong emphasis on the orientation of Czech-German relations into future.

In 2000, an agreement was reached on the compensation of citizens of the Czech Republic and of certain other Central and Eastern European countries who had been forced to slave labour during the Second World War. In July 2000, the *Bundestag* passed a law establishing the Foundation Remembrance, Responsibility and Future, which will deal with this type of compensation. The Czech-German Discussion Forum has been successful, allowing the Czech and German public to get to know each other. It has contributed to cultivating a common dialogue.

In 2000, Germany remained the biggest trading partner of the Czech Republic: Czech-German trade accounted for 36% of all Czech foreign trade. During the past few years, Germany was, moreover, the major foreign investor in the Czech Republic. Regional and cross-border cooperation with various *länder* (Saxony, Bavaria), as well as at the level of the five joint Euro-Regions on the Czech-German border has greatly expanded.

Visits by representatives of the Czech Republic

1 2. 3. 2000 visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;

19 21. 3. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;

10 15. 4. 2000 visit by a delegation of the Permanent Commission of the Chamber of Deputies of the Parliament for oversight of Security Information Service and the Permanent Commission of the Chamber of Deputies for oversight of the activities of military defence intelligence;

2. 5. 2000 President V. Havel attended the celebration of the birthday of former German President R. von Weizs cker;

9 12. 5. 2000 state visit by President V. Havel;

2. 6. 2000 President V. Havel attended the presentation of the Prize of Karl the Great to the President of the United States B. Clinton;

6 7. 6. 2000 visit by Prime Minister M. Zeman on the occasion of the Czech Day at EXPO 2000 in Hannover;

6 9. 6. 2000 visit by a delegation of the Committee for Social Policy and Health Care of the Chamber of Deputies of the Parliament;

3. 10. 2000 Prime Minister M. Zeman attended the commemoration of the 10^{th} anniversary of the unification of Germany;

4. 10. 2000 visit by the Chairwoman of the Senate L. Bene ov \mathcal{A} on the inauguration of the Czech Centre in Munich.

Visits by representatives of the Federal Republic of Germany

13 16. 6. 2000 visit by a delegation of the Foreign Relations Committee of the Bundestag;

4. 5. 10. 2000 visit by a delegation of the Committee for EU Affairs of the Bundestag.

Economic relations

Germany is the most significant trade partner of the Czech Republic. Trade turnover increased to 855.5 billion CZK (a 20% increase as opposed to 1999). Germany s share in the overall turnover was 36%.

Czech exports to Germany reached 452.9 billion CZK (a 18% increase as opposed to 1999). This means that a full 40% of all Czech exports went to Germany. Imports from Germany rose to 402.6 billion CZK, that is to say, 21.3% higher than in 1999. Czech trade with Germany showed a profit of 50.3 billion CZK. This favourable trade balance was brought about mainly by exports of machinery and means of transportation.

When examining the commodity structure of trade with Germany, there is a continuing rise in the share of higher-value-added products while the share of raw materials, foodstuffs and semi-finished goods had dropped. Direct German investments concentrated mainly in commerce and commercial services, communications, and banking. A higher interest by German investors in industry can be expected in connection with investment incentives offered by the Ministry of Industry and Trade of the Czech Republic on a more long-term basis.

There are no pending problems which might hamper the further development of trade and economic relations.

Bilateral Agreements concluded in 2000

Treaty between the Czech Republic and the Federal Republic of Germany on further assisting relations in the provision of legal aid on the basis of the Hague accords of 1 March, 1954, on civilian procedure, of 15 November, 1965, on delivering court and extra-judicial documents abroad in civil or commercial matters, and of 18 March, 1970, on gathering evidence abroad in civil or commercial matters. The Treaty between the Czech Republic and the Federal Republic of Germany on supplements to the European accord on delivery of 13 December, 1957, and facilitating its implementation. A Treaty between the Czech Republic and the Federal Republic and the Federal Republic of Germany on supplements to the European accord on mutual assistance in criminal matters of 20 April, 1959, and facilitating its implementation, Prague, 2 February, 2000;

An Agreement between the Ministry of Finance of the Czech Republic and the Federal Ministry of Finance of the Federal Republic of Germany on the construction of premises for border formalities at the road crossing point at Rozany-Sohland, 23 February, 2000;

Agreement between the Ministry of Defence of the Czech Republic and the Federal Ministry of Defence of the Federal Republic of Germany on cooperation in the utilization of military frequencies, 23 May, 2000;

Treaty between the Governments of the Czech Republic, the Slovak Republic and Germany on terminating reciprocal accounts in transferable roubles and the settlement of mutual obligations and claims which have arisen as a balance in transferable rubles in favour of the Federal Republic of Germany, 29 June, 2000;

A Treaty between the Czech Republic and the Federal Republic of Germany on linking the Czech motorway D8 and the German motorway A17 at the joint border by constructing a bridge across the border, Berlin, 12 September, 2000;

Treaty between the Czech Republic and the Federal Republic of Germany on mutual assistance in the event of disasters and major calamities, a Treaty between the Czech Republic and the Federal Republic of Germany on cooperation between police authorities and border patrol authorities in border areas, Berlin, 19 September, 2000; Agreement between the Ministry of the Environment of the Czech Republic and the Federal Ministry of the Environment on the protection of nature and safety of reactors in the Federal Republic of Germany, on the joint implementation of a pilot project for the protection of the environment in the Czech Republic with the aim reducing cross-border damage to the environment, 23 October, 2000;

Accord between the Government of the Czech Republic and the Government of the Federal Republic of Germany on the establishment and widening of tourist trails leading across the state borders, agreed by an exchange of notes, 25 October, 2000;

Agreement between the Government of the Czech Republic and the Government of the Federal Republic of Germany on educational cooperation. An Agreement between the Government of the Czech Republic and the Government of the Federal Republic of Germany on sending German teachers to work in schools in the Czech Republic, 20 December, 2000.

Cultural relations

Cultural relations were further expanded in 2000. Among the many Czech-German cultural activities worth mentioning is the Reconciliation Building in Liberec where a new Czech-German library has been opened and a Jewish Centre is being refurbished. The Reconciliation Building has been constructed with the support of the Czech-German Future Fund and was inaugurated in November 2000 under the auspices of President V. Havel and President J. Rau.

The traditional German Language Theatre Festival was held in Prague in 2000.

Regular meetings of young Czechs and Germans have become a tradition. They are organized with the financial assistance of the Czech-German Future Fund.

One of the most active institutions in Czech-German (and not only cultural) cooperation was the Robert Bosch Foundation, which supported the publication of a series of the so-called Czech Library where major works of Czech poetry, prose, and philosophy are to be published in 1999 2008 in German.

Cooperation continued in the Czech-German Commission of Historians.

The need for a more widespread popularisation of the accession of the Czech Republic to the EU motivated the organization of a number of panel discussions and a brochure entitled Czech Europe Needs You has been published.

The conclusion of inter-governmental agreements on educational cooperation and on sending German teachers to work in Czech schools in December 2000 contributed towards strengthening mutual relations. One-year study sojourns of Czech secondary school students in Bavaria proceeded well as did cooperation with Departments of Czech studies in Berlin and Potsdam.

AUSTRIA

The Czech Republic regards neighbouring Austria as one of its most significant foreign political and trade and economic partners with which it is linked by a common past and close culture. The policy of the Czech Republic vis-á-vis Austria is determined by a long-term interest in good neighbourly relations, especially in the light of its future partnership within the EU.

After the new Austrian Government came to power, political relations cooled somewhat in 2000, since its programme contained certain features that were problematic for the Czech Republic. The Czech Republic, furthermore, endorsed measures taken by the remaining 14 EU Member States vis-å-vis Austria. The persistent efforts by the Czech and Austrian diplomacy and the readiness of the highest representatives of the two countries, reflected in the conclusions reached at a meeting of the Prime Ministers of the two Governments in Melk on 12 December, 2000, created an outline bringing the positions of the two sides closer together on the issue of the Temelin nuclear power plant and the gradual improvement of political relations.

Austria's practical approach to the compensation of Czech citizens displaced on forced and slave labour sites during the Second World War on the territories of present-day Austria, enabled the Czech Republic and other states, involved in international negotiations, to conclude bilateral agreements on 24 October, 2000, providing for the speedy and non-bureaucratic compensation of victims of Nazism.

Economic relations developed dynamically. In 2000, Austria was again the third biggest trade partner of the Czech Republic and was one of the most important investors. Cooperation in culture continued in the same way, and cross-border contacts have strengthened successfully.

Visits by representatives of the Czech Republic

23 25. 6. 2000 Chairman of the Chamber of Deputies of the Parliament V. Klaus attended the Europa Forum Wachau;

12 13. 9. 2000 visit by a delegation of the Committee for Public Administration, Regional Development and the Environment of the Chamber of Deputies of the Parliament;

16. 10. 2000 official visit by the Chairman of the Chamber of Deputies of the Parliament V. Klaus;

24. 10. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan at the signing ceremony of an agreement on the compensation of forced labourers of the Second World War;

27. 11. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan in a session of the OSCE Ministerial Council;

12. 12. 2000 Prime Minister M. Zeman had negotiations with Austrian Federal Chancellor W. Sch ssel at the Melk monastery.

Visits by representatives of Austria

11. 7. 2000 visit by the representative of the Austrian Government for the enlargement of the EU E. Busek;

28. 7. 2000 working visit by the Chairman of the National Council of Parliament H. Fischer;

4. 10. 2000 visit by a delegation of Austrian Deputies to the area of the Temelin nuclear power plant;

31. 10. 2000 meeting of Prime Minister M. Zeman with Federal Chancellor W. Sch ssel at idlochovice castle;

working visit by Federal President T. Klestil.

Economic relations

Among the EU countries, Austria maintained its position as the second biggest partner of the Czech Republic and with a share of 5.5% of the total Czech turnover it is in third place as a trading partner among all countries. In 2000, the trade balance with Austria showed a high profit. The Czech Republic was in the seventh place among Austria's partners as a whole, among the countries of Central and Eastern Europe it has been second largest after Hungary.

The turnover of bilateral trade shows a constant upward trend. In 2000, it reached 128.3 billion CZK, of this exports 66.9. billion CZK and imports 61.4 billion CZK. Czech profits amounted to 5.5 billion CZK.

The quality of the commodity structure of trade has also been improving. There have been increasing exports of machines, means of transportation, and finished goods. The share of machines and means of transportation reached 36.6% and of market products 21.3%. The most common export item were machines with a share of 31.2% followed by market products (29.9%).

The Czech Republic held a major place among the countries in which Austria invested. By 31 December, 1999, Austrian investments reached a total value of 71 billion CZK and Austria's share in total foreign investments in the Czech Republic amounted to 12.9%. In 2000, Austrian investments amounted to 20.4%. Austria was the third biggest investor in the Czech Republic, after Germany and the Netherlands.

The biggest Austrian investment in the Czech Republic was realized in 2000: Die Erste Bank der Sparkassen became the majority owner of the Czech Savings Bank.

Bilateral Agreements concluded in 2000

Agreement between the Czech Republic and the Government of the Republic of Austria on the international passenger transport in non-regular road transport and a Memorandum on Art. 5, 6, 7 and 8 to the Agreement between the Government of the Czech Republic and the Government of the Republic of Austria on the international carriage of persons in non-regular road transport, Prague, 30 May, 2000;

Agreement between the Government of the Czech Republic and the Government of the Republic of Austria on the passenger transport on regular international bus lines, Prague, 30 May, 2000;

Accord between the Government of the Czech Republic and the Government of the Republic of Austria on the establishment of an action station of the Czech border formalities point and of the Austrian border formalities point at the frontier border crossing point at "eskØ Velenice-Gm nd, Prague, 6 June, 2000;

Agreement between the Government of the Czech Republic and the Government of the Republic of Austria on the establishment of an action station at the Austrian border check point NovØ Hrady-Pyhrabuck, Prague, 6 June, 2000;

Agreement between the Government of the Czech Republic and the Government of the Republic of Austria on cooperation in voluntary activities by the Republic of Austria to assist persons who in the past were compelled to do forced and slave labour for the Nazi regime, Vienna, 24 October, 2000;

Protocol of negotiations between the Czech and the Government of the Republic of Austria conducted by Czech Premier M. Zeman and the Austrian Federal Chancellor W. Sch ssel with the participation of EU Commissioner G. Verheugen, Melk, 12 December, 2000.

Cultural relations

Czech-Austrian cultural relations continued to develop despite the limitation of the bilateral dialogue between the Czech Republic and Austria.

The Czech Centre in Vienna and the Cultural Institute in Prague organized extensive activities. Austrian artists took part in this year s Prague German Language

Theatre Festival. Among Czech cultural events in Vienna it is worth mentioning the Czech Day, held on 14 June, 2000, on the premises of the Vienna Economic University and the October Conference on 225 years of Czech studies at the Vienna University.

The most significant event in student exchanges was the traditional programme Aktion sterreich-Czech Republic which every year arranges the exchange of approximatelly 150 200 students.

HUNGARY

Hungary is among the major partners of the Czech Republic in the Central European region with which the Czech Republic collaborates closely within the Visegrad Group, the Central European Initiative, CEFTA and a number of other international organizations. In 2000, relations were strengthened in all spheres. The membership of both countries in NATO has been an important factor in promoting cooperation in the security and political fields. Regional cooperation and the Euro-Atlantic integration of the Czech Republic also played an important role in bilateral relations. The Czech Republic conducted a regular dialogue with Hungary on questions relating to the EU. Topical issues concerning developments within the EU and the prospect of enlargement was a major item on the agenda of discussions between the Foreign Ministers of the Czech Republic and Hungary.

The high quality of relations was reflected also in the frequency of visits and in the intensive dialogue between representatives of the two countries, which often took on a Visegrad dimension.

Hungary was the twelfth biggest foreign trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

18. 3. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan at a meeting of the foreign ministers of the Czech Republic, Hungary, and Poland;

28 29. 4. 2000 participation of President V. Havel in a meeting of Presidents of the Central European countries (Litomy I round) at Szekesfehervar;

3. 5. 2000 official visit by the Chairman of the Chamber of Deputies of the Parliament V. Klaus;

24. 6. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan at a meeting of the Central European Initiative;

15. 11. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan at a meeting of the foreign ministers of the Czech Republic, Hungary, Poland, Slovenia, Estonia, and Cyprus;

24 25. 11. 2000 participation of Prime Minister M. Zeman at a Summit of Prime Ministers of the Central European Initiative;

11. 12. 2000 participation of the State Secretary and First Deputy Minister of Foreign Affairs P. TeliŁka in a meeting of the chief negotiators of the candidate countries of the so-called Luxembourg Six;

15 16. 12. 2000 participation of the Chairman of the Chamber of Deputies of the Parliament V. Klaus at the annual conference of Central European right-wing parties.

Visits by representatives of Hungary

9. 6. 2000 participation of Prime Minister V. OrbÆn and Minister of Foreign Affairs J. Martonyi at a Summit of Prime Ministers of the V4 countries at til n; 12 13. 10. 2000 Prime Minister V. OrbÆn attended an informal meeting of the Prime Ministers of the V4 countries in Karlovy Vary;

26 27. 10. 2000 meeting of the Deputy Prime Minister and Ministers of Justice of the V4 countries in Prague.

Economic relations

Economic cooperation between the two countries continued in 2000. The foreign trade balance between the Czech Republic and Hungary developed favourably for the Czech Republic in 2000. Czech exports reached 21.0 billion CZK in 2000, while imports amounted to 19.9 billion CZK. This means that the Czech Republic registered a profit of 1.1 billion CZK with a turnover of 40.9 billion CZK.

The commodity structure of Czech exports has remained virtually unchanged compared to previous year. Among the main Czech exports continued to be coal, cars and lorries, washing powder, aniline, ethylene, mineral oils, tyres, covering textiles for tyres, vacuum cleaners, electric motors, paper, and textiles.

Cooperation between small and medium businesses was successful. According to information from Hungary, some 200 Hungarian firms had their representation in the Czech Republic while 87 Czech firms were represented in the Czech Republic. These contacts were frequently of a regional nature.

Cultural relations

The establishment of a quadripartite International Visegrad Fund (based in Bratislava) helped to reinvigorate cultural relations between the two countries. The resources from the Fund were used to finance 26 grants in the field of culture, science, education, schools, cross-border cooperation, and sport.

The Embassy of the Czech Republic in Hungary in Budapest, in collaboration with the Czech Centre and Hungarian institutions also helped to promote direct contacts in

the field of culture, education, and science. Among major events was the Bohemia Festival, arranged as part of the Budapest autumn festival, the Week of Czech Films (organized by the Hungarian Film Institute) and the Week of Czech Culture Bohemia in Szeged.

The Budapest Autumn Festival was inaugurated by the private exhibition of photographs by J. treit, entitled Photographs from the Land of Sand; Ministers of Culture P. DostÆl and Z. Rockenbauer attended it. An exhibition under the title Czech avant-garde photography 1918 1939 was organized as part of the festival in collaboration with the Prague Industrial Art Museum. The young Czech artist M. Kuri represented modern art in Budapest at an exhibition entited Ballad about Love and Betrayal.

An international symposium by historians was organized in collaboration with the Slovak Institute; its theme was Central Europe Around the Year 1000. On the Czech National Holiday on 28 October, a symposium was held on Czech-Hungarian cultural relations; it was attended by leading representatives of 21 institutions concentrating on cooperation in this field.

Czech cultural events met with an exceptionally favourable response among the Hungarian public and among specialists. On 14 October, 2000, Minister of Culture of the Czech Republic P. DostÆl presented an award the Medal of the Minister of Culture of the Czech Republic Artis Bohemiae Amicis to the Hungarian Europa publishing house in recognition of its work in promoting the good name of Czech culture abroad. On 20 October, 2000, the Tibor Dery Foundation in Budapest awarded the translator A. ValentovÆ a prize in recognition of her literature work.

SLOVENIA

Slovenia and the Czech Republic have a number of common political, economic and cultural characteristics, which contribute to exceptional and balanced relations between the two countries. The common priority of both was admission to the European Union. This created the prerequisite for more intensive cooperation. In 2000, Slovenia was the nineteenth most important foreign trade partners of the Czech Republic.

Visits by representatives of the Czech Republic

18 19. 4. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;

27. 4. 2000 visit by President V. Havel.

Visits by representatives of Slovenia

24. 1. 2000 visit by State Secretary of the Ministry of Foreign Affairs F. Juri;18. 4. 2000 visit by Minister of Foreign Affairs D. Rupel;

2 5. 10. 2000 visit by a delegation of the Committee for European Integration of the Parliament.

Economic relations

There were favourable conditions in 2000 for the development of trade and economic cooperation. The agreement on free trade was concluded in 1993. In accordance with the Central European Free Trade Agreement, customs duties on all industrial products have been abolished while an agreement has been signed recognizing the findings of tests, which makes certification far simpler. Liberalization of trade could not be introduced to cover agricultural products and foodstuffs.

Although there has been an increase in mutual turnover, Czech exports dropped. In 2000, Czech exports amounted to 9.1 billion CZK, imports 7.0 CZK. The Czech Republic registered a favourable balance to the value of 2.1 billion CZK with a turnover of 16.1 billion CZK.

The Czech Republic exported mainly metallurgical products and semi-finished products. Iron semi-finished products a traditional export commodity retained its first place in the exports of the Czech Republic, but registered a drop in relative and absolute terms. While in 1999 their volume amounted to 40% of the exports, in 2000 it had dropped to 23%. Automobiles were in the second place with 13%. Exports of timber fibre and waste paper, rubber products, consumer electronics, household chemical products, wheat, glass, paper, aluminium and aluminium products registered significant results.

Imports concentrated mainly on pharmaceutical products with 13.8% of total imports. These were followed by electronics (9.5%), leather goods (7%), instruments and equipment, paper, aluminium and aluminium products, iron, steel, motor vehicles, furniture, lighting equipment, and bed linen.

Cultural relations

Official relations in this field have been based on the Cultural Agreement of 1994 and the Procedural Protocol for 1998 2002. Cultural cooperation was of an excellent standard. Czech-Slovene cultural relations were most extensive in the field of music. Guest performances by Czech theatre companies have become a tradition, and there was excellent cooperation between the Slovene film archive and the National Film Archive in Prague. Every year, about three translated Czech literary works are published in Slovenia.

Cooperation between universities is governed by a 1994 Agreement on Cooperation between Charles University in Prague and Ljubljana University, which provides for formal contacts. A similar agreement was concluded in 1997 between Ostrava and Maribor universities, as well as between the philosophy faculties of Charles University and Ljubljana University. Partnership exists between the towns of Slovenj Gradec and "esk Krumlov, Celje and Opava, Idrija and Vimperk, Msngesa and Kyjov, Zalec and atec, Piran and Litomy 1.

SWITZERLAND

A bilateral political dialogue continued in 2000 in the spirit of traditional good relations. For the Czech Republic, Switzerland represents a traditional economic and trade partner. It was the fifteenth largest trading partner of the Czech Republic. The share of the turnover of foreign trade with Switzerland in the total Czech foreign trade was 1.4%.

Visits by representatives of the Czech Republic

8 12. 3. 2000 visit by Deputy Chairman of the Senate P. Pithart;

5 7. 11. 2000 visit by Deputy Minister of Culture Z. Novak.

Visits by representatives of Switzerland

10 14. 11. 2000 visit by a delegation of the Foreign Political Committee of the Council of Parliament.

Economic relations

In 2000, Czech exports to Switzerland amounted to 14.9 billion CZK. Imports to the Czech Republic amounted to 19.2 billion CZK. The balance of trade dropped to 4.3 billion CZK as against 1999; at a turnover of 34.2 billion CZK. In 2000, direct Swiss investments in the Czech Republic were at a similar level as during the previous year and accounted for 4.1% of direct foreign investments. Switzerland was the fifth biggest investor.

Cultural relations

Cultural relations, as well as relations in education and science, are not governed by any official agreement. Cultural relations took place predominantly on a commercial basis. The most significant Swiss institution, which acted in 2000 as an intermediary for Czech-Swiss cultural exchanges, was the Prague office of the Pro Helvetia Foundation. Its biggest project was the world premiere of the opera The Physicians by the Swiss composer Pfl ger, based on the libretto by the same name by the Swiss author D rrenmatt, performed by the State Opera in Prague. Among significant Czech cultural events in Switzerland was an exhibition of paintings by the painter K. enatÆat Uzmach, a concert by the Virtuosi di Praga chamber orchestra in Geneva, a theatre performance by the Brno Klauniki ensemble in Geneva and the Bohuslav Martinø music festival in Basle. A major cultural event was the joint project of the Czech and Slovak Embassies in Bern, The Velvet Revolution.

3. Relations of the Czech Republic with NATO and EU member states

BELGIUM

Belgium is an important partner of the Czech Republic. It is among the founding members of the EU and NATO and is active in a number of other international organizations.

After the accession of the Czech Republic to NATO, Czech-Belgian relations acquired a qualitatively higher standard. Cooperation arising from the Czech Republic's preparation for the membership in the European Union has also been strengthened.

In 1993 2000, Belgium was the fifth biggest foreign investor in the Czech Republic. In 2000, it was the eleventh biggest foreign trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

19 20. 1. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;
8. 2. 2000 visit by the Minister of Agriculture J. Fencl;
4 5. 9. 2000 visit by the Minister of the Environment M. Ku vart.

Visits by representatives of Belgium

24 26. 10. 2000 visit by King Albert II and Queen Paola;

12 14. 12. 2000 visit by Minister of Defence A. Flahaut.

Economic relations

In 2000, Belgium's share in Czech foreign trade was 2.19%. The turnover was 51.8 billion CZK, Czech exports amounted to 24.4 billion CZK, imports to 27.4 billion CZK, and the balance was 3.0 billion CZK.

The share of Belgian investments in 2000 was 2.5% and Belgium was the eleventh biggest investor in the Czech Republic.

Bilateral Agreements concluded in 2000

Joint declaration on cooperation between the Ministries of Labour and Social Affairs, Brussels, 8 March, 2000;

Agreement between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education of the Flemish community on cooperation in secondary school education, Prague, 21 June, 2000;

Agreement between the Ministry of Education, Youth and Sports of the Czech Republic and the General commissariat for international relations of the Belgian French community on the extension of Czech-French classes and their activities in secondary schools in the Czech Republic, Prague, 21 December, 2000.

Cultural relations

Cooperation with Prague in the project European Cities of Culture continued in 2000 (Temporalie Drama Marathon).

DENMARK

Denmark has been a significant partner of the Czech Republic and has consistently supported its effort to become a member of the European Union. The high level of relations was underscored by a visit by the Danish Minister of Foreign Affairs in the Czech Republic. In 2000, Denmark ranked as a major investor and trade and economic partner of the Czech Republic.

Visits by representatives of the Czech Republic

21. 9. 2000 working visit by the Chairman of the Office for the Protection of Economic Competition J. BednÆł;

Consultations by the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. TeliŁka.

Visits by representatives of Denmark

9. 3. 2000 official visit by the Minister of Foreign Affairs N. H. Petersen;

22 24. 3. 2000 working visit by the Chief of the General Staff of the Danish Army Ch. Hvidt;

23. 10. 2000 consultations by the Political Director of the Foreign Ministry L. Truelsen.

Economic relations

Trade turnover in 2000 amounted to 13.4 billion CZK; of this Czech exports accounted for 6.1 billion CZK and imports 7.3 billion CZK. The Czech deficit was

1.2 billion CZK. The predominant commodities in Czech exports to Denmark were metallurgical material, chemicals and engineering products especially koda automobiles. Denmark exported to the Czech Republic mainly machines (for the food industry and agriculture), energy generating equipment, measuring and regulation instruments and diagnostic instruments. As of 30 September, 2000, Danish firms had invested 6.35 billion CZK in the Czech Republic.

Bilateral Agreement concluded in 2000

Programme of educational and scientific cooperation in 2000 (i.e. a procedural protocol to the Agreement on cultural and artistic contacts), Prague, 13 September, 2000.

Cultural relations

An exhibition entitled Hommage to Jił KolÆł was organized in Copenhagen in February 2000. It contained about 30 collages by one of the best-known contemporary Czech artists. A review of films entitled The Czech Film Vanguard in the 1920s and 1930s was organized in September 2000. The most important cultural event in 2000 was an exhibition entitled the World as Seen by the Roma, which was installed in the ethnic gallery Shamballa in a fashionable part of Copenhagen.

The Danish language is taught at Charles University in Prague as a diploma subject while it was possible to attend Czech language courses at the universities in Copenhagen and Aarhus.

FINLAND

Finland has been an important partner of the Czech Republic due to its preparation for the accession to the European Union. The Czech Republic found it useful to examine the Finnish experience in negotiating its accession to the EU in 1995. A regular political dialogue was arranged between the two countries. A visit by Prime Minister M. Zeman was a significant landmark in bilateral relations.

Visits by representatives of the Czech Republic

28 30. 3. 2000 official visit by Prime Minister M. Zeman;
14 15. 6. 2000 official visit by the Minister of Environment M. Ku vart;
25 27. 9. 2000 visit by the Chairwoman of the State Office for Nuclear Safety
D.DrÆbovÆ.

Visits by representatives of Finland

22 23. 9. 2000 official visit by the Minister of Agriculture and Forestry K. Hemil ho;

23. 11. 2000 visit by the State Secretary for Affairs of the European Union A. Aalta.

Economic relations

Bilateral trade in 2000 reached 14.5 billion CZK, of this Czech exports accounted for 4.6 billion CZK and Czech imports 9.9 billion CZK. The Czech deficit amounted to 5.3 billion CZK.

The predominant Czech export commodity is koda automobiles as well as textiles, steel and iron, construction material, and machine tools. The major Finnish export items were telecommunication technology, machines, paper industry products, and chemicals.

Finnish firms made direct investment in the Czech Republic amounting to 359 million CZK in 2000.

Cultural relations

Bilateral relations registered an upward trend, backed by the conclusion of a Cooperation Programme for 2000 2004 (signed in November 1999). A series of events was arranged as part of the project Prague, Helsinki European Cities of Culture in 2000. Performances by J. Stiv n as part of the festival Art Goes Kapakka were well received by audiences, as well as concerts by the Czech Airdale trio in Helsinki. An exhibition of Czech graphic design at Rovaniemi was also very successful.

FRANCE

In the course of intensive preparations by the Czech Republic for accession to the European Union, France has been one of the Czech Republic's major partners thanks to its significant position in the political, security and economic system of today's world. France is a leading of the International Organization of the Francophonie, where the Czech Republic was granted observer status in September 1999. During the second half of 2000, France held the rotating presidency of the European Union.

Czech-French political relations were characterized by efforts on the part of the Czech Republic to explain and justify its position on the question of the enlargement of the European Union. These endeavours also aimed at encouraging French businesses to increase their investments in the Czech Republic and at gradually

expanding the Czech presence in France. Representatives, as well as consultations between the two countries at the level of senior officials, reflected the standard of an intensive political dialogue also in the frequency of visits and in negotiations. Negotiations characterized by frankness and by a professional approach did much towards a better understanding of each other and played a vital role in the dialogue between the candidate countries and member states and bodies of the European Union.

The mutual political interest in expanding economic relations has brought its results. In 2000, France was fourth largest partner of the Czech Republic in foreign trade and sixth largest investor in the Czech economy.

Visits by representatives of the Czech Republic

(Apart from non indicated participation in activities of the French presidency of the EU during the second half of 2000):

21 22. 2. 2000 official visit by Prime Minister M. Zeman;

24 26. 3. 2000 participation of Minister of Environment M. Ku vart in planting new trees, donated to France, at Versailles;

21 24. 6. 2000 working visit by Minister of Justice O. Motejl, receiving the Order of the Legion of Honour;

9. 11. 2000 participation of Minister of Finance P. Mertl k in the seminar on Czech-French trade relations in Paris;

24 27. 11. 2000 participation of Minister of Labour and Social Affairs V. pidla at a Conference on the Public Service;

30. 11. 2000 participation of Minister of Labour and Social Affairs V. pidla at the Conference The Identity of Europe in Paris;

9 10. 12. 2000 working visit by Minister of Culture P. DostÆl;

9 11. 12. 2000 participation of Minister of Environment M. Ku vart in the planting of trees, donated to France, in Paris.

Visits by representatives of France

8. 3. 2000 visit by Chairman of the Senate Ch. Poncelet;

16. 6. 2000 official visit by Minister of Foreign Affairs H. VØdrin, meeting of the Foreign Ministers of France, the Czech Republic, Hungary and Poland;

5 6. 10. 2000 visit by Minister of Culture Ch. Tasca;

3 4. 12. 2000 visit by Minister of Agriculture J. Glavany.

Economic relations

There was a substantial increase in two-way trade in 2000. Trade turnover rose from 83.5 billion CZK in 1999 to 106.8 billion CZK in 2000, i.e. by 28%. Exports in 2000 increased by 27% and reached a value of 45.1 billion CZK while imports

increased by a full 29% and reached 61.7 billion CZK. Consequently the deficit rose from 12.4 to 16.6 billion CZK, i.e. by 34%.

The predominant commodities in imports from France 2000 were machines and transportation equipment (56.6%), road vehicles (15.4%), telecommunication equipment and equipment for the recording and reproduction of sound (8.2%), drugs and pharmaceutical products.

Czech exports to France in 2000 consisted mainly of machines and transportation equipment (58.5%), especially road vehicles and their spare parts and accessories (21.9%), electrical equipment, instruments and appliances (8.7%).

A Czech Trade branch was opened in Paris in February 2000.

Direct French investments in the Czech Republic reached 943.7 billion CZK, which represents 3.8% of total investments in the Czech Republic. This made France in sixth largest foreign investor in the Czech Republic.

Bilateral Agreements concluded in 2000

Agreement between the Ministry of Defence of the Czech Republic and the Minister of Defence of the French Republic on cooperation in the field of fuel and lubricants, Paris, 22 November, 2000.

Cultural relations

Cultural, educational, and scientific contacts with France proceeded in 2000 under the terms of inter-governmental and inter-departmental agreements, as well as on the basis of direct cooperation between institutions. The Embassy of the Czech Republic in France in collaboration with the Czech Centre in Paris assisted mainly direct contacts in the field of culture, education, and science.

In 1999, the Government of the Czech Republic had decided to organize in 2002 in France a cultural festival, Czech Season. Preparations for this so far most significant presentation of Czech culture in France have been in progress since the beginning of 2000; the event is organized under the auspices of the Ministry of Culture of the Czech Republic.

The seminar on audio-visual policy and cultural variety in an enlarged Europe took on a European dimension and significance. The seminar, held in Prague in October 2000 by the Czech Republic together with France as a European Conference (e.g. EU member and candidate countries and Switzerland) within the framework of the French presidency of the EU, was opened by the Deputy Prime Minister and Minister of Foreign Affairs of the Czech Republic J. Kavan, and by the Minister of Culture of the Czech Republic P. DostÆl, as well as by the French Minister of Culture Ch. Tasca.

Czech culture was presented in France in 2000 in a more prominent manner than in previous years, especially in the field of music and cinematography. Czech posters took an important place at the international UNESCO salon (about a quarter of the posters displayed were from the Czech Republic).

A memorial plaque to Charles IV was unveiled at the Paris Palace of Justice on the initiative of the Franco-Czech Masaryk Association.

The programme of Barrande bilateral cooperation contributed to promoting cooperation in the field of science and research.

Traditional cooperation in education has been particularly extensive. Francophone events in the Czech Republic have been strengthened mainly thanks to Czech-French sections in bilingual secondary schools and the teaching of selected subjects at some faculties in the French language. The Czech Republic began to take an active part in the work of the International Organization of the Francophonie.

Courses of the Czech language were inaugurated in 2000 at the M. Bloche University in Strasburg.

IRELAND

As preparations by the Czech Republic for accession to the European Union gradually intensified in 2000, bilateral relations became increasingly dynamic because the Czech Republic was interested in Ireland s experience accumulated in the country s successful integration in the European integration process.

Trade played a significant role in Czech-Irish contacts in 2000. Ireland was the eighteenth largest foreign trade partner of the Czech Republic, compared to its 21st position in 1999.

Visits by representatives of the Czech Republic

10 11. 2. 2000 visit by the Deputy Prime Minister and Minister of Labour and Social Affairs V. pidla;

17 19. 6. 2000 visit by the Minister and Head of the Office of the Government K. Błezina;

29 30. 6. 2000 official visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;

10 11. 9. 2000 visit by Minister of Agriculture J. Fencl;

25 29. 9. 2000 visit by a delegation of the Committee for European Integration of the Chamber of Deputies of the Parliament.

Visit by representatives of Ireland

visit by the Deputy Prime Minister and Minister of Trade, Employment and Enterprise M. Harney;

22 27. 6. 2000 visit by the Speaker of the Senate B. Mulloly;29 30. 6. 2000 visit by a delegation of the Parliamentary Committee on Finance and Public Service;

18 21. 9. 2000 visit by the Secretary for Education and Science M. Woods;

22. 11. 2000 visit by the Deputy Minister of Justice P. Folan.

Economic relations

In 2000, the trend of accelerated growth, especially of Czech exports, continued. During that year exports to Ireland amounted to 7.5 billion CZK while imports to the Czech Republic were worth 8.8 billion CZK. This reduced the deficit in the trade balance to 1.3 billion CZK with a turnover of 16.3 billion CZK.

In the commodity structure of Czech exports the main items included telecommunication equipment and automobiles, imports from Ireland involved mainly data processing technology and electrical installations.

Cultural relations

There are no agreements on cultural, educational, and scientific relations between Ireland and the Czech Republic and cooperation takes place primarily on the basis of direct contacts, at times also with the help of financial assistance from EU programmes. But negotiations began in 2000 on an educational and scientific agreement and a first impulse was given for negotiations on a cultural agreement.

ICELAND

The distance between the two countries and the geographically determined difference of priorities influenced relations between the Czech Republic and Iceland. Following the accession of the Czech Republic to NATO, the Czech-Icelandic relations acquired the new attribute of an alliance.

Meetings of representatives of the Czech Republic and Iceland

24 25. 5. 2000 bilateral talks by the Deputy Prime Minister and Minister of Foreign Affairs of the Czech Republic J. Kavan and Minister of Foreign Affairs of Iceland H. 'sgrimsson at the meeting of the NATO Ministerial Council in Florence.

Economic relations

Turnover of mutual trade reached 328 million CZK in 2000; of this Czech exports accounted for 294 million CZK and imports 34 million CZK. The Czech Republic exported to Iceland mainly engineering products, metallurgical goods, automobiles

and tractors. Icelandic exports to the Czech Republic included primarily fish and fish products, furs and agricultural products.

Bilateral Agreements concluded in 2000

Double Taxation Avoidance Agreement, Oslo, 18 January, 2000.

Cultural relations

Grants to promote bilateral exchanges of students with the Czech Republic have been provided on an ad hoc reciprocal basis.

ITALY

Italy has been an especially important partner of the Czech Republic in 2000. The intensive development of bilateral relations in all spheres was based on the shared joint political environment and ties of alliance.

Apart from a political dialogue on an executive level as well as on a level of parliamentary delegations, emphasis was placed in 2000 on increased and more balanced trade and economic relations and on problems connected with the European Union.

Italy strongly advocated an effective reform of the EU and its speedy enlargement. Its constructive position greatly contributed to the success of the Nice Summit of the EU. At all bilateral contacts, Italy supported the accession of the Czech Republic to the EU in the earliest wave of enlargement. The dialogue that culminated during the visit of Czech Prime Minister M. Zeman in Italy demonstrated that the two countries had similar views on many fundamental issues related to European integration.

In 2000, Italy was the fifth biggest trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

27 28. 1. 2000 consultations of the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. TeliŁka;

23 24. 10. 2000 official visit by Prime Minister M. Zeman;

23. 11. 2000 visit by Minister of Culture P. DostÆl.

Visits by representatives of Italy

16. 2. 2000 visit by General Prosecutor responsible for combatting organized crime P. L. Vigny;

26 28. 6. 2000 visit by a delegation of the Supreme Council of Judges;

19 21. 7. 2000 visit by the Minister of Defence S. Mattarelly.

Economic relations

In the course of the past ten years, trade between Italy and the Czech Republic has been marked by a dynamic upsurge. There has been a permanent deficit on the Czech side. Italy s share in the overall turnover amounted to 4.5% in 2000. The turnover of mutual trade reached 106.5 billion CZK, of this exports 42.3 CZK and imports 64.2 billion CZK. The Czech deficit in 2000 amounted to 21.9 billion CZK.

In 2000, evident attempts were made to increase Czech exports to Italy and reduce the deficit in mutual trade, as well as to encourage more direct Italian investments in the Czech Republic. With direct investments totalling \$142.9 million, Italy was the thirteenth largest foreign investor in the Czech Republic.

The Italian market is very demanding. The predominant commodities in Czech exports have been machines and transportation equipment, market products, various industrial goods and chemicals (the share of automobiles was 15.3%, textile fibre and fabrics 7.3%, iron and steel 5.2%, metallurgy processing machines 3.4%, paper and mill-board 3.2%, chemicals 3.3% and electrical energy 3.1%).

The major items imported from Italy were machines and transportation equipment (42.1%), market products (19.7%), industrial goods (18.4%), household electrical and engineering appliances (washing machines, refrigerators) (5.6%), fabrics and fibre (4.8%), fruit and vegetables (3.2%), valves and fixtures (3.1%) and footwear (2.8%).

Cultural relations

Cultural relations were boosted by the Czech participation in the Great Jubilee 2000. Czech-Italian relations were advanced by the Czech contribution to the all-year celebration of the millennium (presentation by the President V. Havel of a Christmas tree to the Pope, concert by the Brno State Philharmonic in the presence of the Prime Minister M. Zeman, an exhibition The Last Flowers of the Middle Ages, attended by the Minister of Culture P. DostÆl).

CANADA

Canada has been the Czech Republic's significant partner as an economically and technically advanced country. Its membership in all major international organizations, its orientation on multilateral diplomacy as well as its staunch promotion of Trans-Atlantic relations, which is reflected especially in the security sphere by its membership in NATO and the OSCE, have been vital factors promoting a mutual dialogue.

The accession of the Czech Republic to NATO in March 1999 brought about a substantial shift in bilateral relations, as both countries bacame allies.

Visits by representatives of the Czech Republic

25 28. 3. 2000 visit by a group of Deputies of the Czech Parliament;14 18. 10. 2000 visit by the Minister of the Environment M. Ku vart.

Visits by representatives of Canada

14 18. 4. 2000 official visit by the Speaker of the House of Commons G. Parent;12 14. 9. 2000 visit by the Minister for International Trade P. Pettigrew.

Economic relations

In 2000, there was an increase in the turnover of bilateral trade. Overall turnover amounted to 6 billion CZK, of this exports to Canada were worth 2.4 billion CZK and imports 3.6 billion CZK. In 2000, there was a deficit on the Czech side, which amounted to 1.2 billion CZK. In spite of a rise in turnover, the volume has been low for three consecutive years and did not correspond to the favourable conditions, which exist for bilateral trade. The main Czech export items remained machine tools, printing machinery, tractors, glass, jewellery, and textile products, footwear, and toys, and sports equipment. The Czech Republic imported from Canada primarily machine tools, pumps, hydraulic equipment, computers, telecommunication supplies, optical and measuring instruments, signalling and security equipment, automobile spare parts, pharmaceuticals, live animals, and foodstuffs.

The most significant event in the sphere of trade policy in 2000 was the visit by a Canadian trade mission to the Czech Republic on 12 14 September, 2000, headed by the Minister for International Trade P. Pettigrew. Approximatelly 60 representatives of Canadian firms and institutions were part of the mission.

In 2000 Canada was the tenth biggest investor in the Czech Republic with a share of 2.6% of overall direct foreign investments.

Bilateral Agreements concluded in 2000

A Mutual Legal Assistance Treaty was ratified on 25 August, 2000; it came into force on 1 November, 2000.

Cultural relations

Cultural, educational and scientific relations are formally based on an agreement between the Government of the Czechoslovak Federal Republic and the Canadian Government on cooperation in the field of cultural, academic and sports contacts from 1990. Relations relied mainly on direct cooperation and contacts between the relevant institutions, agencies and art organizations.

The most extensive Czech-Canadian cultural relations were in the field of music (concerts).

The events worth mentioning include concerts of J. Sv cen and M. SynkovÆ and cooperation in staging the premiere of L. JanÆŁek's opera Katya Kabanova by the Opera de Montreal; further a charity concert of the Ms Kapralova Society. In the area of films, there was the first Central European Film Festival in Ottawa and the K. Zeman Film Festival in Montreal.

Organizations and associations of Czech expatriates in Canada have played an invaluable role in transmitting Czech cultural traditions to future generations. According to statistical data of 1996, there are 31,080 persons in Canada who declare that they speak Czech. But more than 70,000 persons acknowledge their Czech origin. The biggest expatriate organization is the Canadian Czech and Slovak Association, noted for its political tendencies. In the past, it offered assistance to Czech and Slovak exiles, as well as to dissidents in Czechoslovakia and it opposed the communist regime.

LUXEMBOURG

Czech-Luxembourg relations have been favourably influenced by the accession of the Czech Republic to NATO and by the intensification of preparations for admission to the European Union.

Visits by representatives of the Czech Republic

21. 1. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;
17 18. 11. 2000 visit by Deputy Prime Minister and Minister of Labour and Social Affairs V. pidla.

Visits by representatives of Luxembourg

visit by the Deputy Prime Minister and Minister of Foreign Affairs L. Polfer; attendance by Prime Minister J.-C. Juncker of the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank.

Economic relations

The share of Luxembourg in the foreign trade of the Czech Republic was 0.16%. In 2000, the trade turnover was 3.7 billion CZK (Czech exports 1.7 billion CZK, imports to the Czech Republic \$2 billion, balance 267 billion CZK). As of 30 September, 2000, Luxembourg s share in direct foreign investments was 0.42%, which put it in seventeenth place.

Bilateral Agreements concluded in 2000

An Agreement on Social Services, Luxembourg, 11 November, 2000.

THE NETHERLANDS

The Czech Republic regards the Netherlands as an important partner. Czech-Dutch relations were given a fresh impulse by the admission of the Czech Republic to NATO and were raised to a qualitatively higher level as relations of alliance. Cooperation has been strengthened in connection with the preparation of the Czech Republic for its membership in the European Union.

In 2000, the Netherlands was the tenth most important foreign trade partner of the Czech Republic. It took second place in direct foreign investments on account of its large share among foreign investors in 1990 1999.

Visits by representatives of the Czech Republic

17 18. 1. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;

23 24. 1. 2000 visit by Prime Minister M. Zeman.

Visits by representatives of the Netherlands

4 5. 9. 2000 visit by the Minister of Health, Prosperity and Sport E. Borst-Eilers;22. 9. 2000 visit by the Deputy Minister of Culture F. van der Ploeg;visit by the Chief of the Defence Staff L. Kroon.

Economic relations

The share of the Netherlands in the Czech Republic's foreign trade was 2.3%. The trade turnover amounted to 54.8 billion CZK (Czech exports 25.7 billion, Czech imports 29.06 billion CZK, balance 3.28 billion CZK). The Netherlands accounted for 21.9% of overall foreign investments in 2000. Investments concentrated chiefly on telecommunications, energy, trade, services, the chemical and food, engineering, and shipping industries.

Bilateral Agreements concluded in 2000

Memorandum of Understanding between the Czech Republic and the Kingdom of the Netherlands, The Hague, 24 January, 2000;

Accord between the Ministry of Defence of the Czech Republic and the Minister of Defence of the Kingdom of the Netherlands on the exchange of information and cooperation in defence research and technology, Brussels, 13 April, 2000;

Memorandum of Understanding (Programme of bilateral cooperation) between the Ministry of Transport and Communication of the Czech Republic and the Ministry of Transport, Public Works and Water Management of the Kingdom of the Netherlands, Prague, 29 May, 2000;

Memorandum on cooperation between the Ministry of Health of the Czech Republic and the Ministry of Health, Social Care and Sport of the Kingdom of the Netherlands, Prague 5 September 2000.

Cultural relations

Czech-Dutch cultural relations have been based on the Cultural Agreement of 1972, which have been updated for the relevant periods by procedural protocols. Among the most noteworthy cultural projects referring to Czech culture, arranged in the Netherlands in 2000, was the exhibition Prague 1900: Poetry and Ecstasies, held in the Van Gogh Museum in Amsterdam. Other events worth mentioning were the screening of Czech films at the 29th International Film Festival in Rotterdam and the participation of Czech artists at the International Exhibition of contemporary modern art, Huntenkunst 2000, at Doetinchen.

NORWAY

Norway has been among the important partners of the Czech Republic. Czech-Norwegian relations, now relations of alliance, have become more dynamic in connection with our accession to NATO. Relations reached a fresh peak with the official visit by Prime Minister M. Zeman to Norway.

In 2000, Norway was the 20th biggest trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

26 28. 3. 2000 official visit by Prime Minister M. Zeman.

Visits by representatives of Norway

- 15 16. 2. 2000 working visit by the Minister of Defence E. Lawer;
- 5. 5. 2000 visit by Minister of Foreign Affairs T. Jagland;
- 1 2. 11. 2000 working visit by the Deputy Minister of Justice Ø. Maeland.

Economic relations

Trade has increased since natural gas started to be supplied from Norway in 1997. In 2000, the mutual trade turnover amounted to 15.9 billion CZK, of this Czech exports amounted to 4.4 billion CZK and imports 11.5 billion CZK. The Czech deficit was 7.1 billion CZK. The predominant Czech export commodities to Norway were automobiles, tractors, metallurgical products, and textiles. Norwegian exports included mainly natural gas, ferrous alloys, aluminium and aluminium products, and electrical appliances.

Cultural relations

The most significant presentation of Czech culture during the current period was organized as part of joint events of European cities of culture 2000 Prague-Bergen. An exhibition of B. Smetana and A. DvołÆk was held at the Grieg memorial premises, followed by two concerts of classical music performed by soloists of the National Theatre.

The Norwegian language was taught at universities in Prague and in Brno, and there were facilities for studying the Czech language at Oslo University.

PORTUGAL

Portugal has occupied a significant position, mainly within the framework of the European Union in view of its EU Presidency in the first half of 2000. The increased attention devoted to bilateral relations, as a result of the impending date for the enlargement of the European Union, was reflected in frequent visits (mainly to Portugal), in a strengthened political dialogue between the representatives of the two countries and in increased bilateral cooperation. The official visit by Prime Minister M. Zeman marked a significant event.

Visits by representatives of the Czech Republic

14 15. 2. 2000 official visit by Prime Minister M. Zeman;

16 18. 3. 2000 participation of Minister of Education, Youth and Sports E. Zeman at the conference of EU, EFTA and associated countries;

15 16. 5. 2000 participation of Czech Minister of Defence V. Vetch at a NATO/WEU Conference;

29 30. 5. 2000 participation of a delegation of the committees for European integration of the Czech Parliament in a COSAC session;

5 6. 6. 2000 participation of Vice-Chairman of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament J. Payne at a conference of chairmen of foreign relations committees of the Parliaments of EU member and associate countries;
23. 6. 2000 participation of Minister for local Development P. Lachnit at a conference of European periphery maritime regions;

12 13. 10. 2000 participation of Minister and Head of the Office of the Government K. Błezina at a ministerial conference of the Pompidou Group of the Council of Europe.

Visits by representatives of Portugal

22. 2. 2000 visit by the Minister of Transport and Communications J. Coelho;24 28. 5. 2000 visit by a delegation of the Constitutional Court.

Economic relations

The development of foreign trade between the Czech Republic and Portugal was comparable to the trend during the previous period, with the value of our exports predominating and showing a high positive trade balance; the trade balance reached 6.6 billion CZK. Czech exports amounted to 4.4 billion CZK, i.e. a 34.3% increase. Imports from Portugal were 2.2 billion CZK, i.e. an 86.5% increase.

The major Czech export items were machines and means of transportation mainly koda automobiles (54.7%), followed by market products and chemicals (4.2%). Imports from Portugal involved mainly machines and means of transportation (44%), market products (27.9%), chemicals (9.2%) and raw materials (8.4%).

Cultural relations

Cultural cooperation was based on a Procedural Protocol to the Cultural Agreement. Its validity has been extended up till the end of 2001. Cultural, educational and scientific contacts with Portugal were based mainly on direct relations in 2000.

The most noteworthy events were an exhibition of Czech artistic glass at the glass museum in Marinha Grande, a mobile exhibition of photographs Photogenic i kov, arranged at Visea and other Portuguese cities.

GREECE

Political relations with Greece have been of a good standard, not burdened by political conflicts. After the accession of the Czech Republic to NATO, these relations have become relations of alliance. Relations have acquired a new dimension not only in the political but also in the trade and economic sphere. The close interests and positions of the two countries made it possible to formulate first the joint Czech-Greek proposal for the peace process in South-Eastern Europe and later the Memorandum on Cooperation in the Economic Restoration of South-Eastern Europe.

Visits by representatives of the Czech Republic

21 23. 2. 2000 visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;

visit by Prime Minister M. Zeman.

Visits by representatives of Greece

3. 11. 2000 visit by Minister of Foreign Affairs G. Papandreu;
14 16. 11. 2000 visit by the President K. Stefanopoulos;
14 16. 11. 2000 visit by alternating Minister of Foreign Affairs E. Papazoi.

Economic relations

Trade and tourism were the main areas of economic relations between the two countries. Trade turnover amounted to almost 6.8 billion CZK in 2000 with a positive balance of 2.4 billion CZK. The Czech Republic exported goods worth 4.6 billion CZK and imported goods worth 2.2 billion CZK. The Czech Republic has the highest export/import ratio with Greece.

A Czech-Greek Office for Cooperation for Reconstruction of the Balkans opened in Thessaloniki in August 2000, staffed by two Czech diplomats concentrating on trade and the economy. After a slight drop in Czech exports in 1999 as a result of the Kosovo conflict and subsequent transport problems and the restriction of exports to the Federal Republic of Yugoslavia caused by the embargo, there was a steep rise in exports in 2000. The results for 2000 show not only record Czech exports but also a record positive trade balance with Greece for the past ten years.

The main items among Czech exports were koda automobiles, energy components, processed timber, steel and metallurgical products, textile products, live animals, and tractors.

Imports concentrated on the agricultural sector and food industry. The proportion of these products reached two-thirds of the total volume. This included citrus fruit, vegetables, cotton, and tobacco. There have been less significant imports of marble, various types of paint, electrical conductors, and textile fibres.

Bilateral Agreements concluded in 2000

An agreement between the Government of the Czech Republic and the Government of the Greek Republic on economic, industrial, and technical cooperation, Athens, 25 May, 2000.

Cultural relations

Cultural cooperation was carried out in accordance with a cultural agreement and a programme of cultural exchanges. A concert was arranged on the initiative of the Embassy of the Czech Republic in Greece and a number of important cultural ensembles arranged several representative events on their own initiative.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

In 2000, Great Britain has been one of the most important political and economic partners of the Czech Republic, which has been reflected in the frequency of visits and the strengthened development of Czech-British relations.

The signing of a plan of common activities by Great Britain and the Czech Republic during the visit of Britain's Foreign Secretary R. Cook in Prague in July 2000 gave a strong impulse to the further progress of cooperation.

In 2000, Great Britain was the seventh biggest trade partner of the Czech Republic and also held seventh place among foreign investors.

The increased number of applicants for political asylum in Great Britain had to some extent complicated the mutual relationship. But throughout 2000, both sides were doing their utmost to solve this problem.

Visits by representatives of the Czech Republic

13 15. 1. 2000 working visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan

31. 1 2. 2. 2000 consultations of the Deputy Minister of Foreign Affairs H. Kmon Łek;

7 10. 2. 2000 participation of Deputy Prime Minister and Minister of Labour and Social Affairs V. pidla in an OECD Conference in London;

12 15. 2. 2000 visit by Deputy Prime Minister and Minister of Finance P. Mertl k; 22 23. 2. 2000 participation of Deputy Minister of Finance J. MlÆdek at the Europe 21 Conference;

15. 2. 2000 participation of Deputy Prime Minister and Minister of Finance P. Mertl k at the inauguration of the Czech Republic Opportunity campaign;

29. 2 1. 3. 2000 working visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;

12 16. 3. 2000 visit by the Chairman of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament L. ZaorÆlek;

29 31. 3. 2000 consultations by Deputy Minister of Foreign Affairs O. Pick;

31. 3. 1. 4. 2000 participation of the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. TeliŁka in a meeting of negotiators from the countries of the Visegrad Group;

6 8. 6. 2000 participation of Chairman of the Chamber of Deputies of the Parliament V. Klaus at a seminar in London;

7 9. 6. 2000 participation of Minister of Justice O. Motejl at a Conference of European Justice Ministers;

19 20. 6. 2000 visit by Minister of Defence V. Vetch ;

22 27. 6. 2000 visit by a delegation of the Standing Senate Commission on Compatriots Living Abroad;

3 6. 7. 2000 visit by Minister of Agriculture J. Fencl;

9. 7. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan and Minister of Defence J. Vetch at the 60th anniversary of the creation of Czechoslovak units in Great Britain at Cholmondeley;

24 25. 7. 2000 working visit by Minister of Transport and Communication J. Schling;

8 10. 10. 2000 working visit by the Minister for Local Development P. Lachnit; 10 11. 10. 2000 official visit by Prime Minister M. Zeman;

10 11. 10. 2000 participation of Minister of Defence V. Vetch at a session of NATO Ministers of Defence;

16. 11. 2000 consultation by the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs Minister P. TeliŁka;

31. 10 2. 11. 2000 visit by a delegation of the Permanent Commission for oversight of the Security Information Service activities of the Chamber of Deputies of the Parliament.

Visits by representatives of the United Kingdom of Great Britain and Northern Ireland

26 27. 1. 2000 visit by a delegation of the House of Lords European Communities Committee;

13 14. 3. 2000 visit by the Secretary of State for Trade and Industry H. Liddel;

27 29. 4. 2000 visit by the Lord Chancellor Lord Irving;

25 26. 7. 2000 visit by the Foreign Secretary R. Cook;

2 4. 7. 2000 visit by a delegation of the House of Commons Standing Committees on Delegated Legislation;

30. 10. 1. 11. 2000 official visit by Prince Charles;

17 19. 11. 2000 visit by the Minister for Education, Europe and Foreign Relations J. McConnell.

Economic relations

In 2000, there has been a dynamic upsurge in Czech-British trade. Czech exports to Great Britain in 2000 reached 48 billion CZK, i.e. a 58% increase as apposed to the previous year. Imports from Great Britain in 2000 amounted to 51.5 billion CZK, i.e. a 36% increase compared to 1999. Consequently, the trade deficit for 2000 amounted to 3.4 billion CZK with a turnover of 99.4 billion CZK. Great Britain's share in overall trade turnover amounted to 4.2%.

Products with a high added value predominated in Czech exports automobiles, electrical machinery, and engineering products. The trend of Czech exports was boosted mainly by the strong pound and by economic growth, backed by British domestic demand.

Great Britain also held a prominent place among foreign investors its share in direct foreign investments in the Czech Republic was 2.8%.

Czech investments in Great Britain are still negligible and have been confined to ownership participation in several businesses, to the representation of Czech banks Report on the Foreign Policy of the Czech Republic II. Bilateral Relations of the Czech Republic

and the Czech insurance company, haulage firms and branches of various travel agencies.

Bilateral Agreements concluded in 2000

Memorandum on Understanding between the Ministry of Defence of the Czech Republic and the Ministry of Defence of the United Kingdom of Great Britain and Northern Ireland on the establishment of a British military training and advisory team for Central and Eastern Europe, Prague, 25 July, 2000.

Plan of joint activities of Great Britain and the Czech Republic, Prague, 26 July, 2000.

Cultural relations

Music was the traditionally predominant in the presentation of Czech culture in Great Britain in 2000. It was followed by art and architecture. The presentation of Czech films at various festivals in London and elsewhere was particularly extensive.

Contacts with organizations of expatriates were also rising. Several major events were organized to mark the 60th anniversary of the Battle of Britain, which highlighted the participation of Czech and Slovak airmen. Among major events was a ceremony at Cholmondeley, attended by the Ministers of Foreign Affairs and Defence of the Czech Republic.

The most extensive event in 2000 was the new production of the Greek Passion by B. Martinø at the Royal Opera House (18 April 8 May). The art programme of the Czech Centre in London included a major exhibition of works by K. Teige, which presented not only his collages from the surrealist period of the 1930s and 1940s, but also his well-known selections of poems.

In the sphere of education, there were certain negative aspects in Czech studies in Great Britain, which had been imposed by financial problems. These adverse trends had been there for several years and in some cases imposed the restriction or abolition of teaching altogether.

Certain noteworthy activities arranged by the British Council in Prague promoted cultural and educational cooperation. It was planned to organize an English for Europe project, which would centre on courses in the English language for officials in the state administration.

UNITED STATES OF AMERICA

The United States is politically, militarily and economically a super-power and as such it is able to exercise its influence in all parts of the world. Membership in NATO establishes a framework of mutual alliance and promotes the Trans-Atlantic link, which the United States systematically advocates. Its membership in Organization for Security and Cooperation in Europe and in the European Bank for Reconstruction and Development testifies to the active presence of the United States in Europe. The United States is a leading member of many international organizations and since the early 1990s it has been a key political and economic partner of the Czech Republic.

The political significance of the United States arises from its leadership role in the community of democratic forces in the world. Its influence is felt in virtually all countries throughout the world, regardless of whether they are allies of the United States or hold a negative attitude towards the United States. The American economy is strong not only by its volume but also because of its capacity to utilize the most up-to-date scientific and technical developments, the strength of its capital and its currency. In addition to these, there are other factors, such as the influence of American culture and the so-called American way of life.

Bilateral political relations between the United States and the Czech Republic were on a high level in 2000, as in previous years. This was demonstrated by frequent visits of the highest representatives of the two states.

In 2000, the United States was the ninth biggest trade partner of the Czech Republic and the fourth biggest investor in the country.

Visits by representatives of the Czech Republic

5 9. 3. 2000 visit by the Chairman of the Chamber of Deputies of the Parliament V. Klaus;

19 24. 3. 2000 participation of the Minister of Transport and Communications A. PeltrÆm in a seminar on aviation in Seattle;

11 16. 4. 2000 working visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;

26 27. 4. 2000 participation of the Minister of the Environment M. Ku vart at the eigth session of the Committee on Sustainable Development of the Economic and Social Council of the United Nations in New York;

14 18. 5. 2000 participation of members of the Permanent Delegation to the North Atlantic Assembly of the Chamber of Deputies of the Parliament at the session of the political committee of the NATO parliamentary assembly in Washington;

4 6. 6. 2000 participation of Minister of Defence V. Vetch at the opening of the Museum of the Normandy Invasion in New Orleans;

4 10. 6. 2000 visit by a delegation of the Budget Committee of the Chamber of Deputies of the Parliament;

14 18. 6. 2000 participation of the Chairman of the Chamber of Deputies of the Parliament V. Klaus at the American Enterprise Institute Forum at Beaver Creek in Denver;

28. 6. 2000 participation of the Minister of Defence V. Vetch at the Trans-Atlantic Forum of the Western European Union in Washington;

8 14. 8. 2000 participation of the Chairman of the Chamber of Deputies of the Parliament V. Klaus and Senators J. MoserovÆ and P. Pithart at the World Congress of the Society for Science and Art in Washington;

26 30. 8. 2000 participation of the Chairwoman of the Senate L. Bene ovÆ at the sixth conference of women chairs of parliaments in New York;

30. 8. 1. 9. 2000 participation of a delegation of the Chamber of Deputies of the Parliament, headed by its Deputy Chairwoman P. BuzkovÆ, at a conference of chairs of parliaments, arranged by the Inter-Parliamentary Union in collaboration with the United Nations in New York;

4 10. 9. 2000 participation of President V. Havel at the United Nations Millennium Summit in New York;

10 16. 9. 2000 participation of Deputy Prime Minister and Minister of Foreign Affairs J. Kavan at the fifty-fifth session of the General Assembly of the United Nations in New York;

1 9. 10. 2000 visit by a delegation of the Committee on Legal and Constitutional Affairs of the Senate in Boston, Washington, and New York;

8 12. 10. 2000 participation of Minister of Transport and Communications J. Schling at a symposium on transport Movement into the 21st Century the Best Methods for the Present and a Lesson for the Future in Washington;

18 25. 11. 2000 visit by the Deputies J. Karas and P. ulæk, members of the Sub-Committee for Contacts with Expatriates of the Committee for Foreign Affairs of the Parliament, to San Francisco, Chicago, and New York;

5 6. 12. 2000 working visit by the Minister of the Environment M. Ku vart to Washington.

Visits by representatives of the United States

5 8. 3. 2000 official visit by Secretary of State M. Albright;

16 17. 4. 2000 visit by a delegation of the Permanent Committee of the US Congress for Finance Legislation;

30 31. 5. 2000 visit by Secretary of Transportation R. Slater at the 84th session of the Council of Ministers of the Ministers of Transport (CEMT) in Prague;

2 9. 12. 2000 fact-finding mission by a 12-member group of members of the US Congress to Europe with a stay in Prague.

Economic relations

The United States were among the first ten most important trade partners of the Czech Republic. On the other hand, trade with the Czech Republic constituted only

0,1% of the entire foreign trade of the United States. In the overall American international trade, the Czech Republic held 65^{th} place. The trade between the Czech Republic and the United States was liberalized with some exceptions. The United States only applied quantity of restrictions to Czech imports of textiles, clothing, and cheese. Quantity quotas applied to five categories of textile and clothing commodities.

During the past few years, mutual trade has been steadily growing, the value of Czech exports and imports has increased every year. The annual rate of increase of Czech exports in 1999 2000 reached 47% and its value was 31.5 billion CZK, compared to 21.5 billion CZK in 1999. Czech imports rose to 54.9 billion CZK. Unfortunately, there has been a growing deficit in the balance of trade on the Czech side which in 2000 increased to 23.4 billion CZK with a turnover of 86.4 billion CZK. Czech exports to the US have comprised mainly machinery and equipment, electrical consumer goods, glass, china, organic chemicals, toys, sports equipment, as well as aircraft components, which were marked by a 44% increase. On the other hand, exports of raw materials and foodstuffs dropped and amounted to a mere 1.7% of overall trade with the United States. In the United States exports to the Czech Republic, the predominant commodities were machinery and equipment, aircraft and their components, optical and medical instruments, electrical machines, tobacco, perfumery, cosmetics, and paper and cardboard.

The Czech Republic attempts to create favourable conditions for strategic partners and therefore welcomes the entry of American investors focusing on the modernization of production and facilitating exports. In the volume of investments in 2000, the United States held a fourth place. The United States investments during that period amounted to 4.5% of the total volume of direct foreign investments. But their actual value is higher due to investments through the intermediary of branches of US firms in Europe. The Czech Republic has established Czech Trade agencies in Chicago with the consent of the Federal Government with the aim of promoting mutual economic and trade relations.

Bilateral Agreements concluded in 2000

Treaty between the Czech Republic and the United States of America on mutual legal aid in criminal matters, Prague, 6 March, 2000;

Supplement to information exchanged (DEA) A-97-CZ-1567 to the agreement between the Ministry of Defense of the Czech Republic and the Department of Defense of the United States of America on the exchange of scientific and technical information on technology to secure and identify combat chemical substances and toxic industrial chemicals, Alexandria, Virginia, 3 April, 2000.

Cultural relations

The Czech Philharmonic gave a performance at the Lincoln Centre in 2000 with its conductor Vladimir Ashkenazy. Czech chamber music was presented by the Kocian Quartet, the kampa Quartet, and the Talich String Quartet. Czech films have also been successful. They were presented in January 2000 at the XI. International Film Festival in Palm Springs. The films The Return of the Idiot and All My Close Ones were particularly successful. Contemporary Czech films were also presented at the New Faces in Czech Films , shown in October 2000 at the Czech Centre in New York.

The American public was able to see Czech art at several exhibitions, especially modern art and photographs. Among Czech artists who exhibited their work in the United States were J. and E. vankmajer, ". Su ka, the Torzo Art Group and the Free Association 12/15. There were successful exhibitions of photographs by J. Sudek and B. Holom Łek. The reconstruction of mosaics of the Last Judgment from the 14th century in the St. Vitus Cathedral in Prague was a significant Czech-US project as part of the protection of the cultural heritage. It was carried out in collaboration between Prague Castle and the Getty Institute in Los Angeles. The unique restored historical monument was unveiled in September 2000 in the presence of President V. Havel.

Cooperation in education and science was financed in the framework of the Fulbright Programme, with government financial assistance. The Programme provides for the annual reciprocal exchange of several dozen scientists, teachers, and students. In 2000, the Fulbright Commission increased its grant programmes by the Fulbright-Masaryk Grant for outstanding scientific experts in all branches.

An exceptional event in Czech-American relations was the exhibition Czech Settlers in America: The Life of Expatriates in 1848 1920. It was organized in collaboration with the NÆprstek Museum in Prague and the Ellis Island Immigration Museum in New York. President V. Havel opened the exhibition in September 2000 during his visit in the United States.

The largest community of expatriate Czechs in the world lives in the United States. According to statistics for 1990, 1.3 million persons claim Czech origin and 300,000 claim Czechoslovak origin. The largest communities of Czech-Americans live in big cities (Chicago, Los Angeles, and New York) as well as in the states of Texas, Illinois, California, Wisconsin, Minnesota, Nebraska, Ohio, and Iowa. A considerable number of expatriates belongs to expatriate organizations. The non-profit organization American Friends of the Czech Republic (AFoCR), founded in 1995, plays the most significant role. It lobbies on behalf of Czech interests in the United States and has played a role in supporting the admission of the Czech Republic to NATO. The same applies to the Society of Arts and Sciences. The Chairman of the Chamber of Deputies of the Parliament of the Czech Republic

V. Klaus addressed its Congress. There were 170 expatriate organizations in the United States in 2000.

The Czech National House in New York, the purchase and subsequent refurbishing has of which was approved by the Government of the Czech Republic by Government Resolution No. 207 of 21 February, 2000, is to serve also for various cultural and expatriate events.

SPAIN

Spain has been an important partner of the Czech Republic. The position of Spain as an ally within NATO and as a future partner in the European Union has had a favourable effect on mutual political relations. The frequency of official contacts was influenced last year by the parliamentary elections in Spain most high level visits had to be postponed until 2001.

In 2000, Spain was Czech Republics thirteenth largest foreign trade partner and eigth among EU member countries.

Visits by representatives of the Czech Republic

15 20. 2. 2000 visit by the Chairman of the Supreme Control Office L. Volen k;12 19. 5. visit by a delegation of the Constitutional Court;

24 26. 5. 2000 visit by the General Chief of the Staff of the Army of the Czech Republic J. ediv .

Economic relations

Trade turnover amounted to 40.8 billion CZK. Czech exports to Spain in 2000 amounted to 18 billion CZK, i.e. a 16.7% increase as opposed to the previous year. Imports from Spain amounted to 22.7 billion CZK, i.e. an increase by 54.7%. The share of Spain in overall foreign trade turnover of the Czech Republic was 1.7% in 2000, 1.6% on Czech exports, and 1.8% on imports.

The predominant import commodities were machinery and machine equipment, automobiles, fruit and vegetables, chemicals, domestic electrical appliances, telecommunication and audio-visual equipment, footwear, and furniture. The Czech Republic exported mainly automobiles (15.2%), tyres (7.5%), machine equipment (44.2%), iron fixtures, electrical equipment, textile fibre, and organic chemicals.

Investments by the Viscofan firm in the plastics factory at "eskØ Bud jovice added considerably to the level of Spanish direct investments in the Czech Republic, reaching 1,007.2 million CZK during the first three quarters of the year.

Cultural relations

Czech-Spanish cultural and educational relations took place mainly on the basis of direct contacts and under the terms of a Procedural Protocol to the Cultural Agreement, in force until the end of 2001.

Events which were part of the project Prague a European Cultural City in 2000 were very well received. Czech art was presented by an exhibition UNESCO Cities at Ourense, accompanied by lectures, discussions and films. Concerts by the Panoch Quartet and performances by the Prague Mime Theatre, Alfred at the Court of Hanging Man, were also successful.

Literary discussions with the Czech authors J. Hrub , M. Høla, and P. Verner also contributed to the promotion of Czech culture.

SWEDEN

Sweden was a significant partner of the Czech Republic in light of its rotating presidency of the EU during the first half of 2001. Cooperation with Sweden has played an important role in the preparations of the Czech Republic for integration into the European Union. There has been an intensive political dialogue between the two countries.

In 2000, Sweden was the fourteenth biggest trade partner of the Czech Republic and took eight place among foreign investors.

Visits by representatives of the Czech Republic

26 28. 1. 2000 participation of President V. Havel at the Holocaust Forum in Stockholm;

16 18. 4. 2000 working visit by Minister of Defence V. Vetch ;

8 9. 5. 2000 working visit by Minister of Environment M. Ku vart;

5 7. 6. 2000 working visit by Deputy Minister of Foreign Affairs M. Palou ;

4 5. 9. 2000 consultation of the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. TeliŁka;

12 13. 9. 2000 working visit by the Chairman of the Chamber of Deputies of the Parliament V. Klaus.

Visits by representatives of Sweden

26 28. 6. 2000 visit by the Parliamentary Defence Committee;

26. 8. 2000 private visit by Carl XVI. Gustav, King of Sweden;

25. 10. 2000 working visit by the Minister of Agriculture, Food and Fisheries and Minister of Gender Equality Affairs M. Winberg;

10 11. 11. 2000 working visit by Minister of Foreign Affairs A. Lindt.

Economic relations

Czech-Swedish economic relations developed favourably, reflected in particular by the annual rise in turnover. The overall turnover of commodities in 2000 reached 34.8 billion CZK; of this Czech exports amounted to 15.1 billion CZK and imports to 19.7 billion CZK, with deficit of 4.6 billion CZK.

Imports from Sweden consisted mainly of technically advanced commodities of the engineering and processing industries. Export opportunities for Czech firms consisted above all of beer, koda automobiles, textiles, chemical products, equipment for breweries, and furniture.

Some 100 Swedish firms conducted their business in the Czech Republic.

Bilateral Agreements concluded in 2000

Agreement between the Ministry of Education, Youth and Sports of the Czech Republic and the Swedish institute for cooperation in education and science for 2000 2002, Stockholm, 14 April, 2000;

A general security agreement between the Ministry of Defence of the Czech Republic and the Swedish Ministry of Defence, concerning classified military information, Stockholm, 18 April, 2000.

Cultural relations

In 2000, there were 100 Czech cultural events in Sweden. The most significant was a presentation of the culture of the Roma minority living in the Czech Republic.

The most comprehensive presentation of Czech culture was the participation of the Czech Republic in the Stockholm Book Festival, an exhibition of photographs and a discussion by V. The Æk with students of Czech studies at the Stockholm University, as well as a presentation by V. The Æk and P. Borkovec of excerpts from some of their works on the premises of the Union of Swedish Writers and at the Stockholm Book Festival. Czech films were also presented at three film festivals (Gothenburg, Stockholm, Umea) and at regular film shows in the Czech Centre.

TURKEY

Turkey, as a member of NATO, and, as of December 1999, a candidate for membership in the EU, has played a stabilizing role in the region. The accession of the Czech Republic to NATO opened new opportunities for more intensive relations with Turkey, not only in the military and political area, but also in the commercial and economic spheres.

Visits by representatives of the Czech Republic

3 5. 5. 2000 visit by a delegation of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament;

10 12. 10. 2000 state visit by President V. Havel.

Economic relations

The year 2000 was significant not only because the negative development of 1999 has been reversed (deficit), but also after approximately six years the margin of profit has been very distinct. Exports in 2000 amounted to 6.2 billion CZK and imports 4.2 billion CZK. Overall turnover was 10.4 billion CZK and the surplus of Czech exports was 2 billion CZK. The relative vicinity of the Turkish market and its considerable absorbing capacity and the complementary nature of the two economies made increase in trade possible.

The main items on the Czech export list have been traditionally textiles, automobiles, crude iron and steel, artificial and textile fibres, glass and glass products, chemical products, dyes, and paper. New items on the export list were small-radius knitting machines, trucks, tractors, and inorganic chemical products.

Imports from Turkey included mainly food and agricultural products and certain types of raw materials. These included citrus fruit, cotton, tobacco, dried fruit, peat raw material, and chrome ore. Recently, more Turkish consumer goods have been imported to the Czech Republic, not only cotton textiles and leather clothing, but also electrical domestic appliances.

The Free Trade Agreement with Turkey, which came into force on 1 September, 1998, brings the position of Czech exports of most industrial products into line with that of its European competitors. The standard contractual base in the economic sphere has been supplemented by the Agreement on the support and protection of investments and by the Agreement on the prevention of double taxation.

Bilateral Agreements concluded in 2000

Agreement on cooperation in the field of agriculture and the food industry between the Ministry of Agriculture of the Czech Republic and the Ministry of Agriculture and Development of the Republic of Turkey, Prague, 7 September, 2000;

Agreement between the Government of the Czech Republic and the Government of the Republic of Turkey on cooperation in the veterinary area, Ankara, 10 October, 2000; Agreement between the Government of the Czech Republic and the Government of the Republic of Turkey on mutual aid in customs matters, Ankara, 10 October, 2000; Agreement between the Government of the Czech Republic and the Government of the Republic of Turkey on cooperation in matters of quarantine and the protection of plants, Ankara, 10 October, 2000.

Cultural relations

Cultural cooperation has not been defined by treaty. An exhibition of photographs of V. Havel has been well received in Turkey; it was arranged on the occasion of his visit. Turkey has shown interest in concluding a cultural agreement.

4. Relations with the Baltic States

ESTONIA

Relations with Estonia, which is seeking integration in the NATO security structures and is linked with the Czech Republic by a common interest in membership in the EU, were raised to a higher level in 2000. The Czech Republic opened an Embassy of the Czech Republic in Estonia and the first resident Czech Ambassador was appointed here. Among visits on the highest level was a visit by the Estonian President L. Meri. Relations on other levels intensified as well.

Visits by representatives of the Czech Republic

8 11. 5. 2000 visit by a delegation of the Senate Committee on National Economy, Agriculture and Transport;

15. 5. 2000 inter-ministerial consultation by the Deputy Minister of Foreign Affairs H. Kmon Łek;

29 31. 10. 2000 participation of Chairman of the Committee for European Integration of the Chamber of Deputies of the Parliament J. Zv lina at the fifth meeting of Chairmen of corresponding Committees of the Parliaments of Estonia, Poland, Hungary, the Czech Republic, Slovenia, and Cyprus;

1 3. 11. 2000 participation of a Senate delegation in the Road towards a Transforming Europe Conference in Estonia.

Visits by representatives of Estonia

29. 5. 1. 6. 2000 visit by President L. Meri;24. 11. 2000 visit by Minister of Education T. Lukas.

Economic relations

The development of economic and trade cooperation is the priority in mutual relations on both sides. The trade turnover in 2000 was 2.7 billion CZK, exports reached 861.8 million CZK, and imports 1.9 billion CZK. The deficit stood at approximately 1 billion CZK. A most popular Czech export commodity remain

koda automobiles, followed by consumer goods such as textiles, clothing, footwear, china, jewellery, and glass.

Bilateral Agreements concluded in 2000

Agreement on International Passenger and Freight Road Transport; Prague, 31 May, 2000;

Agreement between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education of the Republic of Estonia on Cooperation in Education, Science, and Youth; Prague, 24 November, 2000.

Cultural relations

The opening of an embassy of the Czech Republic contributed to intensifying cultural exchanges. Cultural activities included the regular Trialigos drama festival in Tallinn, where invitations were extended to representatives of the Czech Republic. Felicia music festivals are likewise significant events. They have been held in Tallinn and Helsinki since the 1990s and are attended by Czech representatives. The growing interest in courses of the Czech language in Estonia also deserves attention.

LITHUANIA

Lithuania has traditionally been an important partner of the Czech Republic and it has been our largest economic partner among the Baltic States. In 2000, cooperation considerably deepened, particularly in the sphere of security. In this connection, the fact, that the Embassy of the Czech Republic in Lithuania acts as the NATO contact embassy for that country, is significant. The Embassy will act in this capacity from 1 September, 2000, until 31 August, 2002. An intensive high level political dialogue is in progress between the two countries. The Czech Republic has supported the inclusion of Lithuania among the candidates for membership in the European Union.

Visits by representatives of the Czech Republic

31. 1. 1. 2. 2000 second Czech Republic-Lithuania round-table session at the level of deputy ministers of foreign affairs and ministers of defence;

18 20. 4. 2000 visit by a delegation of the Committee on European Integration of the Senate;

30. 3. 1. 4. 2000 visit by Prime Minister M. Zeman;

4 5. 10. 2000 participation of Deputy Prime Minister P. Rychetsk at the International Forum on Holocaust-Era Looted Cultural Assets;

19 20. 9. 2000 official visit by Minister of Defence V. Vetch .

Visits by representatives of Lithuania

5 7. 4. 2000 visit by a parliamentary delegation, headed by the Vice-Chairman of the Seim R. JukneviŁiene;

20 21. 9. 2000 visit by the Minister of the Environment D. Lygis.

Economic relations

Lithuania is the biggest trade partner of the Czech Republic among the Baltic states. The trade turnover amounted to 4.8 billion CZK with a positive balance for the Czech Republic of 3.3 billion CZK. In 2000, Czech exports amounted to 4.1 billion CZK and imports 764.9 million CZK.

Czech export commodities included means of transportation (trolley buses, koda automobiles, locomotives), agricultural machinery, building machinery, ecological equipment, products of the chemical industry (chemical products for housing construction, paints and varnish, etc.), sanitary ceramics, radiators, and ecological heating, building material and household equipment, industrial fixtures, small hydro-electric power stations, footwear, glass, ceramics, foodstuffs, medicine and vitamin preparations, kitchen furniture, paper, plastic products, medical instruments, hunting weapons and ammunition, and other commodities. Lithuanian imports included mainly flax and linen fibre, cotton, textiles, canned fish, timber, laminated wood boards, etc.

Bilateral Agreements concluded in 2000

Agreement between the Ministries of Agriculture of the Czech Republic and Lithuania on Cooperation in Agriculture; Vilnius, 31 March, 2000;

Agreement between the Ministries of Agriculture of the Czech Republic and Lithuania on Cooperation in Phyto-Quarantine and the Protection of Plants; Vilnius, 31 March, 2000;

Agreement between the Ministries of Education on Cooperation in Education and Science; Vilnius, 31 March, 2000;

Inter-Governmental Agreement on the Exchange of Graduates; Vilnius, 31 March, 2000;

Inter-Governmental Agreement on the Protection of Classified Information; Vilnius, 19 September, 2000.

Cultural cooperation

Bilateral cultural relations showed a tendency to increase and were founded on the basis of historical traditions and interests of the cultural institutions of the two countries reaching direct contacts on commercial and non-commercial bases. The Ministry of Foreign Affairs of the Czech Republic in collaboration with the Ministry of Culture of the Czech Republic arranged a large number of exhibitions during the

past period, for example exhibition of children's books and documentary photographs. There were exchanges in the sphere of concerts and music contests. Lithuania shows great interest in Czech culture, which is reflected, in the growing number of translations of Czech literary works as well as in interest shown in the Czech language. An International Forum on Holocaust-Era Looted Cultural Assets was a most significant event, organized by Lithuania in October 2000. The Czech Republic was represented by a Deputy Prime Minister and Deputy Minister of Culture as well as by a number of Czech experts on the subject. Partnership cooperation between Prague and Vilnius and Brno and Kaunas has also progressed successfully.

LATVIA

Latvia, along with the other Baltic States, is an important political and economic partner of the Czech Republic. An intensive political dialogue took place between the two countries and there has been more extensive cooperation especially in the sphere of security.

Visits by representatives of the Czech Republic

5-8. 6. 2000 visit by the Chairwoman of the Senate L. Bene ovÆ;

21 22. 6. 2000 visit by the Minister of Defence V. Vetch ;

2 3. 11. 2000 visit by the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. TeliŁka;

20 23. 11. 2000 visit by a delegation of the Committee for Social Policy and Health Care of the Chamber of Deputies of the Parliament.

Visits by representatives of Latvia

- 10 11. 2. 2000 consultation by the Minister of Foreign Affairs M. Riekstin ;
- 15 18. 10. 2000 visit by Minister of Foreign Affairs I. BØrzi ;
- 12 15. 11. 2000 visit by the Minister of Interior M. Seglin .

Economic relations

Mutual turnover reached 2.0 billion CZK; of this Czech exports were worth 1.7 billion CZK and imports 315.1 million CZK. There was a positive balance of 1.4 billion CZK.

Exports to Latvia involved mainly machinery, television sets, sound and picture recording equipment, plastic products, detergents, means of transport, iron and steel products, sanitary ceramic products, glass, weapons and ammunition. Significant

items on the Czech import list were timber products, furniture and fish products. Czech firms took an active part in tenders for public orders. A Czech firm managed to acquire an order for the supply of ammunition for the Latvian army. The opening of an information and consultation branch of the Czech Trade Agency in Riga was a significant event in this respect.

Bilateral Agreements concluded in 2000

Agreement on Industrial Cooperation in the Sphere of Defence; Riga, 21 June, 2000;

Inter-Governmental Agreement on the Protection of Classified Information; Prague, 16 October, 2000 (came into force on 1 January, 2001);

Inter-governmental Agreement on Cooperation in the Struggle Against Terrorism, Illegal Trade with Narcotics and Toxic Materials and Organized Crime; Prague, 14 November, 2000.

Cultural relations

The basic contractual document on cultural relations with Latvia is an Agreement on Cultural Cooperation between the Government of the Czech Republic and the Government of the Republic of Latvia, signed by the Ministers of Culture in 1999. The most significant project in 2000 was an exhibition of Latvian textile art, presented at the Prague New City Town Hall, then an exhibition under the title Latvia Returns to Europe (National Museum in Prague). Among events organized by the Czech side in Latvia, an exhibition of works by A. Mucha, arranged in Riga at the beginning of 2000, met with particular response; the exhibition was accompanied by a seminar on the development of Art Nouveau in the Baltic region. Interest was also shown in an exhibition devoted to the Czech author B. Hrabal, entitled Too Loud A Solitude , organized in the Central Scientific Library in Liepaji in January 2000.

5. Relations between the Czech Republic and the Eastern and South-Eastern European countries

ALBANIA

Albania was an important partner of the Czech Republic in South-Eastern Europe in 2000. One reason was Albania s efforts to achieve long-term stability in the region. Efforts to maintain the level of relations, which had been attained, were underscored by the visit of the Minister Foreign Affairs of Albania in Prague. Cooperation in the trade and economic areas has been strengthened.

Visits by representatives of Albania

12 15. 2. 2000 official visit by the Minister of Transport I. Shuli;11 12. 10. 2000 official visit by the Minister of Foreign Affairs P. Milo.

Economic relations

The relatively complicated domestic situation, the insolvency of the Albanian economy, the lack of transparency of the privatisation process and widespread corruption continue to influence the development of bilateral relations. Regardless of these negative phenomena, mutual trade has shown a steadily rising tendency. Trade turnover amounted to 589.2 million CZK (of this imports 22.2 million CZK, and exports 567.0 million CZK). Czech profits amounted to 544.8 million CZK.

Bilateral Agreements concluded in 2000

Protocol on Cooperation between the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Foreign Affairs of the Republic of Albania; Prague, 11 October, 2000.

Cultural relations

The Czech Republic offers Albania 2 3 governmental scholarships a year. Albania has proposed to sign inter-departmental agreements in the area of education.

BELARUS

Bilateral political relations were minimalized due to the internal situation and to the international position of Belarus. There were no high-level contacts. Other European democratic states, the United States, and Canada did not maintain high-level contacts with Belarus either.

Bilateral contacts were limited to working contacts, mainly in the fields of trade and the economy. In its activities with in the international community the Czech Republic joined international efforts aiming at the democratisation of Belarus and endorsed the positions of the EU.

In July 2000, the Senate of the Czech Republic passed a resolution criticising the violation of human rights and freedoms in Belarus.

Visits by representatives of the Czech Republic

24 26. 4. 2000 visit by a delegation of the Committee on Foreign Affairs, Defence and Security of the Senate.

Economic relations

The Czech Republic was interested in promoting mutual economic relations with Belarus. In 2000, trade reached a turnover of 5 billion CZK (exports 3.9 billion CZK, imports 1.1 billion CZK). Trade between the Czech Republic and Belarus amounted to 0.2% in the overall turnover of Czech foreign trade for 2000; of this Czech exports was 0.3% and imports 0.1%. The Czech positive balance amounted to 2.8 billion CZK.

The predominant Czech export items were foodstuffs, machinery and means of transportation, chemicals and chemical products and market products, while imports concentrated on market products (textile fibres, metal products), chemicals and allied products, various industrial products, machines and means of transport.

Czech exports to Belarus were limited as a result of to a convertible currency in Belarus.

Under the terms of the Protocol on Cooperation between the Ministry of Industry and Trade of the Czech Republic and the Ministry of Foreign Affairs of the Republic of Belarus, the first meeting of a Czech-Belarussian working group was held in Prague on 18 19 April, 2000, on a level of directors of departments in the relevant ministries. During the meeting, the Czech-Belarussian trade and economic relations and topical issues of cooperation on concrete projects were discussed.

Cultural relations

Cultural relations proceeded on a non-governmental level.

BOSNIA AND HERZEGOVINA

The Czech Republic took an active part in the stabilization of the domestic and security conditions in Bosnia and Hercegovina. The Czech SFOR unit, one battalion strong, stationed at the Donja Ljubija and Bosanska Krupa localities, enjoyed general respect and was highly appreciated.

Visits by representatives of the Czech Republic

9 10. 6., 22 23. 9., and 21 22. 12. 2000 visits by the General Chief of Staff of the Army of the Czech Republic General J. ediv, inspecting the Czech units participating in SFOR and KFOR.

Economic relations

In 2000, trade increased and Czech exports were far higher than imports. Trade turnover amounted to 2.1 billion CZK, of this Czech exports were 2.0 billion CZK

and imports 85.2 million CZK. Compared to 1999, the value of Bosnia and Herzegovina exports to the Czech Republic had doubled, while the value of the Czech Republic's exports had risen by only 22%. The positive balance on the Czech side amounted to 1.9 billion CZK.

The predominant Czech export items were energy equipment, means of transport and vehicles, heavy metallurgy, foodstuffs and products of the chemical industry. Exports from Bosnia and Hercegovina involved mainy clothing, footwear, components for railways, aluminium waste and ceramic isolators.

Cultural relations

Cultural events centred on those organized by certain non-governmental organizations and by the Embassy of the Czech Republic in Bosnia and Herzegovina. A successful evening of Czech Chamber Music was arranged with Czech artists. The Czech Republic also maintained regular contacts with expatriate organizations to which it offered financial assistance for cultural and educational activities.

BULGARIA

Bulgaria is an important stabilizing element in South-Eastern Europe. The points of contact in Czech-Bulgarian bilateral relations are membership in Central European Free Trade Agreement (CEFTA) and the Central European Initiative, the EU integration process and Euro-Atlantic cooperation. The Czech Republic and Bulgaria maintained intensive contacts and a political dialogue as well as economic relations were in progress.

Visits by representatives of the Czech Republic

10 16. 9. 2000 visit by a delegation of the Committee for Public Administration, Regional Development, and the Environment of the Senate;

10 13. 10. 2000 visit by a delegation of the Agricultural Committee of the Chamber of Deputies of the Czech Parliament.

Visit by representatives of Bulgaria

25 26. 4. 2000 visit by the Minister of Defence P. Noev;

9 14. 5. 2000 visit by Vice-President T. Kavaldjev on the occasion of attending a meeting of Bulgarian expatriates in the Czech Republic;

10 14. 6. 2000 visit by a delegation of the Committee on Agriculture and Forests of the Bulgarian Parliament;

29. 9. 2000 visit by the Minister of Foreign Affairs N. Michajlovova;

- 14. 11. 2000 visit by the Chief of the General Staff M. Michov;
- 13 15. 11. 2000 visit by the Minister of Environment and Water Management E. Manevova;
- 11. 12. 2000 official visit by Prime Minister I. Kostov.

Economic relations

In the 1990s, the volume of trade was stabilized, amounting to 2.5 3 billion CZK. There was a steep rise in 1998 when the volume was in excess of 4 billion CZK. This increase was due mainly to the gradual introduction of the free trade regime, as well as to improving economic conditions in Bulgaria; but this was due also to fact that Czech firms showed greater interest in the Bulgarian market. In 2000, the trade turnover amounted to 4.7 billion CZK, Czech exports reached 3.8 billion CZK and imports 904 million CZK. This brought the positive balance to 2.9 billion CZK.

The major Czech export items included metallurgical commodities, linen fibres, automobiles, vehicle components (for tractors, automobiles, lorries, cranes, trolleys, lever jacks), tyres, transmission shafts, radiators, central heating boilers, textiles, paper, drugs, and dairy products. Imports from Bulgaria consisted mainly of parts and components of means of transportation, zinc, copper, trolleys with manipulation equipment, parts for excavators, bulldozers, certain metallurgical products, chemicals, telephone technology, vegetables, wine and tobacco.

Bilateral Agreements concluded in 2000

Memorandum on the Further Development of Cooperation between the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Foreign Affairs of the Republic of Bulgaria; Prague, 29 September, 2000;

Agreement on Cooperation in the Protection of the Environment between the Ministry of the Environment of the Czech Republic and the Ministry of the Environment and Water Management of the Republic of Bulgaria; 14 November, 2000;

Agreement between the Office for Technical Standardization, Metrology, and State Testing of the Czech Republic and the State Agency for Standardization and Metrology of the Republic of Bulgaria on cooperation in assessing conformity; Prague, 11 December, 2000.

Cultural relations

The basic documents underlying cultural, scientific and educational cooperation were an Inter-Governmental Agreement on Cultural and Scientific Cooperation of 1978 and an Agreement on Scientific Cooperation between the Academies of Sciences of the Czech Republic and the Republic of Bulgaria of 1993. Bulgaria has been included on the list of countries to which the Government of the Czech Republic offers government scholarships one for undergraduate and one for post-graduate studies. The Bohemia Club, including Bulgarian scholars of Czech studies and friends of Czech culture has been successful in Bulgaria. The Bohemia Club publishes its own periodicals and arranges for translations of Czech literature.

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

The Former Yugoslav Republic of Macedonia (FYROM) is gradually overcoming the legacy of the break-up of the former Federal Republic of Yugoslavia, which severely affected the economy of FYROM. The Czech Republic supported efforts by the international community to establish political and economic stability and progress. The main part of bilateral relations was in trade and in the economy.

Visits by representatives of the Czech Republic

17 18. 2. 2000 visit by the Minister of Defence V. Vetch .

Economic relations

In 2000, there has been no substantial development of economic relations. The Czech Republic attempted to establish a link between its so-called energy programmes, presented as part of the Stability Pact for South-Eastern Europe and the proposal by FYROM of establishing an energy centre of the Stability Pact for South-Eastern Europe in Skopje. The foreign trade turnover was for South-Eastern Europe in the region of 595.9 million CZK (of this exports were 481.8 million CZK, imports 114.1 million CZK). The Czech positive balance amounted to 367.7 million CZK.

Bilateral Agreements concluded in 2000

Agreement between the Ministry of Defence of the Czech Republic and the Ministry of Defence by FYROM; Skopje, 17 February, 2000.

GEORGIA

There has been a pronounced strengthening of Czech-Georgian relations in the period under review. An Embassy of the Czech Republic in Georgia was opened in Tbilisi on 6 June, 2000. It is also accredited for Armenia. This decision was very well received in Georgia.

A number of Georgian ministries and institutions showed interest in learning about the experience of the Czech Republic during the transition to a market economy and in the course of transformation. There was a constant interest in Czech commodities and Czech investments. But the volume of trade turnover or investments by Czech firms in Georgia did not correspond with this interest.

Visits by representatives of the Czech Republic

31. 10 4. 11. 2000 visit by Deputy Minister of Foreign Affairs H. Kmon Łek.

Visits by representatives of Georgia

22 24. 2. 2000 working visit by the Minister for the Administration of State Assets M. Ukleba and the Minister of Industry M. Shoshitaishvili;

30. 7. 2. 8. 2000 visit by the Minister of Transport and Communication M. Andeishvili.

Economic relations

The trade turnover in 2000 amounted to 226.6 million CZK, of this Czech exports were worth 201.1 million CZK, and imports 25.5 million CZK. The Czech Republic had a positive trade balance of 175.6 million CZK.

The predominant commodities imported from Georgia were nuts and wine, Czech exports included mainly specialised technology, building material, glass, electrical engineering material, and household heating installations.

Cultural relations

During the period under review, 12 Georgian students have been studying in the Czech Republic on government grants. Several other Georgian citizens were studying at Czech universities and paid their own tuition fees. The Embassy of the Czech Republic in Georgia established active cooperation with Czech expatriates, members of the Golden Prague Association, as well as with members of the Association of Georgian-Czech Relations.

CROATIA

The position of Croatia on the international scene improved after the elections in 2000. Bilateral relations have been revived. The visit by President V. Havel in Croatia was a significant landmark in these relations. Croatia is a potentially important economic partner of the Czech Republic.

Visits by representatives of the Czech Republic

- 19–20. 4. 2000 visit by the Chairwoman of the Senate L. Benešová and a delegation of Senators;
- 9-11. 7. 2000 visit by President V. Havel;
- 25-26. 9. 2000 visit by a delegation of the Committee on Education, Science, Culture, Human Rights and Petitions of the Senate.

Visits by representatives of Croatia

- 11-12. 6. 2000 - visit by Prime Minister J. Račan;

- 6-7. 11. 2000 - visit by Minister of Defence J. Radoš.

Economic relations

Croatia is the second biggest trade partner of the Czech Republic, following Slovenia among the states of the former Yugoslavia. There has been an increase in trade compared to 1999. The value of imports in 2000 increased by approximately 5% 1999, the value of exports by 33%. The trade turnover in 2000 amounted to approximately 7.3 billion CZK and the positive trade balance was 4.9 billion CZK, imports 1.2 billion CZK.

Among the major export items to Croatia were black metallurgy products, vehicles, machines and equipment, machine tools, paper and paper products, as well as live animals. Croatia exported to the Czech Republic mainly electrical equipment, non-ferrous metals, drugs and pharmaceutical products, chemicals, and fish.

Cultural relations

Cultural cooperation took place mainly in the form of direct contacts between institutions and individuals, or on a commercial basis between art agencies. The Embassy of the Czech Republic in Croatia was most active in presenting Czech culture in Croatia. The major event in 2000 was an exhibition "Architecture for a New Democracy – J. Plečnik", arranged in collaboration with the Administration of the Prague Castle. The launching of a translation of the book "How to Make a Boy" by L. Vaculík was attended by the author; film director J. Menzel was also present at the premiere of a theatre play which he had rehearsed with Croatian actors.

KAZAKHSTAN

The gradual transformation of the Kazakh economy and, above all, the mineral resources of the country created the conditions for Kazakhstan to become

a significant economic partner of the Czech Republic. Czech companies showed interest in participating in modernization and restructuring projects of the Kazakh industry and transport networks.

Visa regime has been introduced between the two countries in October 2000.

Visits by representatives of the Czech Republic

- 14–15. 6. 2000 – participation of Minister of Transport and Communications
 J. Schling in an International Conference on Transportation.

Economic relations

In 2000, Kazakhstan was the third most significant trade partner of the Czech Republic among the states of the former Soviet Union, following the Russian Federation and Ukraine. Trade turnover was 5.9 billion CZK, of this Czech exports amounted to 1.2 billion CZK, imports to 4.7 billion CZK. The Czech deficit in trade with Kazakhstan amounted to 3.5 billion CZK.

Czech exports involved mainly machines and transportation equipment, food technology, automobiles, glass, and footwear. The primary import commodities were mineral fuel, lubricants, and other raw materials.

Cultural relations

Cultural relations between the two countries have been on a low level. The Czech film industry contributed two films to the Week of European Films, held in Alma Ata in May 2000. Ten students from Kazakhstan studied at Czech universities on government scholarships.

CYPRUS

Czech-Cypriot relations have been correct and without problems. The position of the two countries as candidates for EU membership has created considerable scope for mutual relations. There have been ongoing political exchanges between the two countries.

Visits by representatives of Cyprus

- 26-28. 3. 2000 - official visit by the Minister of Industry and Trade N. Rolandis.

Economic relations

In 2000, the trade turnover amounted to 594.7 million CZK with an active balance in favour of the Czech Republic with 245.7 million CZK. The Czech Republic

exported commodities worth of 420.2 million CZK and imported goods worth of 174.5 million CZK.

The commodities exported to Cyprus were machinery, electrical equipment, iron, steel and construction timber, glass and glass products, plastic material, chemicals, textile fibres, and paper. Cypriot exports were mainly citrus fruit (58%), tobacco products, and pharmaceutical products.

A significant feature of the expansion of trade was the participation of firms in international trade fairs, organized in the two countries.

In 2000, Cyprus's share in overall direct foreign investments was 2.7% and Cyprus thus became the ninth biggest investor in the Czech Republic.

Bilateral Agreements concluded in 2000

 A procedural protocol to the Agreement on Cooperation in Education, Youth and Sport for the period 1999–2001; Nicosia, 8 June, 2000.

Cultural relations

The contractual document about the expansion of cultural relations has been the Agreement on Cooperation in Culture, Science and Education of 1971. Relations have been newly adapted under the terms of a more recently signed procedural protocol for 1999–2001. There has been a steady interest of Cypriot students in studies at universities in the Czech Republic.

REPUBLIC OF MOLDOVA

Czech-Moldavian relations have been sporadic in the past but lately showed a rising tendency. This was demonstrated, for example, by the visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of the Czech Republic

- 10-16. 9. 2000 visit by a delegation of the Committee for Public Administration, Regional Development, and the Environment of the Senate;
- 22. 9. 2000 visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Economic relations

The volume of trade between the Czech Republic and Moldova was low. Yet some rising tendency has been observed. In 2000, the trade turnover was 469.8 million CZK, exports accounted for 382 million CZK, imports for 87.8 million CZK. The

conclusion of agreements on trade and economic cooperation, the prevention of double taxation, and the promotion and protection of investments in 1999 had a favourable effect on economic relations.

ROMANIA

Romania is a traditional Czech partner in South-Eastern Europe. The points of contact in bilateral relations have been membership in Central European Free Trade Agreement (CEFTA) and Central European Initiative (CEI), the process of integration in the EU, and Euro-Atlantic cooperation. Contacts have been intense and visits by representatives of the two countries retained a high standard. The Czech Republic supported the inclusion of Romania among the EU candidate countries, its admission to NATO and its candidature for presidency of the Organization for Security and Cooperation in Europe (OSCE) in 2001.

Visits by representatives of the Czech Republic

- 18. 5. 2000 visit by President V. Havel;
- 17. 7. 2000 visit by Minister of Defence V. Vetchý;
- 10-16. 9. 2000 visit by a delegation of the Committee for Public Administration, Regional Development and the Environment of the Senate;
- 21. 9. 2000 visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of Romania

- 26–29. 6. 2000 visit by a delegation of the Economic and Agricultural Committee of the Senate;
- 8-9. 10. 2000 official visit by Prime Minister M. Isarescu.

Economic relations

There has been a steady increase in trade since 1994. In the period under review, the trade balance again recorded a very high balance (5 billion CZK) in favour of the Czech Republic. The turnover was 7.7 billion CZK – Czech exports amounted to 6.4 billion CZK, imports to 1.3 billion CZK.

Among the commodities high on the Czech export list were consumer goods, chemicals, machines and transportation equipment, and foodstuffs. There were also tyres and tyre cord, plastic goods (17.6%), metals and metal products (12.1%), chemical products (11.5%), machines and electrical instruments (11%), motor vehicles and means of transport (7.9%), timber products, paper and cardboard (7.6%),

textile materials and textile products (7.9%). The main Romanian exports to the Czech Republic were furniture and sports goods (22.9%), timber and charcoal (12.8%), metal and metal products (11.4%), textile materials and textile products (9.5%), and chemical products (9.2%).

Bilateral Agreements concluded in 2000

 Agreement between the Ministry of Defence of the Czech Republic and the Ministry of National Defence of Romania on the protection of military classified information, Bucharest, 17 July, 2000.

Cultural relations

An inter-departmental agreement was concluded in June 1998 between the Ministries of Education of the Czech Republic and Romania on cooperation in education for 1998–2000. It makes provision for study at state universities of the two contracting parties under financial conditions applying to citizens of their own countries.

There are 5,500 Czech expatriates in Romania, descendants of Czech émigrés who settled there in the 1920s, mainly in southern Banat. The Czech minority in Romania is today probably the most authentic Czech community abroad. The Czech Republic has continued to implement a programme of exceptional assistance to the expatriate community (started in 1995); its objectives are the repair of Czech schools and cultural centres in the region, repairs of access roads to Czech localities, introducing telephones in these localities and providing their inhabitants with adequate medical care.

RUSSIAN FEDERATION

Relations between the Czech Republic and the Russian Federation play a major role in the Czech bilateral diplomacy as enshrined in Czech foreign policy. The Russian Federation represents a significant factor in dealing with security matters in the Euro-Atlantic area. It is an important trade and economic partner of the Czech Republic.

The Czech Republic, as a member of NATO, has been advocating the strengthening of a dialogue between the Russian Federation and NATO. The year 2000 was characterized by the resumption of their mutual contacts. The participation of the Russian Federation at the two sessions of the Permanent Joint Council at the level of foreign ministers was an important factor in raising the quality of the NATO-Russian Federation dialogue.

A mutual political dialogue between the Czech Republic and the Russian Federation was revived in the second half of 2000. There was an exchange of parliamentary delegations and both countries appointed new ambassadors into each other's country.

In the first half of 2000, the Government of the Czech Republic decided to introduce entry visas for Russian citizens as a measure connected with the preparation for the admission of the Czech Republic to the EU. The Russian Federation decided to take the same step. The introduction of visas by both parties did not have any adverse effect on their mutual relations.

The Russian Federation was the eighb biggest trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

- 11-13. 10. 2000 - visit by a delegation of the Committee for Foreign Affairs of the Chamber of Deputies of the Czech Parliament.

Visits by representatives of the Russian Federation

- 29-30. 5. 2000 visit by the Governor of the Sverdlovsk Region E. Rossel;
- -9-13. 10. 2000 visit by a joint delegation of the Economic and Agriculture Committees of the Council of the Federation of the Federal Assembly;
- 13-14. 11. 2000 participation of the Minister of the Government and Head of the Office of the Government Shuvalov at the sixth session of the Inter-Governmental Commission for Trade, Economic, Scientific and Technical Cooperation.

Economic relations

The share of the Russian Federation in overall foreign trade turnover of the Czech Republic in the period under review reached 3.3% and amounted to 95.1 billion CZK.

In 2000, imports from the Russian Federation increased to 80.2 billion CZK, i.e. 6.4% of overall imports to the Czech Republic (second place in total imports to the Czech Republic). The primary reason was the steep increase in the price of energy-generating raw materials. Czech exports to the Russian Federation amounted to 14.9 billion CZK and the share dropped from 1.5% to 1.3% of overall Czech exports. The deficit in bilateral trade amounted to 65.3 billion CZK (i.e. 30.4 billion CZK more than in 1999).

The main reason for the unbalanced trade balance was the high import of energygenerating raw materials from the Russian Federation (oil, gas). The Czech Republic attempted to reduce the deficit, above all by increased exports to the Russian Federation. A tendency emerged to regroup the commodities of Czech exports to the Russian Federation in favour of machines, completing equipment and transportation equipment. The sixth session of the Inter-Governmental Commission for Trade, Economic, Scientific and Technical Cooperation took place in Prague on 13–14 November, 2000. Number of concrete decisions aimed at further expansion of economic cooperation and at the solution of pending problems were adopted.

Contacts with Russian regions were a significant aspect of direct trade and economic relations with the Russian Federation; these contacts have already been in existence for several years. The regions, with which the Czech Republic has been engaged in successful cooperation in 2000, include first of all Moscow and the Moscow Region, St. Petersburg, and the Sverdlovsk Region.

Cultural relations

Cultural relations between the Czech Republic and the Russian Federation were mainly based on direct contacts of the organizers of various events.

In 2000, the Czech Republic took part in the exhibition, "Fotobiennale 2000", in the Kinosok Film Festival at Anapa and in the Mosfilm Festival in Moscow. It was represented at a competition exhibition of children's drawings etc.

The ensemble of the world-renowned Theatre Na Taganke, headed by the producer Ljubimov, took part in the International Drama Festival in Pilsen in the autumn of 2000.

Translation grants provided by the Ministry of Culture of the Czech Republic made it possible to revive the publication of Czech literature works by the Russian publishing houses and to launch a publicity drive in the Russian media on personalities of Czech cultural life (J. A. Komenský, T. G. Masaryk, J. Hašek, F. Kafka and others).

FEDERAL REPUBLIC OF YUGOSLAVIA

The political changes in the Federal Republic of Yugoslavia in 2000 met with a favourable response on the international scene. The result was the speedy incorporation of the country into international organizations and the abolition of the regime of sanctions by the EU, with the exception of some sanctions directed against Miloševič.

The Czech Republic conducted a fairly intensive dialogue with the opposition to Miloševič before and after the changes. The internal political development was characterized by relatively clear democratic elements and laid the foundations for the full restoration of bilateral relations in all spheres.

In light of these changes, the Czech Republic was prepared to restore a full political dialogue, which had been completely suspended as a results of the Miloševič regime. The Czech Republic also expected the speedy resumption of trade and economic

relations and the involvement of Czech firms in projects under the Stability Pact for South-Eastern Europe. That is why the Government of the Czech Republic without delay called off the sanctions in its relations with the Federal Republic of Yugoslavia and declared its readiness to offer the country economic as well as humanitarian aid, which had been provided regularly in the past.

Visits by representatives of the Czech Republic

- 23. 10. 2000 – official visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of the Federal Republic of Yugoslavia

- 21. 11. 2000 - working visit by the President of Montenegro M. Djukanovic.

Economic relations

The sanctions imposed on the Federal Republic of Yugoslavia had an adverse effect on trade and economic relations between the two countries. Trade could be carried on only in areas not affected by the sanctions. The abolition of sanctions and the incorporation of the Federal Republic of Yugoslavia in the Stability Pact for South-Eastern Europe created favourable conditions for restoring trade and economic relations. After almost ten years of isolation, the market of the Federal Republic of Yugoslavia became most attractive. Czech firms showed keen interest in penetrating this sphere. By the end of 2000, a group of Czech business people visited the Federal Republic of Yugoslavia with the aim of investigating the requirements of the Yugoslav market. The mutual trade turnover was around 3.3 billion CZK. Czech exports amounted to 2.6 billion CZK, imports 676.7 million CZK. This enabled the Czech Republic to register a favourable balance of 2 billion CZK.

Cultural relations

At the initiative of the Embassy of the Czech Republic in the Federal Republic of Yugoslavia, a relatively large number of cultural events were organized in Belgrade. The Yugoslav students was offered 20 scholarships as part of Czech assistance to the country.

UKRAINE

During the period under review, Ukraine belonged to the most significant partners of the Czech Republic in Eastern Europe. Bilateral relations were of a good standard; both sides were interested in their further strengthening. Contacts between the Parliaments of the two countries, between departments of the governmental bodies, especially the Ministries of Defence and the Ministries of Agriculture, were most active.

Following a decision of the Government of the Czech Republic, the agreement between the government of the Czechoslovak Federal Republic and the government of the USSR on conditions of travel by citizens of the two states (Prague, 17 December, 1981) was rescinded as of 28 April, 2000. As of 28 June, 2000, visas are required for the citizens of the two countries for travel to the other country. It was noted that the introduction of visas did not in any way have an adverse effect on cooperation between the two countries.

The Czech Republic welcomed endeavours by Ukraine towards its closer cooperation with NATO, the European Union and with Central European regional groups and organizations. The Czech Republic also expressed appreciation for the policy pursued by Ukraine vis-à-vis neighbouring countries as well as its efforts to strengthen regional security.

Ukraine was among the significant economic partners of the Czech Republic – second most important among the countries of the former Soviet Union.

Visits by representatives of the Czech Republic

- -9. 6. 2000 visit by the Minister of Agriculture J. Fencl;
- 12–13. 6. 2000 visit by a delegation of the Committee for Economics of the Chamber of Deputies of the Parliament;
- 3. 11. 2000 participation of the Chairwoman of the Senate L. Benešová and the Minister of Industry and Trade M. Grégr in a ceremony unveiling plaques in memory of Czech legionnaires;
- 4-7. 12. 2000 visit by a delegation of the Constitution and Legal Committee of the Chamber of Deputies of the Parliament.

Economic relations

The turnover of mutual trade amounted to 14.7 billion CZK in 2000; of this, Czech exports amounted to 5.6 billion CZK, imports to 9.1 billion CZK. This resulted in a Czech deficit of 3.5 billion CZK, which in its absolute value exceeded the cumulative negative balance of the Czech Republic in mutual trade during the past five years.

The predominant import commodities from Ukraine were iron ore and iron ore concentrate (53% of overall imports), flat rolled products made of iron or non-alloy steel (10%), black coal tar, brown coal tar and peat tar (5%), crude non-processed aluminium (4.5%), oils and distilling products of high thermal tar (3%) and ferrous alloys (2.8%).

Czech exports in 2000 consisted of automobiles and other motor vehicles for passenger transport (13.7%), wheat (5.5%), drugs (3.1%), crude oils and oils made of bituminous minerals, other than crude fuel (2.3%), cyclic hydrocarbon (2.1%), parts of railway carriages or carriages for other carriages used on railway lines (1.9%), toilet and similar paper (1.9%).

Cultural relations

The Embassy of the Czech Republic in Ukraine organized a number of cultural events in 2000 – film shows, classical music concerts, exhibitions of photographs and posters. Concerts of works by A. Dvořák and B. Martinů given in Lvov and a concert of Czech Baroque church music in Kiev met with an exceptionally favourable response.

In 2000, the Government of the Czech Republic again offered two undergraduate scholarships and two post-graduate grants at Czech universities.

The Embassy of the Czech Republic in Ukraine continued its activities among approximately 10,000 expatriates in Ukraine. There are 16 expatriate associations united in the Czech National Council of Ukraine. The groups in Kiev, Lvov, Simferopol, Uzhgorod and Cechohrad are among the most active.

UZBEKISTAN

Uzbekistan played an important role in the Central Asian region. Priority in Czech-Uzbek relations was given to dealing with economic cooperation between the two states and also to creating a mutual contractual basis.

Visits by representatives of the Czech Republic

- 1-3. 8. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Visits by representatives of Uzbekistan

 1–3. 3. 2000 – visit by the Minister for External Economic Relations E. Ganijev and Deputy Minister of Foreign Affairs O. Mustafajev.

Economic relations

In 2000, the trade turnover amounted to 1.4 billion CZK, of this Czech exports were 609.6 million CZK, and imports were 806.6 million CZK. There was a Czech deficit balance of 197 million CZK. After a steep drop in bilateral trade in 1998 and 1999, caused by the deteriorating economic situation in Uzbekistan, mainly due to the financial crisis in the Russian Federation and in

South-East Asia in 1998, as well as by the rigid currency regulation and import restrictions imposed by the Uzbek Government, there was an increase in two-way trade in 2000.

98% of all imports from Uzbekistan were raw cotton; the remaining 2% consisted of chemicals (sodium, sulphates), raw hide and cotton yarn, zinc and acrylic fibres. The major share of exports to Uzbekistan were sugar (36%), weaving machines (12.7%), tyres (11%), machines for the food industry (8%), metal constructions (7.8%), other machines for industry (5.7%) and pipes (4.7%).

Bilateral Agreements concluded in 2000

 Treaty between the Government of the Czech Republic and the Government of the Republic of Uzbekistan on double taxation avoidance and preventing tax evasion in income and property tax; Prague, 2 March, 2000.

Cultural relations

The Embassy of the Czech Republic in Uzbekistan organized series of events, presenting different aspects of Czech culture: concerts of classical music, exhibitions of photographs, and a competition under the title "Who knows the Czech Republic best?" The first presentation of Czech films at the biggest cultural event arranged by the embassies of the European Union member states in Uzbekistan – the Tashkent Film Forum "Days of European Films 2000" – in May 2000, met with an enthusiastic response.

In the period under review, ten students from Uzbekistan received grants provided by the Government of the Czech Republic to study at Czech universities.

OTHER COUNTRIES IN THE AREA

ARMENIA, AZERBAIJAN

Relations between the Czech Republic and the Armenia and Azerbaijan were renewed in 2000.

The Deputy Minister of Foreign Affairs of the Czech Republic H. Kmoníček visited Armenia on 4–7 November, 2000. During the visit, Armenia gave its consent to the additional accreditation of an ambassador of the Czech Republic in Georgia to Armenia.

The Czech Republic expressed its desire, above all, for further expansion of trade with the two states. The current trade volume did not correspond with the capacities of these countries. Economic relations between the Czech Republic and the two states remained limited in 2000.

The overall turnover of foreign trade with Armenia was 358.2 million CZK in 2000, of this Czech exports accounted for 355.7 million CZK. In view of the minimal imports from Armenia, amounting to a mere 2.5 million CZK, the trade balance was strongly positive in favour of the Czech Republic (353.2 million CZK). Czech exports concentrated on machines and semi-finished goods, Czech imports concentrated on spirits.

The turnover of trade with Azerbaijan reached 682.5 million CZK, of which Czech exports amounted to 473.0 million CZK, and imports 209.4 million CZK. The Czech Republic registered a positive trade balance of 263.6 million CZK. Czech exports consisted primarily of consumer goods (clothing, footwear, ceramics, glass), engineering products, energy equipment, and foodstuffs. Imports included chemical raw materials, semi-finished goods and foodstuffs.

Eleven students from Armenia and the same number from Azerbaijan received government scholarships as part of development aid.

KYRGYZSTAN, TAJIKISTAN, TURKMENISTAN

In its relations with Kyrgyzstan, Tajikistan and Turkmenistan, the Czech Republic regarded as its priority the enlargement of economic cooperation. The present trade between the three countries does not correspond with the capacities of these countries.

Czech-Tajik relations were reinforced by the visit by the Tajikistan President Rachmonov in Prague on 10–12 April, 2000, on the occasion of the eight session of the OSCE Economic Forum. He held talks with Czech Prime Minister M. Zeman, the Chairwoman of the Senate L. Benešová and the Chairman of the Chamber of Deputies of the Parliament of the Czech Republic V. Klaus.

Trade with Tajikistan reached a turnover of 408.1 million CZK, of which Czech exports account for 18.6 million CZK and imports for 389.5 million CZK. The Czech Republic thus reached a deficit amounting to 370.9 million CZK.

In the period under review, there were 5 Tajik students studying in the Czech Republic as recipients of government scholarships.

Trade turnover with Kyrgyzstan in 2000 was 177.1 million CZK, of this Czech exports were 35.6 million CZK and imports 141.5 million CZK. The Czech Republic recorded a trade deficit of 105.9 million CZK.

Two Czech films were screened in Bishkek during the Week of European Films, organized by the Ministry of Culture of Kyrgyzstan.

During the period under review, nine students from Kyrgyzstan and two students from Turkmenistan received government scholarships to study in the Czech Republic.

The Czech Republic had the most intense trade relations with Turkmenistan. Trade turnover amounted to 884.2 million CZK; of this Czech exports were worth

637.1 million CZK and imports 247 million CZK. The balance of profit amounted to 390.1 million CZK.

During the period under review, two students from Turkmenistan received government scholarship to study Czech universities.

6. Relations between the Czech Republic and other selected European states

ANDORRA

Following the establishment of diplomatic relations between the Czech Republic and Andorra in 1996, Prime Minister M. Forne Molne made a historical first visit to the Czech Republic in 2000.

Visits by representatives of Andorra

- 16-19. 3. 2000 - official visit by Prime Minister M. Forne Molne.

Meetings between representatives of the Czech Republic and Andorra

- 6. 9. 2000 – meeting between Prime Minister M. Forne Molne and President V. Havel at the fifty-fifth session of the General Assembly of the United Nations.

Economic relations

Notwithstanding the relatively small volume of trade, Czech Republic was Andorra's largest trade partner of all the Central and Eastern European countries. In 2000, the Czech Republic exported goods worth 18.3 million CZK to Andorra, mainly market products (49.6%), industrial goods (20.1%), machines and transportation equipment (15.9%). Imports to the Czech Republic amounted to 0.6 million CZK (mainly raw materials – 85.7%). Czech exports increased by 6.7% compared to the previous period, and imports by 102%.

LIECHTENSTEIN

There are no diplomatic relations between the Czech Republic and Liechtenstein. As a new independent state, the Czech Republic approached Liechtenstein at the turn of 1992 and 1993, in the same way as all other states, with a request for diplomatic recognition and the establishment of diplomatic relations. However, Liechtenstein has

not yet recognized the Czech Republic. Prince Hans Adam II links the normalization of relations with a demand for bilateral negotiations on disputed property.

MALTA

There are no obstactes in bilateral relations between the Czech Republic and Malta. They centre mainly on trade and economic cooperation. After reiterating its application for admission to the European Union, Malta became a candidate for EU membership at the Helsinki summit in 1999. It is now a leading candidate for admission to the EU, together with the Czech Republic, in first wave of enlargement. Political consultations are in progress between the two countries on the problem of European integration.

Visits by representatives of the Czech Republic

- 24. 7.-12. 8. 2000 visit by the Minister of Education, Youth and Sports E. Zeman;
- 17. 11. 2000 consultations between the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. Telička and the chief Maltese negotiator R. C. Caruan in Valletta on EU problems.

Visits by representatives of Malta

- 13. 4. 2000 – consultations between the State Secretary for European Affairs and First Deputy Minister of Foreign Affairs P. Telička and the chief Maltese negotiator R. C. Caruan in Prague on EU problems.

Economic relations

Malta is a traditional importer of Škoda automobiles and Czech textiles and glass. So-called "passive" tourism is an important part of economic cooperation.

Trade between Malta and the Czech Republic has in recent years been characterised by a positive balance on the Czech side which, however, is decreasing. In 2000, this balance amounted to 16 million CZK. The trade turnover reached 263.4 million CZK in 2000, of this exports were 139.7 million CZK and imports 123.7 million CZK.

The main Czech export commodities are Škoda automobiles, dairy products and eggs, tyres, textile yarn, woven material, spare parts, motorcar accessories, musical instruments, and pharmaceuticals. The Czech Republic imported from Malta vulcanised rubber products, electronic instruments, office machines, parts for jet engines, textile yarn.

Investments by the Maltese Corinthian Palace Hotel Co. were a significant landmark in Czech-Maltese economic relations; they concerned the purchase of hotels in the Czech Republic in the second half of the 1990s.

HOLY SEE

Bilateral treaty negotiations were the predominant feature of relations with the Holy See in 2000. There were five rounds of talks. Agreement was reached on the text of a preamble, fundamental agreement on general articles of the treaty and on the principles of the further procedure of negotiations.

Visits by representatives of the Czech Republic

- 22. 10. 2000 – working visit by Prime Minister M. Zeman, accompanied by the Minister of Culture P. Dostál, the Minister of Agriculture J. Fencl and the Minister of Industry and Trade M. Grégr.

In accordance with a government decision, the Czech Republic was represented at the celebration of the Great Jubilee 2000. Czech participation in the millennium year (including the presentation of a Christmas tree to the Pope by the President V. Havel, a concert by the Brno State Philharmonic in the presence of the Prime Minister M. Zeman, an exhibition "The Last Flowers of the Middle Ages", attended by the Minister of Culture P. Dostál) was the contribution of citizens of the Czech Republic to the celebration of Holy Year.

7. Relations between the Czech Republic and the countries of Asia and the Pacific area

AFGHANISTAN

Relations between the Czech Republic and Afghanistan have been stagnating for a long time because of the continuing civil war and internal instability in the country. The Czech Republic has refused to recognize the government of the Taliban. In 2000, Afghanistan was represented in the Czech Republic by the Government of President B. Rabbani.

Economic relations

There is only limited trade between the Czech Republic and Afghanistan. The volume of trade in 2000 amounted to 40.1 million CZK (Czech exports 26.2 million CZK, imports 13.9 million CZK, a positive balance of 12.3 million CZK).

The main obstacle to two-way trade and the development of economic cooperation was the disintegration of the national economy, the chaotic state of the country and the absence of a functioning central government in Afghanistan.

AUSTRALIA

Australia plays a significant role in the Asian and Pacific region from the political and economic point of view. There are many Czech expatriates in Australia who have contributed significantly to promoting Czech-Australian contacts. In November 2000, it was decided to open an additional Honorary Consulate in Perth.

Visits by representatives of the Czech Republic

- 21. 9.-3. 10. 2000 visit by the Minister of Education, Youth and Sports E. Zeman;
- 28. 10.-8. 11. 2000 visit by a delegation of the Committee on Health and Social Policy of the Senate, the Standing Senate Commission on Compatriots Living Abroad, and the Committee on Legal and Constitutional Affairs of the Senate.

Visits by representatives of Australia

- 24-29. 9. 2000 visit by the Deputy Minister of Finance R. Kemp;
- 26-28. 10. 2000 visit by a parliamentary delegation.

Economic relations

Trade between the Czech Republic and Australia is on a relatively low level, while there are possibilities existing on both sides. Turnover in 2000 was 3.0 billion CZK (export 1.2 billion CZK, import 1.8 billion CZK); the deficit increased in comparison to previous year by higher imports and amounted to 629.9 million CZK.

The main Czech export commodities were metal machine tools, glass, textiles, data processing technology, engineering products, components for the transmission of electrical power, sports arms and ammunition, sports accessories and toys, chemicals and chemical components.

The predominant Czech imports were wine, sheep and lamb skins, meat and food ingredients, medical instruments and pharmaceuticals, manganese, aluminium, titanium, and other ores.

Cultural relations

Relations in the area of culture, education, sports and science were expanding at all levels in 2000. The Olympic Games and Para-Olympic Games in Sydney in September-October 2000 gave a powerful impetus to the revival of contacts. Expatriate organizations arranged a series of cultural events in 2000. A particular success was marked by an exhibition of the work of 14 Czech artists representing the most diverse forms of art, arranged in Sydney in the spring of 2000 with the financial assistance of the Ministry of Foreign Affairs of the Czech Republic. An exhibition on

the Terezin Jewish ghetto, held in the spring of 2000 in collaboration with the Prague Jewish Museum on the premises of Parliament of Austria in Canberra, was especially well received by the media.

PEOPLE'S REPUBLIC OF CHINA

The People's Republic of China is a regional super-power and also aims to play the role of a power on a worldwide scale. Its influence permeates the Asian and Pacific area. The People's Republic of China is a permanent member of the United Nations Security Council and participates in the activities of many international organizations. It plays a significant role in world trade. It belongs to no political or military association.

Traditional friendly relations link the Czech Republic to the People's Republic of China. In 2000, the People's Republic of China was the sixteenth biggest trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

- 17-22. 4. 2000 visit by the First Deputy Minister of Defence J. Novotný;
- 10-15. 5. 2000 visit by the Minister of Education, Youth, and Sports E. Zeman.

Visits by representatives of the People's Republic of China

- 9-13. 6. 2000 visit by the Vice-Chairman of the National People's Congress Bu He;
- 18-22. 6. 2000 visit by the First Deputy Minister of Culture Li Yuanchao;
- 21-23. 6. 2000 visit by the Deputy Minister for Civic Affairs Fan Baojun.

Economic relations

The People's Republic of China is one of the most important trade partners of the Czech Republic in Asia. However, in the last few years, there has been a long-term negative balance of trade with the People's Republic of China. In 2000, imports were 26.8 billion CZK, exports 2.5 billion CZK, turnover 29.3 billion CZK, and negative deficit 24.3 billion CZK. Trade is influenced by substantial import restrictions imposed by the Chinese Government, by considerable year-by-year fluctuations, and by the scaled-down structure of Czech exports. Both sides agreed on the need for a further diversification of economic relations in commodities as well as for the participation of individual export enterprises.

Opportunities for Czech exporters exist primarily in such sectors as energy, mining industry, ecological engineering, transportation systems, medical technology, and food processing equipment among the export products.

The Chinese market is demanding in terms of investments and therefore among the determining factors for a more pronounced presence of the Czech firms are cooperation with strong partners in third countries, sub-contractor participation on individual projects, and possibly cooperation with credible domestic partners.

Work on the project of the Shentou power station had not yet started in 2000; a contract on its construction had been signed during the visit of Czech Prime Minister M. Zeman in the People's Republic of China in December 1999.

Cultural relations

Cultural, educational, and scientific contacts proceed on the basis of departmental agreements of the Ministry of Education, Youth and Sports and the Academy of Sciences of the Czech Republic, to a lesser degree also on the basis of individual activities and non-governmental institutions.

An exhibition of Czech studio glass was held in Shenzhen in April while the exhibitions "Loud Solitude", "The Czech Republic at the Turn of the Millennium" were also present as well performances by the Danaj folk ensemble. There is a regular exchange of students of the two countries. The two government scholarships offered to the People's Republic of China for post-graduate studies in 2000 have not been accepted.

SPECIAL ADMINISTRATIVE REGION OF HONG KONG

On 1 July, 1999, Hong Kong was returned to the sovereignty of the People's Republic of China, while retaining its full autonomy in all aspects of social life with the exception of defence and that part of foreign relations that affect the sovereignty of the People's Republic of China as a whole. The Czech Republic pursues its relations with Hong Kong under the policy of "one country, two systems".

Trade between the Czech Republic and Hong Kong in 2000 amounted to 5.1 billion CZK (exports 3.1 billion CZK, imports 2.0 billion CZK, balance 1.1 billion CZK).

Visits by representatives of the Czech Republic

- 20. 11. 2000 - visit by Deputy Prime Minister and Minister of Finance P. Mertlík.

Visits by representatives of Hong Kong

- 26. 9. 2000 - visit by the Minister of Finance Sir D. Tsang.

SPECIAL ADMINISTRATIVE REGION OF MACAO

On 20 December, 1999, Chinese administration over the territory of Macao was restored, following the pattern of Hong Kong. The Czech Republic pursues its relations with Macao under the policy "one country, two systems".

Trade with Macao in 2000 amounted to 75.0 million CZK (exports 7.2 million CZK, imports 67.8 million CZK, balance –60.6 million CZK).

Visits by representatives of the Czech Republic

- 19. 11. 2000 - visit by Deputy Prime Minister and Minister of Finance P. Mertlík.

TAIWAN

Taiwan has not been under the jurisdiction of the Government in Beijing since 1949. The Czech Republic pursues its economic and cultural relations with Taiwan on a non-governmental level under the policy of one China.

Trade in 2000 amounted to 11.0 billion CZK (exports 1.3 billion CZK, imports 9.2 billion CZK, balance –8.4 billion CZK). Taiwan is among the promising foreign investors in the Czech Republic.

PHILIPPINES

Philippines represents a significant member of the community of South-East Asia. The country's foreign policy focuses on cooperation with the regional organizations Association of Southeast Asian Nations (ASEAN) and Asia–Pacific Economic Cooperation (APEC) and on all-round cooperation with the United States. In recent years, relations between the Czech Republic and the Philippines have strengthened in the political field.

Visits by representatives of the Czech Republic

- 26-30. 4. 2000 visit by the Deputy Minister of Foreign Affairs H. Kmoníček;
- 24-30. 9. 2000 visit by a Senate delegation, headed by the Chairman of the Committee on Foreign Affairs, Defence and Security M. Žantovský;
- 12-14. 11. 2000 visit by the Deputy Prime Minister and Minister of Finance P. Mertlík.

Visits by representatives of Philippines

- 12–15. 6. 2000 – visit by a delegation of the Senate, headed by its chairman pro tempore B. Ople.

Economic relations

In 2000, turnover reached 1.1 billion CZK (exports 441.9 million CZK, imports 667.5 million CZK, balance –225 million CZK).

A speed railway, for which the ČKD Praha firm supplied 73 tram units, was opened in Manila in July 2000. Deliveries worth of \$170 million started in 1997. This was the largest Czech commercial transaction with the Philippines.

Bilateral Agreements concluded in 2000

- Agreement on Double Taxation Avoidance; Manila, 13 November, 2000;
- Agreement on abolishing visas for holders of diplomatic and service passports; Manila, 13 November, 2000.

Cultural relations

An exhibition of paintings and lithographs by J. Skalník was held in Manila and Cebu in November 2000.

INDIA

India is among the regional super-powers and also aims to play the role of a superpower on a worldwide scale. International reaction to its nuclear tests in May 1998 was negative. India's economy is advancing successfully and is gradually opening up to the world. India's strive to obtain permanent membership of the United Nations Security Council is one of the priorities of its foreign policy. India is not a member of any military alliance.

Relations between the Czech Republic and India have been traditionally friendly and balanced. They focus on trade; India is among the significant partners of the Czech Republic in Asia.

Visits by representatives of India

 - 30. 6.-4. 7. 2000 – visit by a delegation of the Indian Parliament, led by its Speaker G. M. C. Balajogi.

Economic relations

India is the Czech Republic's seventh largest trade partner among the Asian countries. In 2000, Czech exports reached 3 billion CZK, imports 2.8 billion CZK and the overall trade turnover 5.8 billion CZK. This means that the Czech Republic achieved a positive balance of 123.5 million CZK. A protocol was signed in April 2000 between the Czech Commerce Bank, the National Bank of Slovakia and the

Reserve Bank of India on the division of the account of rupee claims into the Czech Republic and Slovakia.

More than half of Czech exports to India consists of machines and transportation equipment (machine tools, railway wheelwork, textile and footwear machines, components for lorries, ball bearings, spare parts and components for the defence industry), regulation and control technology, optical fibres, glass and paper products, and plastic material in granules.

Czech importers concentrate primarily on coffee, tea, spices, hides, tobacco, cotton and, cotton yarn. The proportion of finished products is gradually increasing, such as clothing, leather goods including footwear, pharmaceuticals, and handcrafts.

Czech exporters have the greatest opportunities in the infrastructure. This applies especially to supplies, reconstruction and modernization of energy-generating installations. There are great chances for supplies to be used in the modernization of the army. The only joint venture in the country is a joint enterprise for the production of heavy TATRA trucks (Tatra – Udyog in Hosur in the state of Tamil Nadu).

Cultural relations

Cultural cooperation is taking place on the basis of a cultural agreement and has traditionally been of a good standard. There is a regular exchange of university scholarship holders; the Czech Republic offers India two to three scholarships each year.

INDONESIA

Because of its geographical position and large population, Indonesia is a major factor for stability and security in South-East Asia.

Czech-Indonesian relations have primarily economic dimension.

Visits by representatives of the Czech Republic

 2–3. 10. 2000 – visit by a delegation of the Committee for Foreign Affairs, Defence and Security.

Visits by representatives of Indonesia

- 6-7. 3. 2000 - visit by the Minister of Trade and Industry Y. Kally;

- 4-7. 5. 2000 - visit by a delegation of Parliament, headed by its Speaker A. Rais.

Economic relations

The trade balance has been in deficit since 1994 and continues to decrease. In 2000, trade turnover was 2.8 billion CZK (imports 2.4 billion CZK, exports

453.6 million CZK, balance –1.9 billion CZK). Opportunities for Czech firms exist in Indonesia in privatisation projects announced by the Indonesian Government, or in participating in development projects financed by the World Bank.

The development of economic relations between the Czech Republic and Indonesia does not correspond to the possibilities and potential of the two countries. The Czech Republic is doing its utmost to intensify economic and trade cooperation.

Commodities that are likely to succeed on the Indonesian market include agricultural equipment and technology, the production of the automobile industry, the mining industry, and oil refinery and the processing of natural gas.

Cultural relations

All cultural relations and the promotion of the Czech Republic are organized through the Embassy of the Czech Republic in Indonesia. The Government of the Czech Republic offers two to three scholarships for postgraduate study to Indonesian students.

JAPAN

Japan is a global economic power that plays a major role in world organizations and advocates political, economic and security integration of the Asian region. In view of its position in the world and in the region it is striving to become a permanent member of the United Nation Security Council. Japan does not belong to any military alliance. Traditional cultural ties of long standing have linked the Czech Republic and Japan. In 2000, Japan was the seventeenth largest trade partner of the Czech Republic.

Visits by representatives of the Czech Republic

-6-10. 6. 2000 - representation by the First Deputy Chairman of the Senate I. Havlíček of the Czech Republic at the funeral of the Prime Minister K. Obuchi.

Visits by representatives of Japan

-9-10. 11. 2000 – Deputy Minister of Foreign Affairs R. Kato at regular interministerial consultations.

Economic relations

Bilateral trade was for a long time in deficit for the Czech Republic. During the last few years, the trade deficit with Japan was approximately 15–18% of the total trade deficit of Czech foreign trade. Mutual turnover in 2000 amounted to 28.1 billion CZK (imports to the Czech Republic 23.7 billion CZK, exports 4.4 billion CZK, with

a deficit of 19.3 billion CZK). The Czech Republic is perceived in Japan as a country with traditionally advanced industrial and engineering production and lately also as a possible partner for direct investments, perhaps even as a location where factories could be transferred from EU countries.

Notwithstanding the difficulty in penetrating Japanese markets, and the establishment of trade links with Japanese partners, Japan is nevertheless a promising market for Czech exporters. It is an important market with a great demand for foodstuffs, consumer goods, raw materials, industrial materials and semi-finished goods, engineering equipment and components for industrial use.

The increase of Japanese exports since 1995 is connected with investment and cooperation projects by Japanese firms in the Czech Republic and with imports of industrial technology for these projects from Japan. The total volume of Japanese investments in the Czech Republic has been in excess of \$560 million. The actual amount is hard to estimate since some of these investments are carried out through the intermediary of European branches of Japanese firms.

There are no serious obstacles to economic and trade cooperation between the Czech Republic and Japan.

Bilateral Agreements concluded in 2000

– Agreement between the Government of the Czech Republic and the Government of Japan on a grant to supply musical instruments to the Brno State Philharmonic, negotiated in the form of an exchange of personal notes; Prague, 11 December, 2000.

Cultural relations

Czech-Japanese cultural relations are traditionally active and both sides are keen to promote them even further. Czech classical music and Czech glass are particular popular in Japan, while Japanese art (drama, music, tea-drinking rituals, ikebana), films, and the performance of classical music are in turn popular in the Czech Republic. The Japanese Government offers the Czech Republic annual cultural and educational grants amounting to 50 million Japanese yen (approximately 12 million CZK). In 2000, the grant was awarded to the Brno State Philharmonic to be used for the purchase of musical instruments.

There is an exchange of four scholarship recipients each year and there are discussions under way with an aim of increasing this number to at least six.

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

The Democratic People's Republic of Korea, under the leadership of the Worker's Party of Korea based on a communist ideology, is among the least developed countries in the world. The Czech Republic maintains no embassy in Pyongyang, The Czech Ambassador in Beijing was accredited also for the Democratic People's Republic of Korea.

Visits by representatives of the Czech Republic

 - 15–20. 10. 2000 – visit by the Director of the Asian and Pacific Department of the Ministry of Foreign Affairs V. Hubinger.

Visits by representatives of the Democratic People's Republic of Korea

- 2. 10. 2000 - visit by the Vice-Chairman of the Supreme Court Office Han Ju-chol.

Economic relations

The foreign trade balance between the Czech Republic and the Democratic People's Republic of Korea developed favourably between 1998 and 2000. Mutual trade registered an evident revival in 2000 compared to the previous year, but it remained on a very low level. The share of Czech exports in overall turnover increased as did the positive balance of the Czech Republic (111.1 million CZK). Mutual trade in 2000 was worth approximately 125.1 million CZK, of this export to Democratic People's Republic of Korea was 118.1 million CZK and imports 7.0 million CZK.

The Democratic People's Republic of Korea imports mostly engineering products and dyes and exports to the Czech Republic mineral raw materials, furs, and traditional medical products. The Czech Republic is interested in expanding economic cooperation and in sub-deliveries for the construction of light water nuclear reactors in the Democratic People's Republic of Korea, financed by the Korean Peninsula Energy Development Organization (KEDO), which the Czech Republic joined as a member in 1999.

Under a humanitarian aid project, the Czech Republic offered the Democratic People's Republic of Korea in 2000 a supply of grapevine seed worth of 800,000 CZK. It is expected that this type of aid will continue.

Modifications in bilateral agreements in 2000

The Agreement on the mutual abolition of visas for holders of diplomatic, service and special passports of 1956 was rescinded on 26 October 2000.

REPUBLIC OF KOREA

The Republic of Korea is an important partner of the Czech Republic on the Asian continent. Relations focused mainly on trade and the economic sphere. Cultural cooperation between the two countries was also noteworthy. The Czech Republic demonstrated its desire to strengthen relations with the Republic of Korea by sending its first Ambassador Extraordinary and Plenipotentiary to Seoul in October 2000.

Visits by representatives of the Czech Republic

- 25–28. 10. 2000 – visit by Deputy Minister of Foreign Affairs H. Kmoníček;
- 8–12. 12. 2000 – visit by Deputy Minister of Industry and Trade J. Maceška.

Visits by representatives of the Republic of Korea

- 21-23. 8. 2000 - visit by a delegation of the National Assembly.

Economic relations

Trade and economic cooperation between the Czech Republic and the Republic of Korea has been satisfactory in 2000 both as regards the trade turnover compared to the previous period and as regards to the reduction of the Czech trade deficit. Mutual trade turnover amounted to 7.2 billion CZK in 2000 (exports 2 billion CZK, imports 5.2 billion CZK with a Czech Republic deficit of 3.2 billion CZK).

Predominant Czech export commodities were glass products, textiles, electric and electronic equipment, engineering products, chemical products and metals. Imports from the Republic of Korea consisted mainly of consumer electronic equipment, automobiles and textiles.

The fate of the only significant direct investment of the Republic of Korea in the Czech Republic – investment by Daewoo in the Avia firm in Prague Letňany, where Republic of Korea owned 50.2% of all shares – was tied to the solution of the situation at the headquarters of Daewoo Motor.

The Czech Republic is keen to expand economic cooperation with the Republic of Korea to cover other countries as well. That is why the Czech Republic became a member of the Korean Peninsula Energy Development Organization (KEDO) in 1999, which was established to ensure the financing and implementation of the delivery of nuclear power equipment in the Democratic People's Republic of Korea. The second session of the Joint Czech-Korean Commission for Economic and Trade Cooperation, which met in Seoul in December 2000, noted good possibilities for cooperation between the Czech Republic and the Republic of Korea on third markets and enabling Czech sub-suppliers to cooperate in the construction of light water reactors for the Democratic People's Republic of Korea. The main supplier of these

would be the South Korean energy company KEPCO as part of a project of the KEDO consortium.

Cultural relations

Cultural, educational, and scientific contacts were arranged in 2000 under the terms of a procedural programme of the Cultural Agreement for 2000–2002, signed in Prague on 17 May, 2000. To mark the tenth anniversary of the establishment of diplomatic relations between the former Czechoslovak Federal Republic and the Republic of Korea, the Czech Embassy in the Republic of Korea in Seoul organized piano recitals by H. Dvořáková in Seoul and in Suwon in the spring of 2000. In May 2000, the Korean drama society Yobaek gave a performance of the Asian premiere of V. Havel's play "Asanace" in the South Korean capital under the auspices of the Embassy of the Czech Republic in the Republic of Korea. In the autumn, an exhibition of photographs by J. Chmelař was arranged as part of the "Czech Days", organized by the Embassy of the Czech Republic in the Republic of Korea in Seoul. In December, the Prague Mozart Orchestra gave six concerts in Seoul and in Pusan, co-organized by the Embassy of the Czech Republic in the Republic of Korea.

In 2000, the Ministry of Culture of the Czech Republic offered a South Korean translator a grant of 100,000 CZK for a translation of K. Čapek's "War with the Newts".

The Korean sculptor Hong Sung Hwan arranged an exhibition of his works in Prague in the spring of 2000. Negotiations were in progress with the Republic of Korea on the introduction of a separate Korean section of exhibits of Asian collections at the National Gallery at Zbraslav. The Korean Kumho Asiana String Quartet performed in Prague. The Embassy of the Czech Republic in the Republic of Korea was a co-organizer of the concert.

Lecturers in the Czech and Korean languages were again working in both countries under an agreement between Charles University in Prague and Hangkuk University of Foreign Studies in Seoul. The Government of the Czech Republic offered the Republic of Korea one undergraduate and two post-graduate scholarships at Czech universities for the academic year 2000–2002. The Government of the Republic of Korea offered scholarships for two students from the Czech Republic for the academic year 2000–2002. Other students were studiyng in the Republic of Korea in 2000 on the basis of grants provided by the Korean Foundation.

MALAYSIA

From the political and economic point of view, Malaysia is a significant member of Association of Southeast Asian Nations (ASEAN); it plays an increasingly active role on the international scene and also in the context of the Asian-European dialogue. Malaysia is a country with a great economic potential.

Visits by representatives of the Czech Republic

- 16-18. 11. 2000 - visit by Deputy Prime Minister and Minister of Finance P. Mertlík.

Economic relations

The Czech Republic would like to put greater emphasis economic relations, which should focus gradually on cooperation in the economic sphere. The current level of trade does not correspond to the potential of the economies of the two countries. In 2000, mutual trade turnover was 7.7 billion CZK (imports 6.4 billion CZK, exports 1.3 billion CZK, Czech deficit 5.1 billion CZK).

The main export commodities to Malaysia were engineering products, machine tools, and electric motors. There are good chances for future exports of pianos, gliders, and aircraft. In 2000, the engineering products included predominantly metal processing and duplicating machines, textile and knitting machines, tractors, valves, armatures, ball bearings, and weavers' looms.

The Czech Republic is working towards a further strengthening of economic cooperation with Malaysia, where Czech firms see opportunities for investments and the establishment of joint enterprises.

Cultural relations

There is no agreement on cultural relations. Contacts in this area have not even developed on a commercial basis and remain confined to individual events. In 2000, the Kühn Children's Choir toured Malaysia with great success. The Government of the Czech Republic offers Malaysia one scholarship for post-graduate study every year.

MONGOLIA

Mongolia is going through a complicated process of social transformation and at the same time seeks to diversify its external relations. It is a major recipient of development aid from abroad. Relations between the Czech Republic and Mongolia are traditionally friendly and are founded on democratic values, advocated by both countries.

Visits by representatives of the Czech Republic

- 15-20. 5. 2000 – visit by a delegation of the Committee for Public Administration, Regional Development, and the Environment of the Senate.

Economic relations

Mutual trade in 2000 amounted to 186 million CZK (imports 11.3 million CZK, exports 174.7 million CZK, positive balance 163.4 million CZK).

Mongolia remains in the forefront of interest by Czech business. The shortage of Mongolian finances and the weak capital resources of Czech firms are a problem hindering mutual economic relations.

Mongolia has been included in the Czech Republic programme of development aid, which in 2000 amounted to 18.6 million CZK. The financing of two projects for the reconstruction of an Ulaanbaatar hospital and geological exploration continues.

In 2000, the Czech Republic offered Mongolia humanitarian aid in alleviating the effects of famine.

Cultural relations

In 1999 and 2000, a number of prominent Czech cultural personalities visited Mongolia (J. Topol, I. Chaun, I. Kelarová with the Romano Rat Group, P. Rut, and others). Moreover, a series of noteworthy cultural events took place (an exhibition of works by twenty Czech graphic artists, an exhibition of glass, a concert by Czech virtuosi, film shows, etc.).

In September 2000, six Czech students of Mongolian studies arrived in Ulaanbaatar for a two-semester course. During that same period, six Mongolian government scholarship recipients started their studies in the Czech Republic. Two Mongolian students of Czech Studies attended a summer school of Slavonic Studies. Talks opened in the course of 2000 on an Agreement on Educational, Scientific and Youth Affairs cooperation.

NEW ZEALAND

New Zealand plays an active role in international organizations and maintains special political and economic relations with Australia, which is its major trading partner. Both countries established a free trade area. In November 2000, it was decided to open a second Honorary Consulate of the Czech Republic in Auckland. In December 2000, New Zealand announced the introduction of visas for travel by Czech citizens to New Zealand; the decision came into force on 1 January, 2001.

Economic relations

Trade between the Czech Republic and New Zealand is on a low level. The overall turnover increased in 2000 in comparison to 1999 but the Czech Republic trade deficit remained. In 2000, mutual trade turnover amounted to approximately

347.7 million CZK (export 114.4 million CZK, imports 233.3 million CZK, deficit 118.9 million CZK).

The main Czech export articles were household glass, arms and ammunition, musical instruments, tyres, textiles, footwear, engineering products (machine tools and instruments, road building machines), electric motors, furniture, and chemicals.

The Czech Republic imported chiefly wool and there was also an increase in imports of other products, such as textile machines, artificial materials, medical instruments, and meat.

Cultural relations

Cultural, educational, sports and scientific contacts have been organized predominantly on a commercial basis. There are Czech expatriates in New Zealand who play a significant role in promoting contacts.

PAKISTAN

The Czech-Pakistani relations were limited in 2000 as a result of nuclear tests in 1998 and the military coup in 1999.

At the end of 2000, Pakistan closed down its embassy in Prague for economic reasons and the Pakistani Ambassador in Warsaw was accredited also for the Czech Republic.

Economic relations

Mutual trade for quite some time ranged between 600 and 800 million CZK. But during the past few years there has been an increase in imports to the Czech Republic. In 2000, the turnover amounted to 827.1 million CZK – imports were 567.8 million, exports 259.3 million CZK. The trade deficit amounted to 308.5 million CZK.

Mutual trade and investments do not correspond to the possibilities of the two countries. The Pakistani market has a great absorption capacity. There are trade and investment opportunities for Czech firms in a variety of sectors ranging from consumer goods to entire investment projects (medicines, chemicals, glass, textile machines, transportation machines and equipment, energy, manufacture and transmission of energy, extraction and processing of crude and natural gas).

SINGAPORE

Singapore, a significant economic centre, is a stable and the biggest trade partner of the Czech Republic in South-East Asia and potentially a major investor in the Czech Republic.

Visits by representatives of the Czech Republic

- 14-16. 11. 2000 - visit by Deputy Prime Minister and Minister of Finance P. Mertlík.

Economic relations

Singapore is the Czech Republic's most important trading partner among the Association of Southeast Asian Nations (ASEAN) countries. The commodities that have a chance of penetrating the Singapore market, possibly third markets through the intermediary of Singapore firms, are electronic components, building technology, certain types of specialised technology, or sub-supplies for major Singapore capital investments at home and abroad. The most extensive import commodities were computers and computer components, household electronics, electrical appliances, raw rubber, medical instruments, and electronic components.

In 2000, the mutual trade turnover amounted to 8.8 billion CZK (imports 3.7 billion CZK, exports 5.1 billion CZK, with a positive balance of 1.4 billion CZK).

Cultural relations

It should be pointed out that there has up to now been a one-way trend in this field, from the Czech Republic to Singapore. Membership of the Czech Republic in the European Union is expected to lead to more intensive cultural relations since Asia–Europe Foundation (ASEF), oriented mainly on cultural cooperation and exchanges, is located in Singapore. In April 2000, the Kühn Children's Choir performed in Singapore and the classical guitarist J. Mazan in May 2000.

SRI LANKA

The falling interest in cooperation with Sri Lanka, which was particularly evident in the early 1990s, has been overcome and there was an upsurge of Czech-Sri Lankan relations in 2000. But the ongoing civil war has been an obstacle to the development of relations.

Economic relations

Mutual trade between the two countries has increased substantially during the past three years. In 2000, the balance turned in favour of the Czech Republic, mainly due to cooperation in the military sphere. Overall turnover in 2000 was 1.1 billion CZK (exports 898.2 million CZK, imports 277.1 million CZK, positive balance 621.1 million CZK).

Trade is based on a Trade and Payment Agreement of 1975. The Czech Republic imported mainly rubber and coconut products. It exported individual engineering items and small volume rolled material, malt, and paper.

Cultural relations

Cultural cooperation is based on a Cultural Agreement from 1975 but due to a shortage of resources and lack of interest on both sides, contacts have been stagnating. The Czech Republic yearly offers Sri Lanka one or two scholarships.

THAILAND

Thailand is among those Asian countries where a system of parliamentary democracy has been functioning for several decades. The year 2000 saw a revival of the Thai economy, which had previously been greatly slowed down by the financial and economic crisis in 1997–1998.

Visits by representatives of the Czech Republic

- 26. 4. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Visits by representatives of Thailand

- 16-21. 5. 2000 - state visit by Princess Chulabhorn.

Economic relations

Thailand is among the significant trade partners of the Czech Republic in Asia. The prospering mutual trade was, however, affected by the 1997–1998 economic crisis in Thailand and by the devaluation of the local currency. In 2000, overall turnover was 4 billion CZK (exports 1 billion CZK, imports 3 billion CZK, Czech deficit 2 billion CZK).

Among the major imports were foodstuffs (rice, shrimps, fish, tinned fruit), clothing, footwear, raw rubber, and textile yarn. Engineering products included equipment for automatic data processing, including peripheral units.

The second session of the Czech-Thai Joint Trade Commission met in Prague in June 2000.

Bilateral Agreements concluded in 2000

 Inter-governmental agreement on handing over offenders and on cooperation in implementing criminal verdicts between the Czech Republic and Thailand; Bangkok, 26 April, 2000.

Cultural relations

The Czech Republic offers Thailand two government scholarships per year, but the demand by Thai students is much higher.

VIETNAM

In the Asian region, Vietnam is a country with considerable economic possibilities. It takes an active part in regional institutions and also in global organizations. Czech-Vietnamese relations based on traditional ties concentrated in 2000 on economic and commercial cooperation. The year 2000 marked a 50th anniversary of the establishment of diplomatic relations between the Czech Republic and Vietnam.

Visits by representatives of the Czech Republic

 – 18–22. 4. 2000 – Deputy Minister of Foreign Affairs H. Kmoníček on the occasion of inter-ministerial consultations.

Visits by representatives of Vietnam

- 18-21. 5. 2000 visit by the Minister of National Defence Pham Van Tra;
- 20-24. 5. 2000 visit by the Deputy Minister of Health Pham Manh Hung.

Economic relations

Czech-Vietnamese economic and trade cooperation has a long tradition. The volume of trade has been rising, but has been affected by the stagnation of Czech exports, which resulted in a growing trade deficit on the part of Czech exports. In 2000, mutual turnover amounted to 2.5 billion CZK (exports 407.7 million CZK, imports 2.1 billion CZK, deficit 1.7 billion CZK).

The primary import commodities were textiles, footwear, wicker furniture, tropical fruit, rice, coffee, tea, spices, and other products of the food industry. Czech exports involved mainly machines and means of transport (locomotives, pumps, ships' motors, generators), metal products, pipes and tubes, glass products, tools and instruments, chemicals, plastics, and various industrial goods (measuring and monitoring instruments, lighting technology, clothing accessories, office equipment).

Opportunities for Czech firms on the Vietnamese market will be improved by defining a medium- and long-term trade and economic strategy and policy which will take account of the interests and possibilities of the state and of Czech firms as well as of the interest, requirements and possibilities of Vietnam. These questions are dealt with at the Joint Czech-Vietnamese Commission for Trade and Economic Cooperation.

Vietnam remains a country to which the Czech Republic offers development aid. Vietnam is among the main recipients. In December 2000, a representative of the Czech Republic attended a conference of development aid donors to Vietnam in Hanoi. In October 2000, it was decided to provide humanitarian aid to the value of \$30,000 to be used to alleviate the effects of the catastrophic floods in Central and Northern Vietnam.

Cultural relations

The promotion of the Czech Republic in Vietnam has taken place by means of exhibitions on various subjects, organized by the Embassy of the Czech Republic in Vietnam in collaboration with the Ministry of Foreign Affairs of the Czech Republic and other Czech and foreign institutions. A series of cultural and social events was held in 2000 to mark the 50th anniversary of the establishment of diplomatic relations.

There is a large Vietnamese community on the territory of the Czech Republic, which according to official information from the Ministry of Interior of the Czech Republic amounts to 22,000 persons with legal residence permits.

8. Relations between the Czech Republic and the Countries of the Middle East and North Africa

ALGERIA

During the past ten years, Algeria has been shaken by struggles between the Government and armed formations of the banned Islamic Salvation Front. Algeria participates in the Euro-Mediterranean Dialogue as part of the Barcelona Process.

Notwithstanding the complex internal situation in the country, which also had an adverse influence on bilateral relations with the Czech Republic, Algeria is among the significant trading partners of the Czech Republic in the region.

Visits by representatives of the Czech Republic

- 15-18. 5. 2000 visit by the Minister of Industry and Trade M. Grégr;
- 19-23. 5. 2000 visit by Deputy Minister of Foreign Affairs H. Kmoníček;
- 13-18. 11. 2000 visit by a delegation of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament.

Economic relations

In 2000, the trade turnover reached 4.6 billion CZK. Czech exports amounted to 469.6 million CZK and imports 4.1 billion CZK. The deficit amounted to 3.6 billion CZK. Despite restrictions caused by the situation in Algeria, economic relations did not correspond fully to the potential of the Czech Republic; consequently the trade balance is in the long term at a deficit.

Cultural relations

The Lipta Folk Ensemble performed in Algiers in January 2000 and the Czech Trio in April 2000. An exhibition "Africa through the Eyes of Czech Travellers" opened in July and M. Forman films were screened in November 2000.

EGYPT

Egypt, as a major regional power in the Middle East and as one of its traditional commercial, economic and cultural centres, plays a significant role in inter-Arab relations and in the peace process in the Middle East; in this respect it has the support of the Czech Republic.

The Czech Republic regards its traditional relations with Egypt as one of its foreign policy priorities in the region; this was demonstrated also by the visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of the Czech Republic

- 22–24. 1. 2000 visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan;
- 13-15. 4. 2000 visit by Minister of Agriculture J. Fencl.

Economic relations

In 2000, the turnover amounted to 2.4 billion CZK with Czech exports at 2.0 billion CZK, and imports at 400 million CZK. The favourable trade balance amounted to 1.6 billion CZK. Czech firms were involved in several major investment projects such as the construction of the Ajn Músá Power Station in Sinai. Among developing countries, Egypt was one of the main importers from the Czech Republic. Czech exports concentrated on engineering products, equipment and automobiles (approximately 70%) as well as military material.

Cultural relations

The Czech Republic maintained cultural relations with Egypt on a larger scale than with other countries in the region; this was done mainly on a non-commercial basis.

Cultural exchanges saw a visible upsurge even though it was the Czech side that was more active. In March 2000, there was a cello recital by J. Bárta. There was also the exhibition "650 Years of Charles University", and a performance by B. Hybner. In April 2000, an exhibition of works by the graphic artist F. Doubek was organized. After launching of the activities of the Czech-Egyptian Art Club, a number of Czech films were shown in the course of 2000. In September, the ensemble Sklep took part in the International Cairo Festival of the Experimental Theatre. An expedition of the Czech Egyptology Institute of Charles University has been traditionally very active in the country. The team is engaged in long-term successful research in the Abu Sir locality.

IRAQ

Iraq has found itself in strict international isolation as a result of the sanctions imposed by the United Nations Security Council after the invasion of Kuwait in August 1990. The Czech Republic fully respected the provisions arising from relevant resolutions of the United Nations Security Council and also backed the project "Oil for Food".

Bilateral relations continued to stagnate. The Czech Republic has declared its interest in expanding relations with Iraq for the benefit of both sides but only when the relevant United Nations Security Council resolutions are observed.

Economic relations

In 2000, the trade turnover was 275.3 million CZK; Czech exports were 7.6 million CZK and imports 267.7 million CZK. The deficit amounted to 260,1 million CZK. Czech firms did not succeed in asserting themselves in the partially open trade authorized by the United Nations under the "Oil for Food" programme, set up by the United Nations Security Council resolution No. 986. In view of the broadcasts by Radio Free Iraq to Iraq, the Iraqi Government adopted a package of measures restricting the activities of Czech trading firms on the Iraqi market. Imports centred on oil and partly on cotton products. Actual trade was done via third countries.

Cultural relations

A Czech ensemble has been participating every year in the Babylon Festival since 1997; in 2000 the Olšava Folk Ensemble accepted an invitation and participated in this event.

ISLAMIC REPUBLIC OF IRAN

Certain internal political changes have taken place in the Islamic Republic of Iran. Iran has succeeded in breaking through its international isolation and settle its relations with the EU Member States. The Czech Republic welcomed the positive and promising trend evident in Iran's approach.

Iran's opposition to the broadcasting of Radio Free Europe/Radio Liberty in the Persian language adversely affected bilateral relations with its editorial office in Prague. The visit by Deputy Minister of Foreign Affairs H. Kmoníček in Teheran represented an opportunity to express of the interest on both sides in closer relations in the future, mainly in the economic sphere.

Visits by representatives of the Czech Republic

- 30. 5.-1. 6. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Economic relations

Trade turnover doubled in 2000 as opposed to 1999. The turnover reached 3.1 billion CZK. Czech exports amounted to 2.8 billion CZK and imports 279.4 million CZK – the positive balance was 2.5 billion CZK. Work continued on completion of the thermal power station at Iranshahru and a plant for the manufacture of aluminium at Djadjarm.

Cultural relations

An exhibition of graphic works by the graphic artist F. Doubek was organized in Teheran in September 2000. An exhibition of traditional and contemporary Iranian art was held in Brno in October 2000, and the Fourth Festival of Iranian Films was organized in Prague in October 2000.

YEMEN

Yemen is a significant country on the Arab Peninsula. Traditional Czech-Yemeni relations expanded successfully in 2000.

Economic relations

Trade turnover reached 235.5 million CZK in 2000; Czech exports represented 233.3 million CZK and imports 2.2 million CZK. The positive balance of the Czech Republic amounted to 231.1 million CZK. Yemen showed interest in Czech products on the basis of their favourable reputation, as well as in the participation of Czech

firms in development projects in the infrastructure (energy, water projects, the construction of cement factories with the financial participation of the World Bank and donors). The main export articles were automobiles and cammions, pumps, glass and equipment for electrical installations.

JORDAN

Jordan, important because of its strategic position between Iraq and Israel, continued to be active in the peace process in the Middle East.

Czech-Jordanian relations are not burdened by any problems and expanded successfully in 2000.

Visits by representatives of the Czech Republic

- 29. 4.-6. 5. 2000 – participation of 13 representatives of the Chamber of Deputies of the Parliament of the Czech Republic in the 103rd Conference of the Interparliamentary Union.

Visits by representatives of Jordan

- October 2000 - participation of Prince Hassan Bin Talala in the Forum 2000 in Prague.

Economic relations

In 2000, the trade turnover accounted for 242.3 million CZK; Czech exports were 238.2 million CZK, imports 4.1 million CZK. The positive Czech trade balance reached 234.1 million CZK. From the economic point of view, Jordan is significant for the Czech Republic as an intermediary for trade with third countries.

Cultural relations

A concert by the Academia Brass Quintet was given in Amman in March 2000, P. Šporcl (violin) and P. Jiříkovský (piano) gave concerts in June 2000 an the Baroque Brass Trio in October 2000.

SAUDI ARABIA

Saudi Arabia is the biggest state in the Arab Peninsula and also the most powerful country militarily and economically of the Gulf Cooperation Council.

The Czech Republic has perceived the development of contacts with Saudi Arabia as promising in general and for the economy. The Czech Republic has emphasized the

need for opening a Embassy of Saudi Arabia in the Czech Republic, which would make an effective contribution to the further expansion of relations mainly in trade and in the economic sphere.

Economic relations

In 2000, the trade turnover reached 1.4 billion CZK. Czech exports represented 1.37 billion CZK, imports 50.5 million CZK. The positive Czech balance amounted to 1.3 billion CZK. The economic sphere dominated the relations; the primary Czech export commodities were automobiles and trucks, engineering equipment, glass and foodstuffs. In 2000, negotiations continued on a General Agreement, which Saudi Arabia considers crucial for the negotiation and signing of other contractual documents.

Cultural relations

The Czech Republic maintained good relations in the field of culture, education and the health service. The exhibition "The Artistic Heritage and Art of Saudi Arabia" contributed significantly to the improvement of mutual understanding. It was held in the Czech Republic from the autumn of 1999 until the winter of 2000 in Prague, Brno, and Vyškov. This was the first exhibition of its kind in Central and Eastern Europe and the third in Europe as such. In 2000, the Embassy of the Czech Republic in Saudi Arabia, together with the embassies of the EU Member States and associate countries, participated in a film festival; exhibitions "650 years of Charles University" and "Ten Personalities in Czech Graphic Art" were also organized. At the turn of 2000–2001, the Faculty of Philosophy and Arts of the Charles University took part in an international exhibition of prints of the Koran in Riyadh.

LEBANON

The Lebanon has been in a state of reconstruction after the end of a protracted civil war. Until May 2000, the Israeli army occupied the south of the country. The Czech Republic regards Lebanon as a significant partner among the Arab countries in the Middle East. Relations concentrate primarily on trade and economic cooperation.

Economic relations

In 2000, the trade turnover amounted to 1.39 billion CZK with exports at 1.38 billion CZK and imports at 6.4 million CZK. The Czech positive balance amounted to 1.37 billion CZK. Lebanon is among the major importers of Czech commodities in the Middle East. Czech firms are mainly interested in participating in certain

development projects in the transport infrastructure where opportunities exist for direct or sub-contracting participation. A business mission, arranged by the Comenius Foundation, visited Lebanon in September 2000.

Cultural relations

An "Exhibition of Theatre Photography" by J. Krejčí was held in Beirut in March 2000.

MOROCCO

The Czech Republic considers Morocco as a significant partner in the Mediterranean region and shows constant interest in developing mutual relations.

Economic relations

In 2000, trade turnover amounted to 778.9 million CZK; Czech exports were 388.5 million CZK, imports 390.4 million CZK. The Czech deficit amounted to 1.9 million CZK. Even though the trade turnover does not correspond to the possibilities of the two countries, Czech firms have nevertheless been more active in 2000 on the Moroccan market and Czech exports have been higher.

Cultural relations

The Czech film "The Dance Teacher", directed by J. Jireš, was screened in July 2000 at the International Film Festival in Morocco. An exhibition of 150 Czech books in the French language was organized in Rabat in October 2000.

UNITED ARAB EMIRATES

The United Arab Emirates (UAE) are a significant member of the Gulf Cooperation Council and a major trading and economic partner of the Czech Republic in the Middle East.

Political activities between the two countries continued in 2000 and confirmed the growing interest of the two countries in strengthening predominantly economic relations.

Visits by representatives of the Czech Republic

- 5-7. 3. 2000 - visit by Deputy Prime Minister and Minister of Finance P. Mertlík.

Economic relations

In 2000, the trade turnover amounted to 5.3 billion CZK. Czech exports almost doubled in 2000 as opposed to 1999 and reached 4.7 billion CZK while imports amounted to 674.9 million CZK. The Czech positive balance was 4 billion CZK. The United Arab Emirates were among the significant trading partners of the Czech Republic not only in the Middle East but also among developing countries. Since 1998, the UAE has been biggest importer from the Czech Republic among countries in the Middle East. In 2000, like every year, Czech firms were represented at a number of specialized international exhibitions and trade fairs.

Cultural relations

Two exhibitions were held in Abu Dhabi in October 2000: 150 Czech books in the English language and an exhibition of graphic works by the graphic artist F. Doubek.

ISRAEL

Czech-Israeli relations have been on the highest level in their history. A series of visits at various levels confirmed the interest on both sides in a substantial strengthening of relations. Major events included a visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan in Israel and a visit by Israeli Deputy Prime Minister and Minister of Foreign Affairs D. Levy in the Czech Republic.

Following the escalation of the situation at the end of September 2000 and the escalating violence between Israelis and Palestinians, the Czech Ministry of Foreign Affairs issued several statements calling on both sides to show restraint, responsibility, and to observe signed agreements.

Visits by representatives of the Czech Republic

 – 13–17. 7. 2000 – visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of Israel

 - 25–27. 1. 2000 – visit by Deputy Prime Minister and Minister of Foreign Affairs D. Levy.

Economic relations

The application of the Free Trade Agreement, signed on 20 May, 2000, had a favourable impact on mutual relations. With certain exceptions in agricultural and food production, the agreement stipulates the further abolition of customs duties in

the course of 2000. The more favourable trading conditions were reflected in the gradual increase in Czech exports.

In 2000, trade turnover reached 4.4 billion CZK. Czech exports amounted to 2.3 billion CZK and imports to 2.1 billion CZK. There was a Czech deficit of 204 million CZK, yet developments indicated that a balanced trade balance could be achieved. The overall turnover placed Israel in third place in the Middle East and North Africa, but in imports Israel is in first place.

The commodity structure of Czech exports is favourable: almost half accounts for machines and means of transport. Other significant export articles are iron and steel products as well as glass, tyres and chemicals. Czech imports centred mainly on technically more demanding items in the field of communication, data processing, engineering equipment, medical and laboratory instruments, chemicals and cotton.

Bilateral Agreements concluded in 2000

- 16. 7. 2000 – A treaty on social security was signed in Tel Aviv but it has not yet come into force.

Cultural relations

The Czech musicians P. Šporcl and P. Jiříkovský performed in Israel in 2000. In November 2000, a festival of films by film director J. Švankmajer took place in three Israeli cities. In December 2000, works by the Czech composer S. Bodorová were presented in Israel.

KUWAIT

Kuwait is an important Gulf Cooperation Council state. Relations between the Czech Republic and Kuwait concentrate on economic and commercial cooperation. The Czech Republic supported Kuwait's demands for repairing the effects of the Iraqi occupation.

Visits by representatives of Kuwait

- 14-19. 9. 2000 - visit by a Czech-Kuwait Interparliamentary Friendship Group.

Economic relations

In 2000, trade turnover amounted to 264.4 million CZK; Czech exports were 260.9 million CZK, imports 3.5 million CZK. The positive Czech balance amounted to 257.4 million CZK. The main exports were dairy products, glass, textiles, and automobiles.

Cultural relations

The Embassy of the Czech Reepublic in Kuwait organized a piano recital by the pianist M. Pospíšilová, as well as an exhibition of computer graphics and photographs by V. J. Lexa. A competition of children's drawings "Lidice 2000" was organized in 2000.

SUDAN

Sudan has been permanently destabilized by civil war. The United Nations Security Council has imposed sanctions on Sudan.

Relations between the Czech Republic and Sudan were on a low level in 2000.

Economic relations

The trade turnover in 2000 was 240.9 million CZK; Czech exports amounted to 214.7 million CZK, imports to 26.2 million CZK with a positive Czech balance of 188.5 million CZK. A group of Czech experts responsible for the running of the Wad Medani textile factory was still working in Sudan.

SYRIAN ARAB REPUBLIC

While the Syrian Arab Republic represents for the Czech Republic a traditional trade and economic partner in the region, relations have been stagnating since the early 1990s because of certain issues in abeyance (the problem of the succession of treaties and of financial claims). The Czech Republic manifested its interest in settling these matters and during the visit of Deputy Minister of Foreign Affairs H. Kmoníček confirmed its readiness to activate a high-level dialogue, which would help to find a mutually acceptable solution of these questions.

Visits by representatives of the Czech Republic

- 19-20. 12. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Economic relations

In 2000, the trade turnover amounted to 891.5 million CZK; Czech exports were 769.3 million CZK, imports 122.2 million CZK. The Czech positive balance amounted to 647.1 million CZK. Czech firms failed to acquire new orders and essentially concentrated on maintaining earlier projects. A shortage of convertible currency in the Syrian state sector prevented a trade increase.

Cultural relations

A concert by the Academia Brass Quintet was given in Damascus in April 2000.

TUNISIA

The Czech Republic regards Tunisia as a significant partner in the Mediterranean region. Regular high-level mutual visits contribute to friendly relations.

Visits by representatives of the Czech Republic

- 11-13. 5. 2000 - visit by the Minister of Defence V. Vetchý.

Economic relations

In 2000, the trade turnover amounted to 580.5 million CZK; Czech exports represented 274 million CZK, imports 306.5 million CZK. The Czech deficit was 32.5 million CZK. After changing over to using compound fertilisers, the Czech Republic ceased to purchase phosphates; this was reflected in the trade turnover, which does not correspond to the potential of both countries. Tunisia has traditionally been and remains a popular destination for Czech tourists – almost 60,000 visit Tunisia each year.

Bilateral Agreements concluded in 2000

- An agreement on cooperation between the Ministry of Defence of the Czech Republic and the Ministry of National Defence of the Republic of Tunisia, Tunis, 12 May, 2000;
- An agreement on visa-free travel for holders of diplomatic and service passports came into force on 1 January, 2000.

Cultural relations

"Days of Bohumil Hrabal" were organized in Tunis in January 2000. The event comprised of an exhibition on the life and work of B. Hrabal and the screening of the film "Postřižiny". Films directed by M. Forman were shown in October 2000. The event was organized in collaboration with the Embassy of the Czech Republic and the Tunisian association for the promotion of film critique.

The Czech violinist P. Šporcl and the pianist P. Jiříkovský gave recitals as part of the Carthage Music Festival in October 2000.

LIBYAN ARAB JAMAHIRIYA

In 2000, the Czech Republic was most active in aiming at reviving mutual economic cooperation and solving still unresolved questions including the problem of the successions of treaties and debts of Libya. Negotiations by the Deputy Minister of Foreign Affairs H. Kmoníček in Libya and a meeting of Minister of Foreign Affairs J. Kavan with the State Secretary for Foreign Affairs in September 2000 at the General Assembly of the United Nations in New York confirmed the common interest in the restoration of mutual relations.

Visits by representatives of the Czech Republic

- 16-19. 5. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Economic relations

In 2000, trade turnover amounted to 149.4 million CZK; Czech exports amounted to 138.4 million CZK, imports to 11.0 million CZK. The Czech positive balance amounted to 127.4 million CZK.

PALESTINIAN NATIONAL AUTHORITY

The autonomous Palestinian territory was established under the joint Palestinian and Israeli Declaration on Principles of 13 September, 1993 and the Cairo Agreement of 4 May, 1994. The handing over of more territories to Palestinian administration is a matter for negotiation on the ultimate status under the Palestine-Israeli peace process. The Czech Republic supported the commencement of the peace process in the Middle East from the very beginning. This process is based on United Nations Security Council resolutions 242 (1967) and 338 (1973) and on the principle "land for peace", which is the only way of achieving lasting and just peace in the region. After the escalation of the situation at the end of September 2000 and growing violence between the Israeli and the Palestinians, the Ministry of Foreign Affairs of the Czech Republic issued repeated declarations calling on both sides to show restraint, responsibility, and to observe signed agreements.

Direct Czech-Palestinian relations in the political and economic sphere were achieved through the Palestinian National Authority, which is the official representative of the Palestinians and of their self-administration in the autonomous Palestinian territories.

Mutual relations were promoted by the visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan in the Palestine autonomous territories in July 1999. The Czech Republic was the first of the EU candidate countries to open its liaison office at Ramallah on the Palestinian autonomous territory.

Visits by representatives of the Czech Republic

 – 15. 7. 2000 – visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by Palestinian representatives

-9-11. 3. 2000 – visit by the Minister for Planning and International Cooperation N. Shaathe.

Economic relations

In 2000, trade turnover amounted to 4.1 million CZK. Czech exports amounted to 4.1 million CZK and imports to 35 thousand CZK. But these figures are not exact since trade contacts with Palestinian businessmen were statistically indicated primarily as part of trade with Israel.

Under the international development aid, the Czech Republic participated in the renewal and development of the Palestinian territories by financing and organizing the electrification project of the Túbás area in the West Bank for which the Czech Republic earmarked more than 103 million CZK between 1996–1999, and additional 33 million CZK in 2000.

Cultural relations

The Roma Álom ensemble performed in May 2000 in Gaza and Ramallah.

9. Relations between the Czech Republic and Sub-Saharan African countries

ANGOLA

During the period under review mutual relations between the Czech Republic and Angola have been further consolidated; they were formally settled at the end of 1999 after a five-year period when they were in fact frozen. The Czech Republic considers Angola as a country with a great potential for trade and economic cooperation.

Visits by representatives of Angola

- 27-31. 3. 2000 - private visit by President J. E. dos Santos.

Economic relations

Trade between the Czech Republic and Angola was low. The overall turnover in 2000 was 36.5 million CZK. There was a 200% increase of Czech exports (35 million CZK) compared to 1999. The main export articles were machines and means of transport and industrial goods. Czech imports accounted for 1.5 million CZK. The Czech Republic's trade balance shows a long-term positive trend; in 2000 it reached 33.5 million CZK.

ETHIOPIA

Ethiopia is traditionally an important partner of the Czech Republic on the African continent. In view of the armed conflict with neighbouring Eritrea, conditions could not be created during the period under review for a further expansion of mutual cooperation.

Economic relations

In 2000, the trade turnover amounted to 70.9 million CZK and the amount was affected by the ongoing conflict between Ethiopia and Eritrea. Ethiopia felt a shortage of financial resources to pay for imports. Czech exports, which amounted to 37.6 million CZK, had dropped comparison to 1999. But this trend appears to be of a temporary nature. Exports consist mainly of engineering products and means of transport. Czech imports accounted for 33.3 million CZK. The Czech positive trade balance was 4.3 million CZK.

Cultural relations

The Government of the Czech Republic offered the Government of Ethiopia four university scholarships. In 2000, 30 government scholarship recipients were studying in the Czech Republic.

GHANA

Mutual relations concentrated primarily on economic cooperation and were reflected in an upsurge of trade.

Economic relations

In 2000, the trade turnover increased by approximately 80%, compared to 1999. But this still does not reflect realistic possibilities. The long-term balance of trade is favourable for the Czech Republic (90.5 million CZK). Czech exports of 124.5 million CZK represented about three-quarters of the overall turnover which in 2000 reached 158.5 million CZK, while the Czech Republic imported goods for 34 million CZK.

Export commodities include mainly engineering products and foodstuffs. Two agreements on the establishment of joint enterprises, negotiated in 2000 by Czech and Ghanaian firms, could greatly assist an increase of trade.

Cultural relations

The Government of the Czech Republic offers the Government of Ghana one government scholarship yearly. In 2000, eleven government scholarship recipients were studying in the Czech Republic.

SOUTH AFRICA

South Africa is the most advanced country in Sub-Saharan Africa and is also the most significant and most promising partner of the Czech Republic in the region. In 2000, there was a rapid expansion of bilateral relations in the political but, above all, in the commercial field. The visit by the South African Vice-President in the Czech Republic testified to this.

Visits by representatives of the Czech Republic

- 18-20. 6. 2000 - visit by Deputy Minister of Foreign Affairs H. Kmoníček.

Visits by representatives of South Africa

- 15-17. 3. 2000 visit by the Chairman of the Upper Chamber of Parliament N. Pandor;
- 19-21. 9. 2000 visit by Vice-President J. Zuma. His delegation included the Minister in the Office of the President E. Pahad, Minister for Social Affairs and Population Development Z. Skweyiya, Deputy Defence Minister N. Madlala-Routlledge and Minister of Industry and Trade I. Hendricks.

Economic relations

The trade turnover, which in 2000 amounted to 1.5 billion CZK, witnessed a rise of approximately 6%, compared to 1999. Czech exports, which amounted to 588.5 million CZK, represented approximately 40% of turnover. Export items consisted mainly of engineering products and consumer goods. Imports amounted to 944 million CZK and the deficit thus reached 355.5 million CZK.

Bilateral Agreements concluded in 2000

 Agreement between the Government of the Czech Republic and the Government of the Republic of South Africa regarding Mutual Assistance in Customs Matters; Prague, 20 September, 2000.

Cultural relations

The Ondrášek Children's Choir performed in South Africa in February 2000. An exhibition of Czech artists, assembled in the Konfese Group, was held in Cape Town in March 2000. During the Easter holiday, the Embassy of the Czech Republic in South Africa arranged an exhibition of Czech and Moravian Easter traditions and during that same month Hradišt'an folk ensemble performed in South Africa.

In May, a Week of Czech Culture was organized at Potchefstroom University. It included an exhibition of lithographs by O. Kulhánek, illustrations by A. Born and photographs by M. Pechová-Mancovná and V. Kvapil. In June, the films "Extaze" and "Erotikon" were shown at the film festival at Grahamstown. An exhibition of drawings by children in the Terezin ghetto, entitled "The Story of Children" was organized in the Holocaust Museum in Cape Town also in June. The exhibition by the graphic artist O. Kulhánek was set up once again in July at Stellenbosch. In September, works by A. Born were presented at an international festival at Potchefstroom. The Ypsilon theatre ensemble also performed there.

The Government of the Czech Republic offers the Government of South Africa one university scholarship every year. In 2000, six South African scholarship recipients were studying at Czech universities.

KENYA

Bilateral relations between the Czech Republic and Kenya concentrated primarily on the economic sphere.

Visits by representatives of the Czech Republic

- 23-25. 5. 2000 - visit by the Minister of Environment M. Kužvart, attending a meeting of the United Nations Conference of the Parties to the Convention on Biological Diversity.

Visits by representatives of Kenya

-23-24. 8. 2000 – private visit by Vice-President G. Saitoti, received by the Chairwoman of the Senate L. Benešová.

Economic relations

The trade turnover between the Czech Republic and Kenya reached 112.9 million CZK in 2000. There has been a slight drop compared to 1999, especially because of the limitation of Czech exports of consumer goods and engineering products (80 million CZK), which dropped approximately by 40%. Czech imports accounted for 32.9 million CZK. However, the overall volume of mutual trade remained far behind realistic possibilities. In the long-term, the trade balance was traditionally favourable for the Czech Republic and in 2000 this balance amounted to 47.1 million CZK.

Cultural relations

An exhibition of works by the graphic artist O. Kulhánek was organized in Nairobi in May. The Government of the Czech Republic offered the Government of the Republic of Kenya three government university scholarships. In 2000, there were 23 government scholarship recipients studying in the Czech Republic.

DEMOCRATIC REPUBLIC OF THE CONGO

The Democratic Republic of the Congo is among the promising partners of the Czech Republic, especially in the trade and economic sphere. Relations began to be gradually revived in the late 1990s, but they were hampered by the complicated internal situation in the country. The Democratic Republic of the Congo opened its Embassy in Prague in January 2000.

Visits by representatives of the Democratic Republic of the Congo

 - 4. 8. 2000 – visit by the Deputy Minister of Finance and State Budget A. Luhalwe-Dyia.

Economic relations

The trade turnover between both countries amounted to 13.5 million CZK in 2000. Czech exports of industrial and engineering products (11.6 million CZK) accounted for more than 90% of the overall turnover. Czech imports were worth 1.9 million CZK and the Czech positive trade balance was 9.7 million CZK.

Cultural relations

The Czech Republic participated in the international festival "A Month of European Films" with the film "When the Cat Comes". The Government of the Czech Republic offered the Government of the Democratic Republic of the Congo three university scholarships and eleven Congolese students were studying at Czech universities.

LIBERIA

There has been a certain revival of bilateral relations between the Czech Republic and Liberia during the period under review, possibly also thanks to the establishment of an Honorary Consulate of the Czech Republic in Monrovia. Liberia showed an interest in economic cooperation, but its strengthening has been hampered by the unstable domestic situation in Liberia.

Visits by representatives of Liberia

- 21-25. 8. 2000 - visit by the Minister of Foreign Affairs M. Captan.

Economic relations

Mutual trade dropped by approximately half in comparison to previous year. Turnover for 2000 amounted to 45.5 million CZK; Czech exports, mainly engineering products, accounted for 27.6 million CZK, imports for 17.9 million CZK.

Cultural relations

The Government of the Czech Republic offered the Government of Liberia one university scholarship. In 2000, there were two Liberian government scholarship recipients studying at Czech universities.

NAMIBIA

Relations between the Czech Republic and Namibia have been friendly and correct, but there are still considerable open possibilities in trade and in the economic sphere. There has been particularly active cooperation in education.

Economic relations

Trade between the two countries has been very low. Turnover in 2000 dropped by about one-third, as opposed to the previous period and amounted to 10.5 million CZK; a 40% drop was due especially to lower Czech exports (consumer goods) which amounted to 8.9 million CZK. Imports were at 1.6 million CZK.

Cultural relations

The Government of the Czech Republic offered the Government of Namibia four university scholarships. In 2000, there were 21 government scholarship recipients studying at Czech universities.

NIGERIA

Nigeria is one of the significant and potential partners of the Czech Republic in Sub-Saharan Africa. In 2000, the Czech Republic transferred its Embassy in Nigeria to Abuja, while keeping a branch in Lagos.

Visits by representatives of Nigeria

- 22-27. 11. 2000 - visit by the Federal Minister of Industry S. I. Akiga.

Economic relations

Trade turnover between the Czech Republic and Nigeria has dropped to virtually half of the previous year and amounted to 290.5 million CZK. Czech exports dropped by 30% and amounted to 201.8 million CZK. Almost half of these exports were engineering products, the rest were consumer goods. Imports represented 88.7 million CZK. The Czech positive balance was 113.1 million CZK.

Cultural relations

The Government of the Czech Republic offers the Government of Nigeria one to two government university scholarships every year. In 2000, there were two government scholarship recipients studying at Czech universities.

CÔTE D'IVOIRE

Relations between the Czech Republic and Côte d'Ivoire concentrated primarily on trade and economic cooperation. The complicated domestic situation in the country hampered more intensive relations.

The post of the Czech Republic's Ambassador Extraordinary and Plenipotentiary was filled for the first time in the history of relations between the two countries with his seat in Abidjan.

Economic relations

Trade turnover between the Czech Republic and Côte d'Ivoire reached 743.8 million CZK in 2000, which is a rise of approximately 30% as against the previous year. Czech imports (cocoa) predominated, reaching of 659.7 million CZK. Czech exports of engineering and consumer goods increased by more than 100%, but notwithstanding, amounted to only 84.1 million CZK. The Czech Republic has a long-term deficit with the country and in 2000 this deficit amounted to 575.6 million CZK.

Cultural relations

A week of Czech films was organized in Abidjan in July and "Days of Jazz" by J. Koubková were organized in 16–18 October, 2000.

SENEGAL

The Czech Republic considers Senegal as a significant partner in West Africa but the level of mutual relations has not been substantially expanded during the period under review.

Economic relations

Trade turnover in 2000 amounted to 39 million CZK, which represents an increase of approximately 30%. Czech exports predominate (34.5 million CZK), consisting of engineering and consumer goods, which also increased by 30%.

ZIMBABWE

Zimbabwe was going through a complicated political and economic situation in 2000, which limited the possibility of a further expansion of mutual relations.

Economic relations

Even though there had been a drop in mutual trade turnover by approximatelly15% (to 340.7 million CZK), due to lower imports of tobacco, Czech exports rose four times as opposed to 1999 and reached 56 million CZK. Imports amounted to 284.7 million CZK and there was a deficit of 228.7 million CZK.

10. Relations between the Czech Republic and the countries of Latin America

ARGENTINA

Argentina is one of the most important and traditional partners of the Czech Republic in Latin America. The dominant aspect of mutual relations is in the economic sphere. The Czech Republic cooperates with Argentina on the international scene.

Visits by representatives of the Czech Republic

- 2-3. 3. 2000 the Head of the Office of the President I. Mathé met the Head of the Office of Argentinian President J. de la Rua in Buenos Aires;
- 7-10. 6. 2000 visit by a delegation of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament.

Economic relations

Despite the economic potential of the two countries, mutual trade has been dropping since 1993. The main reason is the transformation of the structure of Czech exports and the economic crisis in Argentina during the past two years. In the 1990s, Argentina held the third to fifth place in Czech trade turnover with Latin American countries. In 2000, mutual trade turnover dropped to 806.3 million CZK with a relatively steady trade balance with Czech exports amounting to 407.0 million CZK and imports 399.3 million CZK. The positive balance reached 7.7 million CZK. But a considerable proportion of Czech exports to Argentina is carried out via third countries.

Following a structural reorientation of Czech exports in the first half of the 1990s, the emphasis of Czech exports shifted to the sphere of metallurgical semi-finished goods, machinery and equipment, ball bearings, motor vehicles, tractors, motorcycles, and consumer goods. The predominant Czech imports from Argentina are oleaceous groundnuts, meat and meat products, fish and seafood, aluminium wire, wool, leather, and leather goods.

The participation of the Czech Republic in the EMAQH machine tool fair in 2000 was most successful.

Bilateral Agreements concluded in 2000

- 2. 1. 2000 – The Agreement on visa-free travel between the Czech Republic and Argentina came into force.

Cultural relations

Argentinian cultural institutions showed keen interest in the establishment of contacts with partners in the Czech Republic, especially in traditional fields of Czech culture such as cinematography, music, and photography. There has been a certain revitalization thanks to several successful events by Czech orchestras and theatre ensembles but also to exhibitions arranged by the Embassy of the Czech Republic in Argentina or with its participation (exhibition to mark the 150th anniversary of the birth of T. G. Masaryk, exhibition of the contemporary Czech poster "Carteles de Praga"). The Embassy of the Czech Republic in Argentina has sponsored several theatre performances. The most interesting of these were two plays by F. Kafka.

Concerts by the Czech Philharmonic and the FOK orchestra were most successful. A regular exchange of university scholarship recipients is in progress.

VENEZUELA

Because of its immense crude oil deposits, Venezuela is among the most significant Latin American countries. The Czech Republic maintained correct relations with Venezuela with special emphasis on economic and trade cooperation.

Economic relations

Trade in 2000 confirmed the trend of reviving and increasing economic and commercial cooperation. The overall trade turnover amounted to 389.3 million CZK, of this Czech exports 374.3 million CZK and imports 15 million CZK. Venezuela is among the few countries in the region with which the Czech Republic has a positive trade balance. In 2000, this balance amounted to 359.3 million CZK.

The Embassy of the Czech Republic in Venezuela is accredited, alongside Venezuela, for 13 other countries in the Caribbean and the Northern part of the South American sub-continent (e.g. Guyana, Suriname, the Dominican Republic, Trinidad and Tobago, the Virgin Islands, Barbados, and Haiti). The states which are included in the trade and economic range coming under the Embassy in Caracas, represent the second biggest volume of trade between the Czech Republic and the countries of Latin America and the Caribbean, following after Brazil.

Czech export commodities include milk, glassware, iron and steel, chemicals, pipes, valves and armatures, jewels and products of the goldsmith trade, textile and leather processing machines and spare parts, photographic and film accessories, china table- and kitchenware, textile yarn, fibres and market products, road vehicles (mainly motorcycles), office equipment, clothing and accessories, metal processing machines and paper, cardboard and products made of cardboard.

Cultural relations

Cultural contacts are arranged mainly on a commercial basis or at the initiative of the Embassy of the Czech Republic in Venezuela in Caracas. In 2000, the Embassy arranged two exhibitions on the life and work of B. Hrabal and on the contemporary Czech poster. The "Black Theatre" gave guest performances in Caracas and five other towns under the auspices of the Czech Embassy.

As part of a development programme, the Government of the Czech Republic offered unilaterally two scholarships for studies at Czech universities to Venezuelan applicants.

BOLIVIA

Bolivia is one of the poorest counties on the American continent. Lately it has been hit by an economic crisis. Bilateral relations are good, but they are negligible.

Economic relations

Bolivia is among the weakest trade partners of the Czech Republic in Latin America. Mutual trade in 2000 was no more than 37.1 million CZK (exports 16.7 million CZK, imports 20.4 million CZK). The deficit amounted to 3.7 million CZK.

Predominant Czech export commodities were printing machines, glassware, textile machines and their spare parts (knitting machines), and china. Bolivian exports to the Czech Republic included unroasted coffee -65% - and Brazil nuts -31.5%. Other commodities were traded in negligible quantities.

BRAZIL

Brazil is a traditional and significant partner of the Czech Republic in Latin America. The Czech Republic cooperates with Brazil on international issues, mainly within the United Nations. Brazil is traditionally the Czech Republic's biggest trade partner on the Latin American continent.

Visits by representatives of the Czech Republic

- 15–21. 10. 2000 delegation of the Committee on National Economy, Agriculture and Transport of the Senate;
- 3-9. 12. 2000 visit by the First Deputy Minister of Industry and Trade V. Petříček.

Economic relations

Czech-Brazilian trade represents in the long term one-third of all Czech trade with Latin America.

In 2000, the Czech and Brazilian business communities have shown greater interest in more active trade relations. The Czech Republic responded to this by sending two economic delegations, which backed this trend. Trade turnover in 2000 increased by 54% and reached 5.8 billion CZK; Czech exports amounted to 1.8 billion CZK, imports 4 billion CZK. The deficit amounted to 2.2 billion CZK. The Czech Republic imports from Brazil coffee, foodstuffs, tobacco, natural oil, chemical products, leather and leather goods (footwear), industrial and machine equipment, optical instruments, etc. The main Czech export articles are foodstuffs, live animals, hops, alcoholic beverages, mineral oils, fuel, chemicals, plastic articles, glass and glassware, industrial technology (cement works), metal and steel ingots, machines

and equipment, automobiles and tractors. A positive feature is the trade and economic cooperation of Czech firms with individual Brazilian states.

A new Honorary Consulate of the Czech Republic has been opened in Manaus (Amazonas), which, alongside the other honorary consulates, is expected to promote relations between the Czech Republic and Brazil.

Cultural relations

A number of exhibitions and events promoting Czech culture have been organized in 2000 with the help of the Embassy of the Czech Republic in Brazil and the General Consulates in Sao Paolo and Rio de Janeiro. "Czech Days" were organized in Sao Paolo, together with an exhibition of the work of B. Hrabal. The Embassy of the Czech Republic in Brazil arranged two major exhibitions – "Franz Kafka" and "Drawings by the Terezin Children" which had earlier been arranged under the auspices of the Embassy in several other Brazilian cities. At the end of the year, an exhibition "Czech Christmas" was organized. The Czech Philharmonic toured Brazil in 2000.

There is a fairly large expatriate community in Brazil. It is concentrated in its southern states – Sao Paolo, Santa Catarina, Parana, and Rio Grande. Associations, set up by expatriates, participate in cultural events arranged by the Czech consulates.

ECUADOR

Relations between the Czech Republic and Ecuador have traditionally been of a good standard. They concentrate on the economic sphere and on trade.

Economic relations

In 2000, overall trade turnover amounted to 691.3 million CZK; Czech exports amounted to 178.3 million CZK, and imports 513 million CZK, with the Czech deficit of 334.7 million CZK.

The Czech exports to Ecuador in 2000 consisted primarily of automobiles, iron, steel and metallurgical products, textile and leather processing machines and their spare parts, glass and glassware, jewellery, and lighting fittings. 90% of all imports from Ecuador accounted for bananas, followed by minerals, coffee, tea, cocoa, and spices.

Cultural relations

Bilateral cultural relations are confined to less costly exhibitions. Under the development aid programme in education, the Czech Republic annually offers four

scholarships for undergraduate and postgraduate studies and there is great interest in these among Ecuadors applicants.

CHILE

Chile, one of the politically and economically most advancing countries in Latin America, was a significant partner of the Czech Republic in 2000. The standard of relations was underscored by several high-level visits. Chile is among the economically most important partners with whom the Czech Republic has a longterm active trade balance.

Visits by representatives of the Czech Republic

- 10–12. 3. 2000 Deputy Prime Minister and Chairman of the Legislative Council of the Government P. Rychetský attended the swearing in of Chilean President R. Lagos;
- 4-7. 6. 2000 visit by a four-member delegation of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament;
- 6-8. 12. 2000 official visit by the Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visits by representatives of Chile

- 30. 9.-3. 10. 2000 - visit by the Chairman of the Senate A. Zaldivar.

Economic relations

In 2000, the overall trade turnover amounted to 326.8 million CZK; exports were worth 208.3 million CZK and imports 118.5 million CZK.; an active trade balance has been steadily maintained. In 2000 it amounted to 89.8 million CZK.

The Czech export commodity structure was fairly varied. The major commodities were computers for the registration of ticket sales, chemicals (mainly sodium cyanogens) iron ingots and steel of various shapes, machines and instruments for filling, sealing, closing and labelling bottles and tins, forming machines for the processing of metal, iron and steel products, and glass mirrors. Chile's main exports to the Czech Republic were grapes (55%), tinned fish and salmon products (30%) and dried fruit (15%).

Bilateral Agreements concluded in 2000

- Treaty on social services, Santiago de Chile; 7 December, 2000.

Cultural relations

An exhibition of modern Czech posters was held in four localities in Chile in February 2000. The Suk Chamber Orchestra gave two concerts in Santiago in October 2000. In December 2000, an exhibition of works by the prominent Chilean painter of Czech origin F. Otta was organized as part of the Czech Week; he was awarded the Jan Masaryk Gracias Agit 2000 prize in memoriam. In May 2000, the Youth Orchestra of the Santiago Music Institute visited the Czech Republic (Jesenik) and in October 2000 the Bartók Ensemble (Prague).

Cooperation in the field of education includes scholarships granted to Chilean students under a development aid programme. In 1999–2000, the Czech Republic accepted one student for construction engineering studies. The Chilean diplomatic academy offers places every year to young Czech diplomats to spend two semesters at its institute.

COLOMBIA

Colombia is an important partner of the Czech Republic in Latin America. Bilateral relations concentrate primarily on the economic and trade sphere.

Economic relations

The overall trade turnover in 2000 amounted to 1.3 billion CZK; Czech exports accounted for 249.3 million CZK, imports for 1.1 billion CZK. The Czech deficit was 878.1 million CZK.

The commodity structure consisted mainly of engineering products in 2000, above all automobiles, iron and steel, semi-finished foodstuffs and products, and chemicals. The Czech Republic imported primarily coffee, tea, cocoa, spices, and bananas.

Endeavours continued to introduce a maximum diversification of Czech exports. Several investment projects were prepared. The traditional items of Czech exports were machine tools and textile machines, instruments, lifting equipment, tractors, motorcycles, tyres and consumer goods – glass, china, paper, etc.

Cultural relations

In March and April 2000, the Czech Republic was invited to take part in the EUROCINE 2000 film review of films from the European Union. The Prague Black Theatre of F. Kratochvíl successfully performed at the International Drama Festival in Bogotá. An exhibition of the work by the Czech stage artist J. Svoboda was installed during the Festival. The exhibition was shown in May and June 2000 in the Modern Art Museum in Cartagena.

The Czech Republic offers Colombia four scholarships each year for graduate and post-graduate courses at Czech universities. Colombia in turn enables one to two Czech students every year to take post-graduate courses at Colombian universities.

CUBA

Czech-Cuban relations in 2000 focused mainly on the trade and economic sphere. Relations were influenced by the resolution, adopted by the UN Human Rights Commission, condemning the Cuban Government for failing to respect human rights and fundamental democratic liberties. The Czech Republic was one of the authors of the resolution. The Cuban Government reacted to this initiative by totally freezing all contacts with the exception of contacts between Czech and Cuban firms.

Economic relations

Trade turnover between the Czech Republic and Cuba in 2000 amounted to 246.4 million CZK (exports 199.9 million CZK, imports 46.5 million CZK, the active balance was 153.4 million CZK). An increase is limited by the chronic shortage of currency in the Cuban state economy.

However, the repayment of the Cuban debt to the Czech Republic (approximately 540 million of transferable roubles) remains an open problem; but this sum will first have to be calculated in a convertible currency.

Changes in bilateral agreements in 2000

- The Agreement on the abolition of visas between the government of the Czechoslovak Federal Republic and the government of the Republic of Cuba for holders of valid travel documents, concluded by an exchange of notes on 3 and 29 April, 1992, was abrogated as of 19 January, 2000.

PARAGUAY

Relations with Paraguay were limited by the continuing complex internal political situation in the country.

Economic relations

Since the mid-1990s, trade between the Czech Republic and Paraguay has registered a declining tendency. In 2000, the mutual trade turnover rose to 26.9 million CZK with a roughly 100% increase in Czech exports to 26.2 million CZK and a basically equal imports amounting to 685 thousand CZK.

Cultural relations

Under a foreign development aid programme, the Czech Republic offers Paraguay scholarships for a complete university and post-graduate course of study in the Czech Republic, which is in great demand, and applications exceed availability.

PERU

The good bilateral political relations between the Czech Republic and Peru have been demonstrated, for example, by a visit by the Peruvian Minister of Foreign Affairs in the Czech Republic. Trade and economic relations were at the centre of cooperation.

Visits by representatives of the Czech Republic

- 6-13. 10. 2000 - visit by Minister of Education E. Zeman.

Visits by representatives of Peru

- 10-14. 1. 2000 - visit by Peruvian Minister of Foreign Affairs F. de Trazegnies.

Economic relations

Trade in 2000 reached a turnover of 459.4 million CZK (exports 147 million CZK, imports 312.4 million CZK with a deficit of 165.4 million CZK). The predominant commodities in Czech exports in 2000 were textile machines and their spare parts, (knitting and weaving machines), metallurgical products (pipes), chemical products – especially cyanides, office equipment, and glassware. Imports from Peru were mainly fishmeal – 67% – fish and seafood – 18% – and cotton yarn.

Bilateral Agreements concluded in 2000

- Programme of Educational, Scientific and Cultural Exchanges between the Government of the Republic of Peru and the Government of the Czech Republic for 2001–2003; Lima, 11 October, 2000.

Cultural relations

Among the most noteworthy cultural events in 2000 were an exhibition of works by students of the Prague Arts Academy, arranged in Lima, and a simultaneous exhibition of works by students of the Lima arts school in Prague (October). The Pacha Peru folk ensemble of songs and dance performed in Prague in September 2000. The Embassy of the Czech Republic in Peru prepared an exhibition of works by Czech painters F. Skála, T. Císařovský and O. Placht in Lima (December). In 2000, six of the most outstanding students of secondary schools at Callao (March) and several Czech students from the Budejovicka Grammar School in Prague (August) took part in reciprocal student exchanges.

The Government scholarships granted under a development aid programme can be regarded as a significant aspect of cooperation in education. Peru again offered one scholarship for a course of study at the diplomatic academy in Lima.

MEXICO

The Czech Republic maintains traditional, long-term and friendly relations with Mexico, which grew stronger in 2000. The level of these relations has been documented by the significant number of visits by representatives of the two countries. Mexico is among the most important partners of the Czech Republic in Latin America. It is the first Latin American country whose firms have been investing in the Czech Republic.

Visits by representatives of the Czech Republic

- 16-20. 2. 2000 visit by Deputy Minister of Foreign Affairs H. Kmoníček;
- 12-15. 3. 2000 visit by Minister of Agriculture J. Fencl;
- 12-14. 11. 2000 visit by the Governor of the Czech National Bank J. Tošovský;
- 30. 11.-4. 12. 2000 visit by Deputy Prime Minister and Minister of Foreign Affairs J. Kavan.

Visit by representatives of Mexico

- -9-10. 2. 2000 visit by the Director General of the Mexican Ministry of Foreign Affairs for Cultural Cooperation Nualarta to attend the Joint Commission;
- 26-28. 8. 2000 visit by the Vice-chairman of the Government of the City of Mexico R. Robles.

Economic relations

Mexico is one of the traditional long-term economic partners of the Czech Republic. Mutual trade in 2000 reached a turnover of 2.8 billion CZK – Czech exports added up to 958.6 million CZK, and imports 1.87 billion CZK. The Czech deficit was 913.1 million CZK.

Roughly 50% of Czech exports in 2000 consisted of textile, leather and polygraph machines, machine tools; 25% were glass costume jewellery and glass; 8% iron and steel, waste water purifier, musical instruments, weapons and ammunition, tyres, beer, and wine. The predominant items imported from Mexico were products of

Volkswagen and other engineering products (80% of all imports), coffee, pectin materials, electrical installations, office and data processing technology, medicaments, fluorite, clothing, and foodstuffs.

The Mexican food company Ricolino (Karviná-Petřvald) launched production in the Czech Republic in 2000, while preparations proceeded for the construction of the Mexican engineering firm Nemak (Pilsen). Another Mexican food manufacturing firm, Barcel, decided to invest "on the green meadow" in the Czech Republic. During the period under review, the Czech Republic continued preparations for investments by the Česká gumárenská společnost (San Luis Potosi) and by Karbon Invest (Coahuila). A Czech mini-brewery and restaurants opened in Tijuana.

Bilateral Agreements concluded in 2000

- A Phyto-Sanitary Agreement; Mexico City, 13 March, 2000.

Cultural relations

The year 2000 was the most successful so far in the history of cultural, educational and, scientific relations between the two countries. The text of an agreement on cultural and educational cooperation was drawn up at a session of the Joint Commission in Prague.

The most significant cultural event in 2000 was a ceremony to mark the unveiling of a statue of T. G. Masaryk on a street of the same name in Mexico City. An exhibition of Czech design and graphic art works was held in 2000, accompanied by the publication of a special catalogue. The Black Theatre of F. Kratochvíl toured some of the tourist centres on the Caribbean coast. The Czech Republic was traditionally represented at the Cervantino Festival and at the Cervantes en Todas Partes Festival. Significant ventures included the reconstruction of the sculptural group "The Three Graces" by the Czech sculptor M. Chlupáč, and the installation of a bust of T. G. Masaryk in the passageway of a shopping centre on T. G. Masaryk Street.

The regular exchange of university scholarship recipients continued in 2000 as well; a group of 30 Mexican students was sent to spend one month in the Czech Republic. In the field of science, cooperation began between the Institute of Astronomy of Charles University, Prague, and the Guanajuato University. Projects and grants were carried out also at other levels.

URUGUAY

The Czech Republic maintains long and correct relations with Uruguay. During the last few years cooperation was stepped up especially in the trade, economic and cultural fields.

Visits by representatives of the Czech Republic

- 29. 2.-2. 3. 2000 – participation of the Head of the Office of the President I. Mathé in the swearing-in ceremony of the newly elected President of Uruguay J. Batlle.

Economic relations

The volume of trade dropped in 2000 compared to 1999 and did not correspond fully to the export potential of the two countries. The overall turnover amounted to 160.8 million CZK, of this Czech exports were at 61.8 million CZK and imports at 99 million CZK. The deficit amounted to 37.2 million CZK. The most significant commodities in Czech exports in 2000 were iron and steel, drugs and pharmaceutical products, machines and equipment for the building industry, instruments and hand tools, glassware, and electrical engineering hand tools propelled by electric motors. Among the chief import items were combed and cut wool, oranges, tangerines and other citrus fruits, leather, clothing accessories made of textiles, clothing, and leather accessories.

Changes in bilateral agreements in 2000

- 29. 12. 2000 – an agreement on mutual assistance and protection of investments came into force (signed on 26 September, 1996).

Cultural relations

Uruguayan cultural institutions are showing considerable interest in boosting contacts with their partners in the Czech Republic, mainly in traditional branches of Czech culture such as cinematography or music. In 2000, Czech culture was strongly presented. Czech cinematography was represented at the XVIII. International Film Festival in Montevideo, an exhibition of contemporary Czech posters was arranged. The Prague Chamber Orchestra under the renowned Uruguayan conductor R. Montenegro gave guest performances here. The Czech Trio Guarnieri, as well as the Prague Symphony Orchestra FOK under its conductor J. Bělohlávek played to enthusiastic audiences.

The Czech Republic grants scholarships unilaterally every year to Uruguayan applicants to attend courses at Czech universities. During the 2000–2001 academic year, 2 scholarship recipients studied in the Czech Republic. In light of a great interest, one additional scholarship has been allocated for 2001. There were five scholarships granted for post-graduate studies.

CENTRAL AMERICAN COUNTRIES

(COSTA RICA, GUATEMALA, EL SALVADOR, HONDURAS, PANAMA, NICARAGUA)

The Czech Republic maintains correct relations. Lately, there has been a revival and strengthening of trade and economic cooperation.

Visits by representatives of the Czech Republic

 14–15. 2. 2000 – visit by the Deputy Minister of Foreign Affairs H. Kmoníček in Panama.

Economic relations

COSTA RICA

Economic and trade relations have for a long time been correct and essentially free of problems, but they are not very dynamic. Mutual trade reached a turnover of 289.9 million CZK in 2000 – Czech exports were 70.3 million CZK and imports 219.6 million CZK. During the past ten years, the trade balance has been running at a steady deficit for the Czech Republic. In 2000, the values reached 149.3 million CZK. This deficit is caused mainly by imports of bananas and coffee, which are the predominant Costa Rican export items. Czech exports centre on iron and steel and products made of these commodities, printing machines, cutlery, tools and equipment, rubber products, textile yarn, and others.

GUATEMALA

In 2000, mutual trade amounted to 112.4 million CZK; Czech exports amounted to 44.7 million CZK, imports to 67.7 million CZK. The main items of Czech exports were machine tools and textile machines, arms and ammunition, and costume jewellery. Imports centre mainly on coffee, fruit and spices.

EL SALVADOR

Economic relations with El Salvador are without any problems. Trade has been noticeably increasing during the past few years and El Salvador has become one of the significant trade partners of the Czech Republic in Latin America. In 2000, mutual trade reached a turnover of 2.6 billion CZK; Czech exports amounted to 680.1 million CZK and imports to 1.9 billion CZK. Czech exports included tantalum, metal

processing machines and equipment while imports centred on electrical condensers. The Czech participation in the trade fair in San Salvador could well give a fresh impetus to promoting mutual trade.

HONDURAS

Economic and trade relations between the Czech Republic and Honduras are without any major problems. In 2000, mutual trade amounted to a turnover of 176.9 million CZK; Czech exports were worth 29.7 million CZK and imports 147.2 million CZK. The Czech Republic exports to Honduras mainly various industrial products, energy equipment, and electrical appliances. The main import commodity is coffee.

PANAMA

Economic and trade relations with Panama are without major problems. In 2000, mutual trade amounted to a turnover of 396.7 million CZK; Czech exports amounted to 116.0 million CZK, imports to 280.7 million CZK. Deputy Minister of Foreign Affairs H. Kmoníček opened a Czech Trade Publicity Office during a visit to the country in February 2000. The Czech Republic exports to Panama mainly glass and glassware, textile products, iron, and steel. Škoda automobiles reappeared on the Panamian market in October 2000. Panama exports to the Czech Republic raw hide and leather products, bananas and other tropical fruits and nuts.

NICARAGUA

The volume of trade has been very low in recent years. In 2000, mutual trade turnover amounted to a mere 105.4 million CZK; Czech exports amounted to 6.8 million CZK, imports to 98.6 million CZK. The Czech Republic exports to Nicaragua mainly motors and parts for leather processing machines while the only imports are coffee.

Bilateral Agreements concluded in 2000

- An agreement on abolishing visas for holders of diplomatic and service passports.

Cultural relations

Cultural relations are limited by the geographic distance and by a shortage of financial resources. The presentation of Czech culture in the countries of Central America is determined by events organized by the Ministry of Foreign Affairs of the Czech Republic or rather by the Czech Embassy responsible for the region with its

seat in San Jose, Costa Rica. It has nevertheless been possible to arrange an exhibition "The Czech Republic at the Turn of the Millennium".

Cultural and education contacts focus nowadays on scholarships granted to students from all Central American countries. Every year, each of these countries is offered one to two scholarships for a complete university education and for postgraduate studies in the Czech Republic. Report on the Foreign Policy of the Czech Republic II. Bilateral Relations of the Czech Republic

III. The Economic Dimension of Czech Foreign Policy

The fundamental strategic document of policy in external economic relations is the statement of the Government of the Czech Republic of 12 August, 1998. It states the intention to create a pro-export policy, to draw up a concept of territorial policy, to reinforce the significance of and expand commercial and trade representations at embassies with the aim of creating a sense of balance in the trade balance which had been developing unfavourably and, last but not least, of promoting the establishment and expansion of foreign representations of the CzechTrade Agency, boosting exports.

The policy statement, the drafting of which was the direct and indirect task of the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Industry and Trade of the Czech Republic (under Act No. 2/1969, the so-called law of competence), related to external economic relations, was further elaborated and put into concrete terms set out in other conceptual documents.

The Agreement on Cooperation between the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Industry and Trade of the Czech Republic in Matters related to Implementing a Foreign Trade Policy (hereafter Agreement) of 8 October, 1998, is the fundamental document, which respects the relevant jurisdiction of the two ministries. The Agreement was amended in October 2000 on the basis of comments by the heads of the embassies and proposals by the two ministries. The Agreement stipulates the principles to be applied in the selection and training of candidates for the posts of managers in charge of trade and economic sections at embassies and of other staff of trade and economic sections; it outlines the scope of the activities of the Permanent Working Group which is a consultative body of the two ministers.

In 2000, the creation of fundamental material and personnel conditions was shared between the Ministry of Foreign Affairs and the Ministry of Industry and Trade. This was to enable the extended network of trade and economic sections at embassies to meet the demand of the Ministry of Industry and Trade that by 2001 the trade and economy department every embassy world 130 diplomats. These diplomats should operate in approximatelly 100 countries and concentrate exclusively on economic problems. During the period mentioned, the trade and economy sections had a staff of 106 while a further 25 were given combined tasks, part of which were economic agendas.

In 2000, the Ministry of Foreign Affairs purchased KOMPASS database systems on firms to ensure more adequate equipment of the trade and economic sections, and subscribed to handbooks and economic reviews published by The Economist. It also made financial contributions for export-promoting events organized by these sections.

Representatives of the business community declared that the material, personnel, and methodical improvement of trade and economic sections had done much to raise the effectiveness of Czech economic diplomacy. This will remain the crucial priority also in 2001. Improved cooperation between trade and economic sections and the CzechTrade Agency should help to ensure this.

When assessing the economic dimension of foreign policy, one must not overlook the activities of non-profit organizations coming under the jurisdiction of the two ministries, i.e. the Czech Centre Administration, CzechTrade Agency, and CzechInvest.

The Czech Centre Administration, falling under the Ministry of Foreign Affairs, is responsible also for the "<u>www.export.cz</u>" website, which contains a summary of territorial information, reports on public tenders and topical requirements put forward by territories, prepared by individual trade and economy sectors at embassies and Czech Centres. The number of the website visitors is steadily rising. A total of seventeen Czech Centres arranged 261 projects in the field of external economic relations in 2000 in collaboration with trade and economic sections. These projects enabled several hundred Czech firms to introduce themselves abroad. An agreement on cooperation between the CzechTrade Agency and the Czech Centre Administration was concluded on 20 January, 2000. The objective is to collect and process information on the preparation and organization of seminars at home and abroad.

Under the Government resolution No. 259 of 15 March, 2000, the Ministry of Foreign Affairs, the Ministry of Defence and the Ministry of Industry and Trade concluded an accord on 3 October, 2000, on Principles of Cooperation between the State and the Defence Industry. The accord is directed primarily towards territories where there is a trade and economic section alongside a military and air force attaché. But all other embassies will apply the agreed forms of cooperation and presentation of products of the Czech defence industry.

IV. Human Rights in the Foreign Policy of the Czech Republic

Activities in the negotiation sphere

Human rights represent one of the priorities of Czech foreign policy. In the process of defending and promoting them the Czech Republic is committed in many specific spheres, whether in its approach to certain countries or regions. Domestic activities carried out in collaboration with the government representatives for human rights, by the Government Council for Human Rights and by the Government Council for Nationalities equally significant.

The rights of ethnic minorities (with a view to the Roma community), the rights of women and of children, and the problem of refugees are all of key significance for Czech foreign policy in the area of human rights.

The Czech Republic has underscored the European dimension of the Roma problem. An appropriate solution has been explored within international structures (UN, OSCE and the Council of Europe).

The third and fourth Periodical Report of the Czech Republic on the way commitments arising from the Convention on the Elimination of All Forms of Racial Discrimination is being implemented was discussed in the United Nations in August 2000. The discussion focused on general issues, the history of the Roma in the Czech Republic, the question of assimilation and integration, the situation in Maticni Street and the mosque in Brno, the education of members of the Roma community in the context of special schools, the punishment of race-motivated criminal offences and those committed by extremist groups, the position of refugees and applicants for asylum. The Czech Republic provided information on its approach to the solution of all these problems.

Art. 14 of the Convention which recognizes the authority of the Committee on the Elimination of Racial Discrimination to accept complaints by individuals or groups on the violation of the rights set out in the Convention by a Contracting Party was a major step towards the elimination of racial discrimination in the Czech Republic.

The Czech Republic submitted two of its own draft resolutions to the Commission on Human Rights in the spring of 2000; it was the resolution on thematic procedures and on the situation of human rights in Cuba. Negotiations on the resolution on human rights in Cuba, which the Czech delegation had submitted for the second time alongside the Polish delegation, were complicated. The point was to reach an agreement on whether to include in the text a so-called economic terminology, in other words, whether to show disapproval for the economic sanctions. A compromise version, noting the violation of human rights in Cuba and inadequate progress made in abolishing this violation was adopted by 21 votes against 18, in other words, with a better result than in 1999.

The second resolution submitted emphasizes the significance of thematic procedures in the Comission on Human Rights. It calls on governments to cooperate in providing prompt replies and in extending invitations for visits of the Commission's mechanisms. The resolution also suggests that special rapporteurs, special representatives, experts, and working groups submit recommendations on ways and means of forestalling the violation of human rights. Their reports should note any progress made by individual states. The resolution was adopted by a consensus. This resolution, sponsored by the Czech Republic, was followed by a permanent invitation extended to all thematic mandates of the Commission. In the Third Committee of the fifty-fifth session of the General Assembly, the Czech Republic called on the other countries to extend such an invitation.

The Ministry of Foreign Affairs of the Czech Republic is responsible for the application of international and regional standards in human rights, mainly in creating national norms. It collaborates with national institutions, especially the Government Council on Human Rights, in drawing up national reports on implementation of the commitments arising from international and regional human rights treaties.

The Czech Republic takes an active part in the process of reforming the UN Treaty Bodies, which at present is taking place on a rather informal level. The aim is to improve the quality of the Treaty Bodies, eliminating duplication of procedures and last, but not least, eliminating the overburdening of individual Treaty Bodies due to the increasing number of contracting parties.

Human rights are among the three items high on the agenda of the Organization for Security and Cooperation in Europe (OSCE). In April 2000, the High Commissioner for National Minorities published a report on the position of the Roma minority in OSCE Member States, which also deals with extremism, racism, and intolerance and contains relevant recommendations. At a seminar of experts about the report, held in Bratislava in June 2000, the Ministry of Foreign Affairs of the Czech Republic presented the latest steps taken by the Government of the Czech Republic towards mitigating shortcomings in the position of the Roma in the Czech Republic. One of the results of the Bratislava Initiative was another seminar on the subject "Political Participation of the Roma", held in Prague in December 2000 in cooperation between the OSCE ODIHR and the Ministry of Foreign Affairs of the Czech Republic. At OSCE implementation meeting in Warsaw on the human dimension, held in October 2000, the representative of the Czech Republic underscored the problem of racism and extremism as one of the priorities of the Government of the Czech Republic; this was demonstrated, for example, by the concept of the Government's policy vis-à-vis the Roma population aimed at promoting its integration in society.

In the Council of Europe, the Czech Republic concentrated on solving the Roma problem within concrete and substantive projects. In October 2000, the Advisory Committee of the Council of Europe on the Framework Convention for the Protection of National Minorities visited the Czech Republic to investigate the application of commitments arising from the agreement signed by the Czech Republic. In October 2000, the Government of the Czech Republic approved a proposal to sign the European Charter for Regional and Minority Languages. This aims basically at protecting and promoting historical regional and minority languages striving for the guaranteed use of a regional or minority language in both private and public life, thereby preserving and promoting traditions and the European cultural heritage. In October 2000, the Government of the Czech Republic approved the signing of Protocol No. 12 to the European Convention on Human Rights.

In its relations with the European Union, the Czech Republic continued to use this forum within the bodies established on the basis of the agreement on association. In this respect, the Czech Republic takes advantage of these opportunities in implementing its foreign policy, including the protection of human rights. Speaking on the creation of a tolerant and multi-cultural society, the Minister of Foreign Affairs Kavan addressed the association council and proposed the opening of an all-European debate aimed at creating and exchanging well-tried procedures, especially in attitudes towards the Roma population; this is a concept of the so-called Europeanization. These procedures would offer solutions for various problematic areas of interest, such as racial discrimination, housing, education and the political participation of members of the Roma population.

Activities in the contractual sphere

Great progress has been made in the area of the rights of children. In March 2000, the Czech Republic presented the second periodical report to the High Commissioner for Human Rights in Geneva on the implementation of the provisions of the UN Convention on the Rights of the Child. The report covers the period between 1995 and 1999. In May 2000, the Czech Republic deposited in New York an instrument on endorsing the amendment of Art. 43, par. 2 of the Convention, which increases the number of members of the Committee on the Rights of the Child from

ten to eighteen. In October 2000, President Havel, while attending the Millennium Summit in New York, signed the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflicts. The Optional Protocol raises the age limit for direct participation in combat and for the mandatory participation of children in armed forces from 15 to 18. The Czech Republic is a "model" country with regard to the Protocol since the country's legislation forbids even voluntary participation in armed forces below the age of 18. In the sphere of international private law, the Czech Republic ratified the Hague Convention on the Protection of Children and Co-operation in respect of Intercountry Adoption in January 2000. In February 2000, it ratified the Hague Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in respect of Parental Responsibility and Measures for the Protection of Children.

The visit by the UN High Commissioner for Refugees, Ms. Sadako Ogata in the Czech Republic in February 2000 was a significant event. She visited the Czech Republic on the occasion of signing of a treaty between the Office of the UN High Commissioner for Refugees (UNHCR) and the Czech Republic on the legal status of the UNHCR and its staff in the Czech Republic in light of the transfer of the UNHCR Liaison Office to the Czech Republic. The Czech Republic undertook to support the activities of the UNHCR and signed an agreement to this effect. The High Commissioner said she was pleased with the situation in the Czech Republic and praised the new Asylum Law. She also recognized the progress which the Czech Republic had made in its approach to refugees over the past ten years, as well as the approach and the role of state in integrating foreign nationals into society. Both sides regarded the visit most favourably. For the Czech Republic, it was an open contribution especially in connection with the persisting problem of submitting asylum applications, mainly in economically advanced countries.

In the Council of Europe, the process of involvement of the Czech Republic in its treaty system continued with the ratification of two agreements referring to the rights of children: in March 2000, the European Convention on the Recognition and Enforcement of Decisions concerning Custody of Children and on Restoration of Custody of Children, and in October 2000, the European Convention on the Adoption of Children. In April 2000, the Czech Republic signed the European Convention on the Legal Status of Extra-Marital Children and the European Convention on the Exercise of Children's Rights.

As for the rights of refugees and the rights of foreign nationals, the Czech Republic acceded to the European Agreement on Transfer of Responsibility for Refugees. This accord follows up on the United Nations Convention on the Legal Status of Refugees, which guarantees them the right to freedom of movement and to travel document issuance. The Convention expands this right depending on the place of residence of the refugee in such a way that it determines the conditions under which the

contracting parties are compelled to issue the refugees a travel document, even if they have been granted the status of refugee in another state. In July 2000, the Czech Republic also adhered to the Convention on the Participation of Foreign Nationals in Public Life at Local Level. This is one of the most up-to-date agreements of the Council of Europe which reacts to the greater mobility of individuals in the European area by guaranteeing resident citizens rights which are historically tied to state citizenship, i.e. political rights.

V. Foreign Cultural Policy of the Czech Republic

1. The presentation of the Czech Republic and its culture abroad

A series of factors share in presenting the image of the Czech Republic; but the Ministry of Foreign Affairs of the Czech Republic is able to influence these only to a limited degree. The domain of culture is a significant instrument of foreign policy and is an important factor in presenting the Czech Republic abroad. It helps to create and strengthen its positive image. The cultural dimension of foreign policy is an inseparable component of diplomacy and is an instrument of the foreign policy of the Czech Republic in incorporating it into the context of commonly shared democratic values and cultural traditions in achieving the political and economic interests of the country.

The presentation of the Czech Republic in cultural terms takes account of political and economic interests. Every attempt is made to join prestigious multilateral projects in the course of which bilateral interests can be placed in a context in which the Czech Republic is perceived as a serious partner and also as an intermediary for the cultural heritage and contemporary culture and art. In the light of the clear vision of the accession of the Czech Republic to the EU, culture becomes a substantial link with other countries; it also provides scope for the achievement of Czech interests abroad.

Among the major objectives of foreign cultural policy is the creation of an objective image of the Czech Republic abroad, the presentation of the cultural wealth in its entirety and variety as well as the promotion of direct contacts between foreign and domestic institutions in the field of culture. The presentation of the Czech Republic not only as a country with a significant cultural heritage but also as the author of new cultural values has been a target on which the activities of the Ministry of Foreign Affairs of the Czech Republic have concentrated in 2000 in the field of culture. Attention has been devoted to increasing contacts with Czech artists and art institutions or to supporting and exploring contacts with the aim of enhancing and expanding cultural relations.

The variety of events in 2000 included all aspects of art; special attention was devoted to painting, sculpture, music, films and literature. The individual projects were mainly presented as independent events, but where this was suitable and possible, exhibitions were accompanied by the screening of corresponding Czech

films, concerts of Czech music were given at the opening of exhibitions, there were book-reading sessions by authors at book exhibitions, etc. Various projects were appraised and prepared with a strong emphasis on quality and on the ability to address the widest public in a specific country. EXPO 2000 at Hanover was a unique event.

Special attention concentrated on the preparation of cultural events in different territories with a view to their specific features. Special care was given to the preparation of projects in Central and West European countries. Everything was done to present the Czech Republic as a future member state of the EU. Relations with these countries embrace a host of cultural contacts at different levels, which provide for a busy exchange of values, but what matters most is to address the broadest possible audience.

The constant shortage of financial resources is a limiting factor in the presentation of Czech culture, which has not permitted the organization of major cultural events of the size and quality, which could be achieved. That is why exploring and ensuring the assistance of suitable sponsors abroad and in the Czech Republic with maximum emphasis on the professional and social prestige of the institutions contacted, is an important aspect in arranging cultural programmes.

2. EXPO 2000 in Hannover

The world fair EXPO 2000 took place between 1 June–31 October, 2000. The Czech Republic presented itself successfully with its own pavilion, a rich programme and considerable publicity, especially in the media abroad.

The Czech pavilion welcomed 1.3 million visitors, on record days almost 20,000 while the daily capacity had been originally estimated at 3,000 persons a day. In June, between 3,000–5,000 visitors came to the Czech pavilion, while in October their number had risen to an average of 12,000 a day. The total number of those who had come to see the Czech exhibition amounted to over 1.3 million. Additional tens of thousands visited the Czech restaurant, the Czech store, and information centre, or watched some of the regional and cultural programmes.

A Czech Day was organized on 7 June, only a few days after the opening; it was attended by an official delegation, led by Prime Minister Zeman.

Other Government officials visited the fair during the later days as well as several groups of Deputies and hundreds of Czech mayors and representatives of the regions.

The Czech pavilion welcomed large numbers of personalities from abroad. Symbolically, the first was the Slovak Minister of the Economy Harach, followed by Polish President Kwasniewski, Hungary's Prime Minister Orban, the Croatian Prime Minister Racan, the former Mexican President de la Madrid, the Vatican representatives for the Holy Year 2000 Cardinal Etchegarray, the Vatican Foreign Minister Tauran, Slovak Prime Minister Dzurinda, the Estonian Prime Minister Laar, the European Commissioner for Enlargement Verheugen, and many more. Among the German guests were R. Klimmt, the Federal Minister of Transport and Housing Riester, the Federal Minister of Labour and Social Affairs Henkel, the Chairman of the influential Union of German Industry, and Cardinal Meissner from Cologne.

On the Day of the Environment on September 1, the Minister of Environment Kužvart presented three ecological projects in the Czech pavilion, which won the prize of World EXPO 2000 Projects. One was a project by the North Bohemian Waterworks Company, entitled Healthy Towns and Centre for Cleaner Production.

Czech and Moravian regions presented themselves in the Czech pavilion. The first ones to introduce themselves were Velke Losiny and the Jesenik region, followed by Valassko, Moravian Slovakia, and East Bohemia. These "days of the regions" always included a music programme, exhibitions of folk hand crafts and the tasting of local specialities.

On International Children's Day on September 20, visitors admired Czech wooden toys and puzzles. A large wooden chessboard outside the pavilion was also very successful.

The Czech pavilion and its management staff were introduced in the Czech and in the German media, for example, on the ARD, ZDF, SAT 1, Deutsche Welle, MDR, WDR television channels. The NDR channel (part of ARD) broadcasted three live programmes of regional line-ups (a Valassky weekend, an ecological day, wine harvest). The General Commissioner of the Czech Participation Bartuska, together with the then Federal Secretary for Culture Naumann, were the guests of a television programme on the Phoenix TV station on 3 October, the tenth anniversary of German reunification.

At the otherwise non-political EXPO, the Czech pavilion arranged two "political" events: a concert to mark the 32nd anniversary of the Soviet-led invasion (21 August, 1968) and, together with the Slovak pavilion, a Czechoslovak Day on 28 October under the slogan "In honour of a state that exists no longer, but is still alive in our memory".

Artists, musicians, singers who performed in the rich cultural programme in the Czech pavilion and on other stages included E. Urbanova, K. Gott, V. Hudecek, J. Stivin, J. Cerny, V. Brabec, I Bittova, J. Pavlica with the Hradistan folk ensemble, M. Eben, the Prague Original Music Theatre, Virtuosi Quartet, children's choirs, brass bands and classical music orchestras. Altogether, some 1,500 artists performed at the cultural events of the Czech Republic.

After the many earlier ambiguities and delays, the Czech participation in the EXPO 2000 world fair was relatively successful. This was due not only to the large number

of visitors but also to the predominantly positive response in the media abroad to the cultural and regional programmes. It is worth mentioning that the response abroad was far more favourable than that in the Czech Republic.

3. Media and information, the Ministry of Foreign Affairs of the Czech Republic website

The September 2000 Annual Meeting of the Boards of Governors of the IMF and the World Bank in Prague attracted attention from more distant countries. Although the proceedings were widely reported in the media, especially the unprecedented discussions between the opponents of globalisation with representatives of the world finance institutions, the greatest attention was paid (especially by the electronic media) to the violent clashes of the demonstrators with the police. Although the acts of violence by the demonstrators were evident and initially, for the most part, the media appreciated the successful intervention by the Czech police, later reports noted blunders committed during the investigation of demonstrators detained by the Czech police.

The media also paid attention to a new law on the presence of foreign nationals on the territory of the Czech Republic, which contained a series of inaccuracies, apart from objective information. But our embassies gradually clarified these inaccuracies; however, the media in countries with which visa-free travel had been abolished reacted in a similar manner (the Russian Federation, Belarus, Ukraine); all in all, it was evident that in these countries an attempt was made to be objective and show a deeper understanding for various aspects of mutual relations.

Among topics that aroused media interest abroad was the Temelin nuclear power plant. The Austrian and German media, above all, criticized the test operation of the nuclear power plant. When comparing the reaction in our two neighbouring countries, it becomes evident that despite certain adverse commentaries, the German media featured more objective information about the Czech Republic. The situation in Czech Television was clearly reflected in foreign reporting as late as early in 2001.

The issue of human rights, including the Romany question, was viewed less critically than during the previous year. In some instances, the Czech Republic was presented as a country where work is successfully in progress to solve Romany problems. Czech sportsmen and sportswomen, as well as representatives of the cultural community did a lot to present a favourable image of the Czech Republic abroad: the Skoda car factory is most frequently mentioned as an example of the success of Czech industry.

In 2000, the Czech Republic was often mentioned as one of the favorite countries for admission to the European Union. Reports about fundamental characteristics, the state of negotiations and the results which the Czech Republic has attained in connection with the enlargement of the Europen Union were also registered in EU countries, where the Czech Republic is not in the centre of public attention and reports about it are infrequent.

In Europe, it is generally only a joint article by the Minister of Foreign Affairs of the Czech Republic Kavan and reports dealing with the European country concerned, reflecting important political issues, which meets with any considerable response and is seen as an interesting contribution to the discussion on the future of Europe, especially the European Union. The same applies generally also to declarations by other top Government representatives whenever they deal with international problems and topics frequently discussed in the countries concerned.

Bilateral relations and official or even working visits by state representatives are given pride of place in the presentation of the Czech Republic in the media in various parts of the world. It has become a tradition that the personality who is given the greatest attention is President Havel, who attracts the interest and attention of the media in territories where as a rule there is hardly any mention of the Czech Republic; these reports are mostly items taken over from world news agencies.

As the Internet has expanded, the importance of information accessible to the public directly, without the intermediary of the media has become far more significant. Moreover, the new Act No. 106/1999 on Free Access to Information has come into force. Consequently, the opening of the Ministry of Foreign Affairs of the Czech Republic to the public at large marked the year 2000.

On 1 January, 2000, a homepage of the Ministry of Foreign Affairs of the Czech Republic was launched (<u>www.mzv.cz</u>). The section dealing with presentation on the Internet within the Press Department is responsible for the technical and operational part of the material, i.e. processing, classification, upgrading, correction and complementing all the information due to be presented by individual sections of the Ministry. The corresponding specialized sector of the Ministry, dealing with a specific subject, is the guarantor and supplier of the content of these texts. The Press Department draws up a section of the content: documentation of contact activities, press reports and statements, material from press conferences and photographic documentation.

The homepage contains basic archive documents, current reports, addresses of Czech embassies, as well as of foreign embassies accredited in the Czech Republic, information on the organizational structure of the Ministry and the names of its senior officials with some basic personal information about them. The Consular Section offers information for Czech citizens on conditions of entry and stay in 130 countries worldwide. The website further features press statements by the Ministry of Foreign

Affairs of the Czech Republic, as well as positions and announcements, which are passed on to news agencies for publication. The website can be used for access to original and full texts provided directly by the Ministry and not through a news agency, which in some cases could be inaccurate or incomplete. The information featured on the Ministry's homepage also serves those interested to obtain information under Act No. 106/99 on Free Access to Information.

The structure of the information available on the Internet website of the Ministry of Foreign Affairs is being systematically expanded with information about possibilities of employment in the diplomatic service, reviews of humanitarian activities and assistance, information on security strategy and policy, replies by the press spokesman and others. Information on all embassies, including information about their senior officials, office hours for the public and on their responsibilities has been completed.

The homepage of the Ministry of Foreign Affairs facilitates the simple search of the homepages of other state institutions of the Czech Republic and of foreign ministries worldwide.

In keeping with the spirit of a public information system a section of the website has been created, known as *Formular*, where one can find application forms for requests to be submitted to the Ministry of Foreign Affairs by citizens or institutions

A modified English version of the homepage of the Ministry was made accessible in the middle of 2000. Alongside selected information, gradually translated from the Czech version, the English version contains an additional section "The Czech Republic and the European Union". It contains a multitude of extensive documents (at times several hundred pages) about the history, relations and the progress of the association of the Czech Republic with the European Union. In the Czech version these documents are presented in a separate project, Euroskop (www.euroskop.cz).

Pages of the Czech embassies are gradually added to the structure of the web.

"WAP" pages of the Ministry of Foreign Affairs have been made available in May 2000 (<u>wap.mzv.cz</u>). They give access via mobile terminals, especially mobile telephones. They contain a succinct selection of information taken from the www pages, to be exact, information useful for Czech citizens travelling abroad, listed in various sections, changes in visa requirements, personal security, local conditions and adaptations, lists of countries with visa-free travel plus a brief announcement on the possibilities of supplying information via the Section of Public Information of the Press Department, including contact data.

In 2000, the volume of published information increased more than five times.

Between January 2000 and January 2001, the number of visits to the website rose more than nine times; the number of pages scanned in January 2001 was 383,000, compared to 42,000 in January 2000. The volume of data made accessible is more than eleven times higher.

The Ministry of Foreign Affairs devoted great attention to the implementation of Act No. 106/1999 on Free Access to Information. A directive on the procedure for dealing governs information made accessible under this law with applications for information and on the duties of individual sectors and officials. A Section of Public Information has been established as part of the Press Department of the Ministry of Foreign Affairs which is responsible not only for carrying out the tasks arising from the law mentioned, but the possibilities of a more open access to the public have already been tested on several projects.

On March 1, 2000, the Ministry of Foreign Affairs published its annual report for 2000 on information provided under law Act 106/1999 in its valid version. The large number of requests received and an analysis of the subjects on which information is requested make it clear that the public in the Czech Republic and abroad closely follow the foreign policy of the country. Requests for information cover a wide spectrum of subjects such as those of a trade and economic nature, culture, education and expatriates, the coordination of relations between the Czech Republic and the EU, human rights and the position of ethnic minorities, refugees, asylum granting, including consular and visa questions, the implementation of international treaties and foreign development and humanitarian assistance by the Czech Republic.

Providing public information is closely linked with the Internet presentation of the Ministry of Foreign Affairs. Information is also provided on the way of obtaining information via the Internet as well as at other places where it is possible to find information on the foreign policy and activities of the Ministry of Foreign Affairs (for example, the communication strategy prior to the accession of the Czech Republic to the EU).

The Section of Public Information organizes seminars of senior officials of the Ministry with secondary school students on current aspects of the foreign policy of the Czech Republic. A competition for students of elementary schools has been arranged in cooperation with the Ministry of Education and UNICEF to test the knowledge of the students and possibly for them to submit artistic work.

4. Foreign language broadcasts on Czech Radio

Foreign broadcasts are managed by Czech Radio 7 Radio Praha, commissioned by the Ministry of Foreign Affairs of the Czech Republic under Act No. 468/1991 on the regulation of radio and television broadcasts, and under subsequent versions of regulations in accordance with Act No. 103/1992 on the Council for Radio and Television Broadcasting and in accordance with subsequent regulations, as well as in accordance with the decision of the Government of the Czech Republic No. 573 of

10 September 1997. In this Act, the Government of the Czech Republic gave its consent for broadcasts abroad to be run by the Ministry of Foreign Affairs. An agreement has been concluded between Czech Radio and the Ministry of Foreign Affairs on running and operating radio broadcasts abroad.

Foreign broadcasts offer professional and objective information on political, economic, cultural and social developments in the Czech Republic. Czech Radio is responsible for the content of broadcasts, their objective and balanced character. A Consultative Council for Foreign Broadcasts was formed as a consultative body of the Ministry of Foreign Affairs and appointed by the Minister of Foreign Affairs; its function is supervising and consultative. In 2000, the Consultative Council, which meets every three months, examined the proper application of the agreement between the Ministry of Foreign Affairs and Czech Radio, above all, whether the financial resources earmarked by the state budget for foreign broadcasts are being used with expediency and effectively and whether the programme criteria are being observed. It paid special attention to expatriate communities abroad, as well as to alternative forms of broadcasting as recommended by the Consultative Council. This applied first and foremost to the use of the Internet, satellite transmissions, and international cooperation when stations abroad are using programmes of Radio Prague.

Radio Prague participates in the satellite system of the World Radio Network (WRN) in Europe and North America with five 30-minute programmes a day, two in English, and one each in German, Spanish, and Czech. It intends to start satellite programmes also in French and Russian, but WRN has so far not started to operate the frequencies for these languages. The significance of satellite broadcasting does not consist merely in the fact that a listener is able to tune in to a programme via satellite, but also because WRN supplies entire broadcasting channels or parts thereof to other broadcasting networks in Western Europe and the USA (FM and cable) which adds more listeners to Radio Prague. Satellite broadcasting is important also for relaying to remoter short wave transmitters (for example, Radio Miami) which is another way of improving the quality of reception.

International cooperation is of exceptional importance. Radio Praha regularly prepares programmes for the expatriate stations in Croatia, Romania, and Australia, less regularly for certain stations in North and South America and it also prepares special programmes for Czech embassies and consulates. The foreign broadcasts section also participates in an exchange of programmes and co-productions in collaboration with the BBC, RFI, Deutsche Welle and Radio Polonia.

The foreign broadcasts are prepared by individual sections in English, German, French, Spanish, and Czech and, as of the end of October 2000, also in Russian. At the end of 2000, daily foreign broadcasts consisted of 7 hours in English, 6 hours in Czech, 4 hours in Spanish, 3 hours in French, 2 hours in German and 1.5 hours in Russian – a total of 23.5 hours a day.

The foreign broadcasts have something to offer also to listeners on the territory of the Czech Republic: broadcasts are targeted at foreign nationals visiting the Czech Republic or English-speaking residents. It is possible to tune in to programmes in English on weekdays on FM on the Prague frequency of the BBC on 101.1 FM in Prague and in Central Bohemia. The programmes consist mainly of cultural, tourist and economic information from Prague and the regions. FM broadcasts within the country have been a trend that has gained popularity in recent years owing to the greater mobility of people. The response to these transmissions is most positive.

The foreign broadcast radio station offers a voice and text version of its transmissions on the Internet which it has been using since 1994 as one of the first Czech media (<u>www.radio.cz</u>); these Internet transmissions are supplemented by specific services. The voice version transmits live programmes as RealAudio and individual language broadcasts in the MP3 format. The text is in graphics and illustrated to meet the requirements of modern computer graphics; it is currently supplemented by additional information and references to partner organizations. Other services are offered as well such as transmitting news on the Internet and so forth. Radio Prague is steadily expanding its services.

One can only guess the audibility of Radio Praha on the basis of listeners' reports and visits on the Internet website. According to a poll by the European Broadcasting Union, Radio Prague is one of five stations in Europe, which for financial reasons is unable to administer listening surveys. In 2000, the various foreign broadcast sections received almost 13,000 letters from which it is evident that listeners of transmissions are following events in the Czech Republic with great interest. The average number of those browsing the Internet website is 100,000 page hits a month. For example, listeners reacted to the results of the Senate and regional elections, to integration endeavours by the Czech Republic especially in the light of the French presidency of the EU, or they discussed the subject of the Temelin nuclear power plant on which they are sending in their views and questions. Many letters referred to the death of Emil Zatopek. Transmissions in Russian were very well received and both the content and structure of programmes meet with positive response.

In 2000, foreign broadcasts had at their disposal 64 million CZK. Because of the later commencement of transmissions in the Russian language the total budget was reduced by 2 million CZK.

5. Czech Centres

The task of the Administration of Czech Centres and of the Czech Centres as such – under the terms of the new Statute of the Administration, approved on 28 December, 2000 – is to assist the presentation of the Czech Republic abroad,

especially in the field of culture, trade and tourism, providing a high-quality information service about the Czech Republic and promote external economic relations. The Czech Centres are non-profit organizations of the Ministry of Foreign Affairs of the Czech Republic and most of their activities are financed from the budget of the Ministry. The Czech Centres adapt their activities to the situation in the country where they function and to the objectives of the foreign policy of the Czech Republic in specific countries. They coordinate their work with the embassies in specific countries, possibly with representatives of partner organizations. At the end of 2000, there were 17 Czech Centres, of these 16 in Europe, including nine in member states of the European Union, and one in the United States. In 2000, one centre was added to the network in Munich, which started to function in the autumn of 2000.

Despite attempts by the Administration of the Czech Centres to clarify their tasks in presenting the Czech Republic abroad, the public at home frequently regards the Czech Centres as purely cultural institutions. A Consultative Council of the Administration was set up in the second half of 2000 with the objective of making the work of the Administration more effective and more open. Its members are representatives of ministries cooperating with the Centres, as well as of non-profit organizations collaborating with these ministries, of cultural and commercial organizations and the media. The Consultative Council shares in the overall strategy and activities of the Administration, it submits its views on the territorial expansion of the Centres and the coordination of foreign cooperation of individual ministries, and on the way the finances of the Administration are being used, to the annual report on their activities and the annual programme.

In 2000, the Administration focused its attention on a number of measures to simplify the running of the entire organization and making it more transparent. New statutes have been adopted and all main codes and regulations have been updated or newly formulated. By 31 December, 2000, 46 officials with a contract have been working at these Centres abroad, specially sent there for this purpose; of these 9 were there on behalf of partner organizations and there was a staff of 70 local employees, of these two from partner organizations. Certain Czech Centres have to struggle with a shortage of staff; many have only one member of staff. As opposed to 1999, the contribution from the state budget was reduced by approximately 11 million, which resulted in a number of austerity measures and in attempts to obtain funds from other sources. It has, nevertheless, been possible to maintain the extent of activities in all fields at the level of the previous year and in some cases even improve their quality, for example, by taking advantage of the Internet.

Czech Centres prepare a rich cultural programme every month motivated by the desire to present to the public all aspects of Czech traditional and contemporary culture. In preparing their plans for programmes, the Czech Centres collaborate with

a number of significant professional institutions and individuals. They frequently arrange their cultural programmes in cooperation with Czech and foreign cultural institutions.

Noteworthy events in 2000 included a festival of contemporary Czech films, The Velvet Generation, in London, a tour by I. Kral to Moscow and Kiev, Days of Czech Culture in Dresden, guest performances by the Prague Spring in Sofia, the multimedia project "Franz Kafka, the European" prepared by the Czech Centre in Bratislava, a concert and participation of I. Kelarova at the Roma festival in Romania, a reading session by L. Rainerova in Munich, Czech Independence Day 2000 – an 83rd Street Block Party in New York, a travelling exhibition "The World in the Eyes of the Roma" in Scandinavian cities, a concert by the Sum Svistu band as part of the Festival of Music in Berlin, a charity exhibition "The Road of the Small Cloud Dragon" in Brussels, "Days of Prague in Vienna", a reading session by L. Vaculik in Poland, an exhibition "Prints of Prague Architecture in Clothing Designs" in Paris, an exhibition "Czech Vanguard Photography" in Budapest, a Christmas tour by the Capella Regia in the Netherlands, a travelling exhibition "Czech Press Photo 1999", installed at most Czech Centres, and other.

In the cultural field, the Czech Centres act as an intermediary for arranging services and contacts with various institutions, the foreign presentation of cultural events arranged in the Czech Republic, the lending of Czech literature, etc.

In the educational field, Czech Centres arrange lectures and seminars, they organize or participate in the organization of courses in the Czech language; in this they have close contacts with foreign and Czech universities and language schools as well as with the Ministry of Education of the Czech Republic.

Interesting events in 2000 included, for example, the Stories Exchange Seminar – an exchange of stories related to the search of paths leading to open communication between people of different cultures. It was arranged by the Czech Centre in London. Or there was an exhibition on the recultivation of Northern Bohemia, entitled "The transformation of a moonscape", arranged by the Czech Centre in Dresden.

In the promotion of external economic relations, especially Czech exports and tourism, Czech Centres cooperate with non-profit organizations of the Ministry of Industry and Trade of the Czech Republic – (CzechTrade Agency, CzechInvest) and the Ministry for Local Development of the Czech Republic (Czech Tourism Centre), chambers of commerce, the Association of Industry and Transport, and trade unions. They use specialized material issued by these organizations. Czech Centres further participate in some events organized by these institutions, for example, a project of the Ministry of Industry and Trade of the Czech Republic Business Centre 2000 at the International Engineering Fair in Brno or at a specialized seminar on State Promotion of Export, organized by CzechTrade. On the basis of agreements with the relevant non-profit organizations, the representation of CzechTrade in London acts as part of

the Czech Centre, and the representation of the CzechInvest agency works with the Czech Centres in London and Paris and in The Hague, while the Czech Centre for Tourism cooperates with the Czech Centres in London, Moscow, New York, Paris, and Vienna.

Czech Centres offer those interested in export facilities for presenting their firms abroad (including assistance services) and brokering important contacts and topical information on potential countries for their exports. Foreign parties are given general information by Czech Centres on matters pertaining to the economy and trade, including arranging contacts with institutions and organizations in the Czech Republic. Czech Centres also offer the free publication of demands and tenders on the Internet website <u>www.export.cz</u>. Commercial information on various countries, compiled by trade and economic sections of embassies are available on the website. As in previous years, the number of those browsing the website has been rising steadily. In its attempt to make information on demands and tenders as well as on significant contacts for the wide public, the Administration of the Czech Centres has established cooperation with a number of periodicals, featuring this type of information.

Alongside the presentation of various firms, events like the "Czech Days" or "Czech Weeks" are meeting with the greatest response. These projects are interesting mainly because of the scope of the presentation spectrum, since one event can provide opportunity for presentig culture, tourism, as well as trade opportunities. These events usually involve embassies as well, together with specialized agencies and city and district authorities. The most interesting of these were Czech Days in Kaposvar in Hungary, Göteborg in Sweden, or in Brussels and the Czech Week in Wijk bij Durstejde in the Netherlands.

Czech Centres also offer a wide range of information in relation to tourism, for example, on transport facilities, on accommodation, on the use of leisure time. They distribute propaganda material on towns and regions. In 2000, the Czech Centres were represented at the national tourism fair TNT in Bucharest and at the Trade Expo in Westchester (New York Czech Centre). The Administration of Czech Centres and the Czech Centres themselves respect the expanding foreign network and mission of partner organizations and their activities in promoting exports and tourism in individual territories and complement them in a suitable manner. In this context, the administration of Czech Centres is preparing a catalogue of the services by the Czech Centres which will be regularly updated and will be available on the Czech Centres Internet website.

The Administration of Czech Centres provides basic information about the Czech Republic also via the <u>www.czech.cz</u> Internet website. The number of the website's visitors increased in 2000. The Administration of Czech Centres has established cooperation also with individual media, for example, with Czech Radio.

VI. Expatriates

The Czech Republic is fully aware of the positive role played by many expatriate Czechs during the post-war period in their efforts to support the democratic movement of the former Czechoslovakia, as well as of the direct and indirect help they offer nowadays in promoting the Czech Republic and in creating its positive image abroad. The authenticity and often personal nature of these contacts, independent of the political climate at a given moment of time, strengthens relations between the Czech Republic and countries where expatriate Czechs happen to live.

The principles in relation to expatriates and friends of the Czech Republic abroad proceed from the decision of the Government of the Czechoslovak Federal Republic No. 375/1992. It comprises maintaining a regular information link and good relations by the Czech Republic with expatriates abroad (records of expatriate associations, conferring honours on eminent personalities, especially the Jan Masaryk Prize Gratias Agit). Assistance to expatriates who apply for this in preserving their cultural, linguistic, and historical association with the Czech Republic (scholarships, language courses, sending teachers to expatriate communities) is also significant. In the same way an adequately forthcoming approach to expectations demonstrated by various expatriate communities in their relations with the Czech Republic (financial contributions to specific projects, directed at popularising the Czech Republic) is also important. Relations with expatriates consist moreover in attempts to preserve the Czech cultural heritage abroad (help in repairing schools and cultural centres of expatriate communities as part of the Czech Republic's Development Aidscheme).

The Ministry of Foreign Affairs of the Czech Republic, or its Department for Cultural Relations and Czechs Living Abroad, cooperates with the Sub-Committee for Contacts with Expatriates of the Committee for Foreign Affairs of the Chamber of Deputies of the Parliament and with the Standing Senate Commission on Compatriots Living Abroad, as well as with other sections of the state administration which are affected by the varied spectrum of problems of expatriates. Cooperation with a broad range of civic associations, friendship associations, foreign broadcasts of Czech Radio and scientific institutions in the field of ethnography plays an invaluable role – this list reveals the wide spectrum of the various aspects of expatriate activities.

The usefulness of an exchange of opinions between representatives of Czechs at home and abroad was confirmed by the Second Conference of Expatriates, held in the Prague Karolinum on 1–5 October, 2000. Its organization was entrusted to the International Coordination Committee of Charles University with the support of the relevant sections of the Chamber of Deputies, the Senate and the Ministry of Foreign Affairs of the Czech Republic. It was held under the auspices of President Havel. There were four sections (legislative, political, economic; social; cultural; and educational) that held a constructive and often lively discussion on many issues which worried expatriates. Invited representatives of Ministry of Justice, the Director of Foreign Broadcasts of Czech Radio, and representatives of the Náprstek Museum and archives together with other institutions reacted to specific questions from participants. This open discussion helped to clarify many positions.

The preparation of a new five-year cycle of assistance in keeping alive the Czech language and cultural awareness of expatriates by means of scholarships, language courses and the dispatch of teachers to expatriate communities became a major landmark in 2000. After appraising the first cycle which took place in 1995–2000 and which met with a great response among expatriates, another five-year cycle was proposed under the terms of Government Decision No. 1306. This was a follow-up to the positive contribution made by the first cycle and broadly widening opportunities for expatriates in this sphere. The new cycle places emphasis on four-week summer Czech language courses at Dobruška with a cultural and entertainment programme. Their capacity has been increased from 40 to 60 places a year, while the number of teachers sent to expatriate communities has been increased from 10 to 12 a year. On the other hand, the reduction of semester stays from 20 to 15 places in favour of summer courses was due to the interest shown by expatriates in these courses. In 2001–2005, almost 80 million CZK will be earmarked by the state budget for this programme, e.g. 30 million more than on the first cycle.

In 2000, 40 expatriates from all over the world attended the courses at Dobruška – from Uruguay to Canada, from South Africa to Finland. In the school year 2000–2001, Czech teachers have been working in Australia, Croatia, Federal Republic of Yugoslavia, Romania and Ukraine, in other words in countries with large Czech communities. Their job is not only to teach but to promote education as well – they help associations in their folklore, music and drama activities.

In 2000, publication of a new expatriate periodical České listy was launched in the autumn. By the end of the year, the periodical was being published every two months and as of 2001 it will be published monthly. The periodical is to become a platform for the broadest possible expatriate debate. The Editorial Council that consists of representatives of the Chamber of Deputies of the Parliament of the Czech Republic, the Senate of the Parliament of the Czech Republic, the Republic and the Ministry of Foreign Affairs of the Czech Republic, headed by the Deputy Minister of Foreign Affairs Palouš, guarantees an aim to establish

a businesslike, unbiased exchange of views. The Ministry of Foreign Affairs covers the distribution of more than 2000 copies of České listy free of charge among 320 expatriate associations; it is expected that individuals will take out subscriptions.

Financial assistance to projects outlined by individual expatriate associations, societies of friends of the Czech Republic abroad and Czech civic associations cooperating with those abroad was given a prominent place in care for expatriates in 2000. This involves help in carrying out practical cultural projects by expatriate associations and societies of friends of the Czech Republic abroad and in the Czech Republic, aimed at popularising the country. Applicants have to submit their projects by 30 April of a calendar year with requests for the next year. Projects submitted abroad to embassies by 31 January must have an approval by the embassy. Funds are not allocated automatically: the decisive factor is the quality of the project and its financial feasibility. In 2000, such contributions amounted to a total sum of 10 million CZK: they included projects for the organization of a conference of Czechs abroad. assistance to expatriate associations and groups of friends of the Czech Republic in Australia, Croatia, Finland, Canada, the Netherlands, New Zealand and Slovakia, to help them publish their periodicals, arrange expatriate folk festivals in Croatia and in Ukraine, arrange cultural events to mark the Czech national holiday and other projects.

Alongside financial contributions, expatriate communities receive textbooks of the Czech language through the intermediary of Czech embassies and consulates, as well as various publications, audio and visual material, at times even national costumes for expatriate dance groups. In 2000, all this was worth 5 million CZK. In addition, certain Czech Embassies have expatriate libraries or facilitate regular meetings of expatriates. It goes without saying that expatriates are invited to cultural and social events and that Czech diplomats participate at major events organized by expatriate communities. The memorial service at Cholmondeley in Great Britain, attended by expatriate war veterans is worth mentioning. It marked the 60th anniversary of the arrival of Czechoslovak soldiers in Great Britain. Another noteworthy event was the Washington special 20th Congress of the Czechoslovak Society for Science and the Arts, an organization which includes the Czech scientific elite living abroad, or the festive unveiling of the statue of T. G. Masaryk in Mexico City.

The Czech Republic showed its interest in expatriates by giving investment assistance to repairing Czech schools and expatriate cultural premises abroad; this aid has been offered since 1996 as assistance by the Government of the Czech Republic to developing and other needy countries on the basis of an annual Government Decision. The total sum of 20 million CZK was used primarily to finance long-term assistance projects to expatriates. In Romania, this aid has been given since 1996 to the remote Czech community in the Banat, in Croatia, Czech schools and other premises belonging to expatriate associations have been undergoing repairs since

1997. Certain minor newly started projects have also been carried out – the repair of association buildings in Nova Ves in Bosnia and Herzegovina and in Bila Cerkev in the Federal Republic of Yugoslavia, as well as several projects in Ukraine, where some 10,000 descendants of Czech immigrants live in a number of localities. 500,000 CZK have been transferred to cover the cost of the repair of the Sokol premises in Cleveland in the United States, and the last installment of 5 million CZK completed a three-year project of cooperation between Czech, Dutch and Nicaraguan towns which the Ministry of Foreign Affairs of the Czech Republic had taken over from the Ministry of Interior.

Since 1997, the Ministry of Foreign Affairs has been able to convey gratitude to dedicated expatriates or associations and groups as well as to other civil societies abroad as well as in the Czech Republic by conferring on them honours of the ministry, the Jan Masaryk Prize GRATIAS AGIT, presented by the Minister of Foreign Affairs of the Czech Republic in recognition of the way those honoured have been spreading the good name of the Czech Republic abroad. The presentation which takes place every year on the eve of the Cyril and Methodius Day (July 5) at a festive ceremony in the Černín Palace, took place earlier in 2000 – on 28 June, 2000. Those who were unable to accept the award personally received it at a later date from the Czech ambassadors at a ceremony on the premises of the embassy, for example in Moscow (Professor Nikolsky, a literary scholar), or in London (the conductor Vilem Tausky). Among the laureates in 2000 were the heads of Sokol associations in the United States Slavik and Kala; J. Polasek, an architect from Sweden; J. Vrzala, an official of the expatriate community in France; societies of the Czech educational foundation in Texas; the Australian Sokol group in Sydney as well as Unique Czech Projects Association. The Chilean painter Francisco Otta and the pioneer of Luxembourg-Czech friendship Dr. Ferdinand Zürn were honoured in memoriam and members of their families received the awards.

The Ministry of Foreign Affairs keeps a regular record of expatriate associations, societies of friends of the Czech Republic and similar organizations abroad, whether these are chambers of commerce and honorary consulates headed by expatriates, as well as Czech book stores, museums or other cultural institutions, publishers of expatriate periodicals, schools for expatriate children or education centres. An updated list of addresses of these expatriate associations and societies of friends as well as of the expatriate periodicals were sent out to Czech embassies in the spring 2000 and through them to various organizations. The purpose is to establish and promote communication not only among expatriates and state institutions but also among expatriates themselves. Expatriate associations and societies of friends of the Czech Republic exist all over the world, in Patagonia, New Zealand as well as in Vancouver in Canada or in Ulaanbaatar in Mongolia. The list of addresses is sent to anyone requesting it.

VII. Legal and Consular Dimension of Czech Foreign Policy

A. Dimension of international law

International law is one of the fundamental values of the civilized world and the Czech Republic is based on its principles as a democratic state and full member of the international community. In accordance with the United Nations Charter, the Czech Republic wants international relations to be founded on the principles of international law, sovereignty, political independence and the territorial integrity of the state.

The Czech Republic observes the rules of international law and the ensuing obligations in accordance with its objective of joining the community of advanced democratic states and accepting a corresponding share of responsibility for developments in Europe and in the world at large. In connection with its inclusion in the system of contractual relations, the Czech Republic demonstrates its qualification for performing legal duties by concluding bilateral and multilateral international treaties.

In 2000, like in 1999, the Czech Republic adhered to measures adopted by the United Nations Security Council or within the European Union, aimed at preserving values shared by members of the international democratic community. But the legislative activity of the Ministry of Foreign Affairs of the Czech Republic has markedly increased, especially in the sphere of the sanction regimes. The General Sanction Law of the Czech Republic that came into force on 25 April, 2000, was undoubtedly the most important legal norm in this respect. This law makes the process of the internal implementation of international sanction regimes more effective. If at some future date the United Nations Security Council or the Council of the European Union agree on certain international sanctions, the Czech Republic will be able to react in a flexible manner under the provisions of this law and implement the measures by means of its directives without the need of adopting a special law in every instance.

Developments of the international political or internal situation in certain states which are affected by international sanction measures, made it necessary for the Czech Republic either to modify internal sanction measures imposed by special laws by adopting government decrees -this applied to Federal Republic of Yugoslavia and Libyan Arab Jamahiriya, – or to adopt a new amendment of the law, for example, with relation to the Afghan Taliban movement or the banning of supplies for the Iranian nuclear power plant in Bushehr. This procedure provided for the operational reaction to relevant decisions by the Council of the European Union or the United Nations Security Council, while preserving the political and economic interests of the Czech Republic.

International justice is an important area, which reflects the attitude of an advanced state to the role of international law in the world of today. While cooperation with the ad hoc International Criminal Tribunal for the Former Yugoslavia (ICTY) in The Hague has taken on a standard form and is practically without problems, the ratification and subsequent implementation of obligations of the Czech Republic deriving from the Rome Statute are still at a dead end. The obstacles to the ratification of the Rome Statute, which the Czech Republic signed in 1999, lie in the Czech legal code, especially in the Constitution and in the Penal Code. The proposed partial amendment of the Constitution, drawn up by a working group for the preparation of the ratification of the Rome Statute, is intended to help to eliminate constitutional hurdles, especially with regard to the extradition of a citizen of the Czech Republic to another country and to limiting the application of special provisions for criminal proceedings to be started by the President and members of legislative bodies. The amendment of the Penal Code, which is currently in the process of approval by the Czech Parliament, should help to solve the problem of cooperation between authorities responsible for criminal proceedings with international bodies of the judiciary type.

In addition, the process of extending the treaty system of the Czech Republic in relation to multilateral treaties, negotiated within the system of the United Nations, and treaties which are binding for the European Union Member States and other European states under private international law continues. In the United Nations system, there has been a marked shift in the sphere of so-called anti-terrorist agreements. The submission of the ratification documents for the International Convention for the Suppression of Terrorist Bombings by President Havel on 6 September, 2000, during the Millennium Summit, has placed the Czech Republic among the first ten contractual parties to this agreement. That same day President Havel signed International Convention for the Suppression of the suppression of the Financing of Terrorism, which was already assessed in the negotiation process as a groundbreaking document in the suppression of terrorism.

Under the terms of the Hague Conference on Private International Law, Convention on International Access to Justice was signed and deposited on ratification documents Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-Operation in respect to Parental Responsibility and Measures for the Protection of Children.

The agreement on the establishment of the International Visegrad Fund can be regarded as one of the most significant treaties of a regional nature outside the United

Nations, the EU or The Hague Conference; the Prime Ministers of the Czech Republic, Poland, Hungary and Slovakia signed it on 9 June, 2000. It provides for the establishment of a fund to help promote closer cooperation between the V4 states, aimed at strengthening their mutual ties and encouraging their integration in the European Union. The contractual parties all made an equal contribution to this objective: the first annual contribution of the Fund to promote projects in culture, educational and scientific cooperation and of cross-border cooperation amounts to 1 million euro.

In the field of bilateral agreements, greater attention has been traditionally devoted to neighbouring countries and to countries with which the Czech Republic is interested in strengthening economic and trade relations. Slovakia holds a special place in this respect. A protocol between the Government of the Czech Republic and the Government of the Slovak Republic on handing over and receiving the remaining gold of the gold reserves of the former Czechoslovak State Bank entered into force on 10 May, 2000. Based on the protocol, the gold was actually transfered to and received by Slovakia. On 23 May, 2000, the Prime Ministers signed a treaty on providing medical care and covering its cost, as well as an inter-governmental agreement on cooperation in the field of culture, education and science. That same day, the two Prime Ministers also signed a protocol on the joint procedure in dividing the property of the Czechoslovak Federal Republic and on its transfer to the Czech Republic and the Slovak Republic (The Treaty was signed on 24 November, 1999). The Prime Ministers also signed an Agreement on Cross-Border Cooperation.

With regard to agreements with other neighbouring states, treaties were signed in 2000 with Hungary, Germany, Poland, and Austria on mutual assistance in the event of catastrophes, natural disasters and major calamities as well as a number of treaties adapting border traffic (with Poland), on cooperation between the police and institutions in border regions protecting state borders and the creation and enlargement of tourist trails (with Germany).

Among so-called security treaties signed in 2000, establishing, for example, a uniform regime in handling classified information, three such treaties should be mentioned: one with Slovakia, the others with Lithuania and Latvia. The treaty with Slovakia came into force that same year.

Treaties on legal aid with the US and Canada came into force in 2000, as well as a Convention between the Czech Republic and Belgium for the Avoidance of Double Taxation and an Agreement between the Czech Republic and Bulgaria on the Protection of Investments.

A number of agreements on social security have been signed (for example with Chile, Israel, and Luxembourg) while similar agreements came into force with Croatia, Cyprus, and Lithuania.

In recent years, it has become generally recognized that organized crime or the protection of the environment are spheres where contractual agreements and cooperation between states is imperative. In 2000, the Czech Republic signed at an international conference in Palermo Convention against Transnational Organized Crime. An inter – governmental bilateral agreement on cooperation in the fight against terrorism, illicit trade in toxic and psychotropic substances and organized crime has been signed between the Czech Republic and Latvia. In 2000, the Czech Republic stated its definite acceptance of a number of multilateral international agreements in the field of the environment. Some of these have already come into force, for example, Convention on the Protection and Use of Transboundary Watercourses and International Lakes, a United Nations Convention to Combat Desertification in those countries affected by desertification and/or drought, mainly in Africa, and Convention on the Transboundary Effects of Industrial Accidents. Deposit documents of Amendment to the Basel Convention on the Control of Transboundary Movements of Hazardous Waters and Their Disposal and ratification documents of Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade have been deposited. Inter-departmental cooperation programmes have been negotiated as a follow-up to the relevant outline ministerial agreements with France and the Netherlands. Inter-ministerial agreements on cooperation in the protection of the environment have been agreed upon with Bulgaria and Germany.

Negotiations have taken place on confirming the succession of the Czech Republic as regards international treaties, which were binding for the Czechoslovak Federal Republic at the time of its partition. Succession negotiations and discussions on a revision of the contractual base were concluded in 2000 with Estonia, Latvia, Ukraine, and Uzbekistan. Among non-European states the same applied to Angola, India, and Algeria.

B. Consular dimension of Czech foreign policy

One of the major priorities of the foreign policy of the Czech Republic is its incorporation into stable Euro-Atlantic structures. Developments in Europe are nowadays influenced chiefly by European integration, in which the European Union plays a determining role. The Czech Republic is aware that the single European market can work only if it is protected against outside destabilizing factors, against organized crime and other negative features. That is why it takes gradual steps towards harmonizing its migration, visa and asylum policy with the policy of the EU and is preparing to accept the principles, which emerge for this sphere from the Schengen Agreement and the Amsterdam Treaty.

Once the Czech Republic joins the EU, it will have to accept the decision-making rules and jurisdiction as well as a wide spectrum of legal norms of the European Community, making up the so-called acquis communautaire, unless transition periods are agreed upon for individual spheres. One of the current tasks of the Czech Republic is the harmonization of its migration and visa policy with the policy of the EU member states. The Inter-Governmental Conference of the EU in Amsterdam in 1997 made some fundamental changes to the Maastricht Treaty, a Treaty on the European Union. The changes concern checks at external borders, migration, and asylum and visa policy. The Amsterdam Treaty transfers some of these spheres under the jurisdiction of the Community and strengthens cooperation in the remaining spheres of the Third Pillar of the Community in the field of justice and internal affairs. Moreover, it includes the Schengen Agreement and the Procedural Agreement in the Treaty on the European Union. Until now the Schengen Agreement of 19, June 1990, on the gradual abolition of checks on common borders have been binding only for the signatories, but now the regulations are binding for all EU members. In the light of future negotiations on the accession of the Czech Republic to the EU, this means that the so-called Schengen acquis must be fully accepted by the Czech Republic at the latest by the date of joining the EU.

The Amsterdam Treaty contains an entirely new chapter on adjusting the problem of visas, asylum, migration, crossing external borders and the free movement of persons. The Council of the EU is authorized to lay down new standards and procedures for checks on external borders, regulations on issuing short-term visas, procedures to be used in issuing visas and determining a list of third countries whose nations must be in possession of a visa when crossing a EU border. All these provisions must be applied up to five years from the date the Amsterdam Treaty comes into force.

The geographical location of the Czech Republic, as well as of certain other states applying for membership in the European Union, involves a threat of importing problems from neighbouring countries. It is therefore most desirable and important that corresponding institutions be already established in the sphere of security and the judiciary during the period prior to accession to the EU. It is in this context that the consular aspects of the foreign policy of a state increase in significance. The Consular Section of the Ministry of Foreign Affairs of the Czech Republic at home and abroad has a major share in carrying out the tasks related to creating the necessary prerequisites to ensure the compatibility of the Czech Republic with the acquis communautaire. The demand for harmonization frequently strongly influences the entire sphere of the foreign policy of the state.

In accordance with the Amsterdam Treaty and on the basis of the recognized right of initiative, the European Commission has prepared a new proposal concerning the visa policy of the EU. The European Community Council has issued the follow-up Directive No. 574/1999 of 12 March, 1999, determining third countries whose nationals must be in possession of a visa when crossing the external border of member states. The Directive has a supplement consisting of a list of 100 countries and 1 territorial entity that is not recognized as a state by all EU countries (Taiwan). In 2000, the Czech Republic took some radical steps towards the harmonization of its own visa policy with that of the EU – it introduced a visa regime for the Russian Federation, Ukraine, Belarus and other states of the former Soviet Union. The abovementioned list also includes states with which the Czech Republic still has a visa-free arrangement (Romania, Bulgaria). On the other hand, the Czech Republic has a visa regime with certain countries, which are not on the list (for example, Brazil). The Directive allows individual EU member states to demand that nationals of other states that are not included in the joint list be in possession of a visa.

Since the middle of the 1990s the migration of the Roma to Western Europe and overseas has continued to be a problem. The decision of the Canadian Government of October 1997, unilaterally introducing a visa regime for all citizens of the Czech Republic was followed by a new wave of Roma migrants to seek asylum in several West European countries – Germany, France, the Netherlands, Belgium and first and foremost in Great Britain and lately even in Ireland. If a coordinated approach were to be agreed upon and a visa regime introduced in some of the states of the Schengen group, this could complicate the conditions for Czech citizens to have access to all the EU member states. New Zealand has adopted the same decision as Canada in December 2000 to come into force on 1 January, 2001.

The Czech Republic remains a transit country on the journey of migrants to Western Europe. The number of foreign nationals applying for asylum in the Czech Republic remains relatively low. It is, however, evident that foreign nationals in their illegal migration to neighbouring states, especially Germany and Austria, are abusing the asylum procedure in the Czech Republic. As in previous years, a growing number of illegal crossings of the state border as well as subsequent applications for asylum have again been registered in 2000.

The fact is that the borders between the Czech Republic and Germany and between the Czech Republic and Austria are the so-called Schengen external borders of the EU and as such are secured by the Schengen states in a corresponding manner against illegal crossings. The EU has systematically criticised the Czech Republic for some time for its porous borders and for the country's ineffective protection against illegal migrants. This criticism is directed primarily against the situation on the border between the Czech Republic and Slovakia. The imperative of eliminating an illegal influx of foreign nationals to the Czech Republic across all parts of the state border prompted the Czech Republic to adopt Government Decision No. 54 on 20 January, 1999, on the Concept of modernizing checks of persons on the state border. The purpose is to make border control more effective. The Decision has a Supplement, a timetable of measures to make border control more effective. It contains a number of legislative tasks and measures aimed at making an analysis of the legal provisions for the protection of the state borders of EU member states and apply them in practice also in the Czech Republic. On 15 November, 2000, the Government of the Czech Republic adopted Government Resolution No. 1148 to the Report on the implementation of tasks set out in the above-mentioned timetable.

The controlling and registration of foreign nationals who enter the Czech Republic while in possession of a relevant authorization - a visa - is equally important. The Government of the Czech Republic adopted Government Decision No. 748 on 18 November, 1998, Concept of the modernization of visa procedures, with the aim of ensuring an adequate verification of persons applying for a Czech visa and the correct registration of their entry and sojourn on the territory of the Czech Republic. The primary objectives of the modernization of the visa procedure are to ensure compatibility with the Schengen Information System and international norms for travel documents, the introduction of a substantially more thorough system of screening visa applicants, the standardization of working procedure by offices which participate in granting and checking visas, which includes Czech embassies, ensuring a thorough control of the visa granting process, facilities for an effective and technically simple control of the entry and departure of foreign nationals at border checkpoints and an effective registration and statistical assessment of the visa granting process.

The introduction of an information system for the verification of Czech visa applicants as part of the project "Modernization of visa procedures" at all embassies aims to make the Czech Republic compatible with the Schengen Information System, which is one of the essential conditions for carrying out visa activities within the EU. A new system of granting Czech visas was supposed to be introduced on 31 December, 2000, at all Czech embassies. Under the new system, more than 300,000 visa applications have already been processed and more than 260,000 Czech visas granted.

The consular service has the no less important task of looking after expatriates abroad, both those who come to the Czech Republic as tourists and those who are permanently resident abroad. This contributes to the Czech Republic's image abroad. The development of relations with expatriate communities is a means of improving the image of the Czech Republic as an advanced country with its culture, and forms a contribution to bilateral relations with countries where expatriates are resident. A number of Czech nationals permanently resident abroad have won outstanding positions in political life and in society and as such can be most useful in advocating and defending the interests of the Czech Republic in their countries of residence, whether individually or as an expatriate lobby.

The interest of the Czech Republic in expatriate communities has been demonstrated recently by a number of practical steps such as the amendment of the

electoral law giving Czech citizens the right to vote in parliamentary elections at Czech embassies abroad.

The Czech Republic has continued to be concerned about the prosperity and preservation of the cultural and national identity of current Czech nationals as well as of expatriates of Czech origin abroad. Contacts with these communities and their support are maintained above all through the Czech embassies. In extreme cases, expatriates living in remote or endangered territories that can prove their Czech origin may be granted financial assistance on the basis of a government decision in order to have the resources to obtain permanent residence on the territory of the Czech Republic.

The image of the Czech Republic is also shaped to a considerable extent by the conduct of Czech nationals who travel abroad on short-term visits or as tourists. Every year, especially during the tourist season and above all in countries which are attractive destinations for tourists, Czech embassies provide consular assistance to Czech nationals who find themselves in distress abroad, whether caused by themselves or for reasons beyond their control. Czech nationals in such a situation are given the possibility of returning to their country independently without having to apply to the authorities of a foreign state for financial or other material assistance. The repatriation of injured or other medically indisposed persons is in the great majority of cases provided by the health services of the Czech Republic arranged by or with the cooperation of the consular service.

Consular business is more or less closely interlinked nowadays with the foreign policy of every state. In the Czech Republic the impact of this is determined by a priority, namely the early accession to the EU. In the current phase of preparations in the Czech Republic, the harmonization of measures of visa policy and its practical application with the policy and practice of the EU member states, the consistent protection of state borders, especially against illegal migration, the preparation of legislation to coincide with standard principles applied by the EU member states with regard to the entry and sojourn of foreign nationals, asylum procedures, deportation and readmission as well as the application of the Schengen Criteria are among the most crucial tasks.

VIII. The Czech Foreign Service

1. Efforts by the Ministry of Foreign Affairs of the Czech Republic to improve its human resources management

In 2000, the Ministry of Foreign Affairs of the Czech Republic continued in its efforts to raise the quality of its personnel by means of strict selection procedures, (more than 2,000 applicants participated in the foreign service examinations), and of a new system of education and training. This applies first and foremost to improving professional qualifications in matters concerning the EU and security policy. A permanent system of education, testing and the assessment of every employee has been introduced in advance of the time limit set, in brief, before the planned service law comes into force; this law regards the systematic training of the staff as a matter of principle. The Ministry of Foreign Affairs of the Czech Republic has also taken steps to improve the recruitment of Czech nationals to civilian and military missions in areas of crisis and to ensure a more adequate representation of the Czech Republic in international government organizations. It commenced the preparation of material to strengthen the participation of the Czech Republic in the secretariats of international organizations. This applies primarily to the United Nations and to organizations active in the security field - NATO and the OSCE, where the need is felt to appoint a larger number of staff, which would correspond to the foreign policy significance of these organizations and to the share of the Czech Republic's contributions to the budget of these international organizations.

Apart from the foreign service examinations, internal selection procedures have been introduced for virtually all rotation posts at embassies. In this connection, it is worth mentioning endeavours to raise the standard of qualification criteria, which helps to improve the quality of career diplomats. The first and crucial requirement is to raise the standard of language proficiency among the staff of the Ministry. The knowledge of two major foreign languages among all diplomats and of one foreign language among the administrative and technical personnel is now taken for granted. The study of other languages, including less widespread ones, but necessary in various countries of deployment, is also being strongly encouraged. This requirement is included in all selection procedures and also influences the remuneration scale at the Ministry.

The Career Code for diplomatic and consular personnel was in force for the second year in 2000; this is in addition to the personnel structure of the Ministry, determined by job specification and relevant salary rates. The principles of the Career Code assess the rules, which are binding for personnel work. The rules, which have been introduced by the Career Code, influence the professional advancement of diplomats on the basis of their practical experience, specialized knowledge and results of regular annual assessment.

The Ministry of Foreign Affairs of the Czech Republic has also devoted maximum attention to improving the trade and economic sections at embassies by qualified and knowledgeable diplomats to make sure that this does not result merely in expanding the pro-export policy of the state, but also in increasing the professional and linguistic standards of these employees. The improvement in the quality of consular posts in countries where a visa regime has been introduced is equally important; this is also linked with the so-called law on foreign nationals. This demanding task has been accomplished in a relatively short period of time and Czech embassies have been capable of fulfilling all requirements, which the new law put before them.

2. The Diplomatic Academy

The five-month introductory preparation of the third course of basic diplomatic training was completed at the end of January 2000. Nineteen students of that course commenced their one-year internship in various sections of the Ministry of Foreign Affairs of the Czech Republic and at embassies. Upon completing their internship, all participants found jobs in ministerial departments.

A two-round foreign service examination of the was held at the Ministry of Foreign Affairs of the Czech Republic in February and in March. More than 200 applicants for study at the Diplomatic Academy attended it. On the basis of the results, 17 students were selected for the fourth course of basic diplomatic preparation. The introductory part of the preparation was inaugurated in September 2000.

The second course of higher diplomatic preparation began in January 2000. Alongside students, who did not succeed in completing the higher diplomatic preparation in 1999, aditional 37 members of the diplomatic staff were included in the course on the basis of applications submitted in 2000. Apart from four mandatory courses laid down in the Career Code a further four optional seminars were included after checking the subjects in which applicants were interested. In addition to seminars on international law, security policy, and international economy and trade, new seminars on diplomatic protocol and etiquette were included in this course. The

curriculum on pro-export diplomacy was organized in 2000 in a more comprehensive manner and, apart from a seminar "World Trade and Economy", included also a seminar on the management of commercial risks, organized in collaboration with the Institute of International Trade, Transport and Haulage; a cycle of lectures on the activities of CzechTrade Agency, CzechInvest, the Czech Export Bank, and Export Guarantee and Insurance Corporation (EGAP) was also arranged. A further 38 diplomats completed the higher diplomatic preparation in 2000.

The European Union Training

This type of training was introduced on the basis of Government Decision No. 841/1999 and on the basis of the Decision of the Minister No. 6/2000 of 28 April, 2000, which gave the responsibility for this type of training to the Diplomatic Academy. It was decided that this type of training be given in two courses:

a) Course for senior officials

All senior official of the Ministry of Foreign Affairs of the Czech Republic and embassies, selected by the Decision of the Minister, attended this course. A certificate on the attainment of the required training in matters concerning the EU was issued also to senior officials who had been exempt from the duty of attending a course of training on the basis of a Decision of the Minister in the light of their practical experience in integration branches or of the training they had already received in matters related to the EU.

b) Course for members of the staff

Under the Government Decision, members of the staff are required to attend courses on the EU in a 12-hour session. The training is to be completed by the end of 2002. In 2000, there were three two-day courses, attended by 78 staff members.

Data processing training

800 employees of the Ministry of Foreign Affairs of the Czech Republic and embassies attended data processing courses at the Diplomatic Academy in 2000.

Other activities of the Diplomatic Academy

a) Assistance in organizing major events

During the period under review, students at the Diplomatic Academy again assisted in organizing major events in the Czech Republic. On 28–30 September, they helped the police as translators during the Prague Annual Meeting of the Boards of Governors of the International Monetary Fund and the World Bank. This was the third time students had participated in the organization of the FORUM 2000 at Prague Castle. President Havel sent a letter of thanks in recognition of the help provided by the Diplomatic Academy. The Ministry of Interior of the Czech Republic used the translation services of students of the Diplomatic Academy during Czech-British exercises.

b) Recruitment lectures at universities

The Diplomatic Academy arranged lectures at universities. Their purpose is to provide information on the foreign service examinations at the Ministry of Foreign Affairs of the Czech Republic, held in the spring, and to encourage university graduates to choose the diplomatic profession. In 2000, these lectures were given at the Philosophy Faculty of Charles University, the Law Faculty of Charles University, the Economic University and the Faculty of Social Science in Prague.

c) Ministerial recognition "Honorary Ambassador"

On the initiative of the Diplomatic Academy, a ministerial recognition – the title of Honorary Ambassador – was introduced. These titles are conferred on commendable diplomats who were dismissed from the Ministry of Foreign Affairs after February 1948 and imprisoned in the 1950s. The Minister of Foreign Affairs of the Czech Republic conferred the titles for the first time on 10 March, 2000, at a commemoration ceremony on the 52nd anniversary of the death of Jan Masaryk. The Diplomatic Academy is entitled to propose other persons for the title on the basis of an academic project entitled "The Destiny of Employees of the Czechoslovak Foreign Service after 1938". Work on the project was commissioned in 2000 by the Academic Council of the Ministry of Foreign Affairs of the Czech Republic including a team of historians, headed by Dr. Valis. The Diplomatic Academy is a sponsor of the project.

d) Research sponsorship

The Academic Council of the Ministry of Foreign Affairs of the Czech Republic has entrusted the Diplomatic Academy with the sponsorship of the above-mentioned project also in relation to scientific research on the subject of The Situation under Conditions of the Globalisation of the World Economy, Predicting its Development in Europe and Implications of its Transformation for the Czech Republic. This project is being carried out by Dr. Sereghyova.

Activities of the Diplomatic Academy abroad

a) Lectures

The Ambassadors of Poland, Hungary, Great Britain and Peru gave lectures at the courses of the Diplomatic Academy. Mrs. Pernalowa, wife of the Polish Ambassador, spoke about diplomatic protocol and etiquette.

In the course of higher diplomatic preparation the Diplomatic Academy arranged lectures by the Egyptian Deputy Minister of Foreign Affairs Fathallah and by the adviser of the Israeli Prime-Minister, Professor Goldberg, on the peace process in the Middle East.

b) Cooperation with foreign institutions

In the course of training on the EU issues, the Diplomatic Academy cooperated with the international centre for European education in Nice, headed by Professor Kinsky. The Academy also established and promoted contacts with partner institutions. In 2000, the Diplomatic Academy sent its students to attend courses to complete their education organized by the Diplomatic Academy in Vienna, Madrid, Peru, Chile, by the foreign service programme in Oxford, and by the Clingendael Institute in The Hague. A seminar on presentation skills and one on political analysis as part of diplomatic preparation and higher diplomatic preparation were headed by the former Director of the Foreign Service Programme in Oxford R. Feltham.

Those interested in more detailed information about the work of the Diplomatic Academy will find further material in the annual report of the Institute of International Relations of which the Diplomatic Academy is an organizational component.

3. Budget of the Ministry of Foreign Affairs of the Czech Republic

On 3 March, 2000, the Chamber of Deputies of the Parliament of the Czech Republic adopted Government Decision No. 859, the law on the state budget for 2000. The indicators of the chapter of the Ministry of Foreign Affairs of the Czech Republic in the budget were stipulated on the basis of this decision:

Total income	400 million CZK
Total expenditure	4,184,830 million CZK
of this capital expenditure	504,520 million CZK

When drawing up the draft budget consideration was given to government fiscal priorities formulated at a government seminar held on 24 June, 1999, in Kolodeje. It ensured for the chapter of the Ministry of Foreign Affairs of the Czech Republic priority for the accession and incorporation of the Czech Republic in the EU and promotion of a pro-export policy. The following facts must be taken into consideration:

- the budget of the Ministry of Foreign Affairs of the Czech Republic, 80% of which is in foreign currencies, is exceptionally sensitive to fluctuations in the exchange rate of the CZK, for example, a mere 10% drop in the exchange rate influences the budget to the amount of 290 million CZK;

- the budget must absorb the development of inflation in all countries where there are embassies;
- financial resources earmarked for the Ministry of Foreign Affairs of the Czech Republic create the conditions for possible revenue (claiming the payment of debts abroad, infrastructure for the future collection of contributions from the funds of the European Union, revenue from visa activities, etc.);
- external economic relations encourage business activities in the Czech Republic.

Current expenditure

Current expenditure has been set at 3,680,305 million CZK. This sum covered the requirements of the Ministry of Foreign Affairs of the Czech Republic, although at the price of stringent economizing measures, which cause frequent problems, especially abroad, above all in the sphere of the security of embassies and other Czech offices.

Expenditure from the 2000 budget was to a large extent influenced by the contingency budget or by the regulatory measures governing the use of resources from the state budget, which were laid down for the first three months of 2000.

There were six autonomous organizations, subordinated to the Ministry in 2000: the Service for Diplomats, the Institute of International Relations, the Czech Centre Administration, the Štiřín Conference Centre, the Office of the General Commissioner for the Czech participation in the EXPO 2000 in Hanover and a health centre for Czech nationals abroad.

Institute of International Relations

Institute of International Relations concentrated on research on international relations and on ensuring contacts with partner organizations. The Diplomatic Academy which has been responsible for the basic and higher diplomatic training of young diplomats and the organization of various courses is part of the Institute. The Institute of International Relations was allocated a contribution of 22,411 million CZK for its activities in 2000.

Czech Centre Administration

Czech Centre Administration organizes activities abroad focusing on the promotion of the Czech Republic and has cultural and trade contacts. The sum of 102,216 million CZK was allocated for its work in 2000.

Service for Diplomats

Service for Diplomats organized material and other requirements of foreign embassies in the Czech Republic and looked after premises which are the property of the Czech Republic and are managed by it. The sum of 125 million CZK was earmarked for its activities in 2000.

The Štiřín Conference Centre

The Štiřín Conference Centre provided conference and liaison services for the Ministry of Foreign Affairs of the Czech Republic and for other central institutions; it does not receive any operational financial contribution from the state budget. An extensive reconstruction of the entire premises was carried out in 2000. The accommodation, conference and entertainment sections will be extended so that the centre is expected to make a profit to be paid into the state budget.

The Office of the General Commissioner for Czech participation in the EXPO 2000 world fair in Hannover

This organization was set up under Government Decision No. 240 of 8 April, 1998, to ensure the participation of the Czech Republic in EXPO 2000 in Hannover. The sum of 94,880 million CZK was earmarked for its work in 2000.

The health centre for Czech nationals abroad

On 1 July, 2000, the organization was transferred from the Ministry of Health of the Czech Republic to the jurisdiction of the Ministry of Foreign Affairs of the Czech Republic. The sum allocated for its work during that period was 14,386 million CZK.

Promotion of science and research

The budget of the Ministry of Foreign Affairs of the Czech Republic also includes funds for research and development. The sum amounts to 17.3 million CZK. The resources are used in such a way that 10.5 million CZK are devoted to grant projects and 6.8 million CZK as "institutional resources" in the form of a contribution to the Institute of International Relations.

Capital expenditure

Capital expenditure was earmarked at a total of 504,520 million CZK.

Non-budgetary funds

Further financial requirements were contained in the budgetary chapter General Cash Administration and in the course of the year they are released into the budget of the Ministry of Foreign Affairs of the Czech Republic. They are:

- funds for humanitarian aid amounting to 30 million CZK. Humanitarian aid is provided on the basis of Government Decision No. 342 of 1996 and reflects the endeavour of the Czech Republic, as a democratic state, recognizing the principle of solidarity among peoples and states, to take over its share of responsibility in solving exceptional situations;
- resources for foreign broadcasts amounting to 62 million CZK. In Government Decision No. 573 of 10 September, 1997, the Government of the Czech Republic agreed that funds for foreign broadcasts be met from the Ministry of Foreign Affairs of the Czech Republic budget;
- contributions to international and other organizations amounting to 700 million CZK; these sums arise from commitments of the Czech Republic and can virtually not be influenced by the Ministry of Foreign Affairs of the Czech Republic;
- the resources for foreign development aid amounting to 345 million CZK are divided among the relevant chapters of the state budget. These funds are offered through the intermediary of the Ministry of Foreign Affairs of the Czech Republic on the basis of Government Decision No. 153 of 15 March, 1995, with priority given to countries which are moving towards the introduction or consolidation of democracy and human rights and the introduction or consolidation of a market economy;
- contribution to the Visegrad Fund of 10 million CZK.

Appendix

Summary: Diplomatic Relations of the Czech Republic

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Afghanistan	1937	1993	Islamabad	Prague
Albania	1927	1993	Tirana	Prague
Algeria	1962	1993	Algiers	Prague
Andorra	no dip. rel.	1996	Madrid	not yet decided
Angola	1975	1993	Harare	Bonn
Antigua and Barbuda	no dip. rel.	1993	Caracas	London
Argentina	1924	1993	Buenos Aires	Prague
Armenia	1992	1993	Moscow	Vienna
Australia	1972	1993	Canberra	Warsaw
Austria	1920	1993	Vienna	Prague
Azerbaijan	1992	1993	Ankara	not yet decided
Bahrain	no dipl. rel.	1993	Riyadh	not yet decided
Bangladesh	1972	1993	Delhi	Berlin
Barbados	1977	1996	Caracas	London
Belarus	1992	1993	Minsk	Prague
Belgium	1919	1993	Brussels	Prague
Belize	no dip. rel.	1996	San José	London
Benin	1962	1993	Lagos	Moscow

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Bolivia	1935	1993	Lima	Vienna
Bosnia and Hercegovina	no dip. rel.	1993	Sarajevo	Vienna
Botswana	1968	1997	Pretoria	London
Brazil	1920	1993	Brasilia	Prague
Brunei Darussalam	1992	1993	Jakarta	Berlin
Bulgaria	1920	1993	Sofia	Prague
Burkina Faso	1968	1993	Abidjan	Vienna
Burundi	1963	1993	Nairobi	Bonn
Cambodia	1956	1993	Bangkok	Berlin
Cameroon	1990	1993	Lagos	Moscow
Canada	1942	1993	Ottawa	Prague
Cap Verde	1975	1993	Dakar	Berlin
Central African Republic	1970	under negotiation	Abidjan	not yet decided
Chad	1967	1994	Lagos	Moscow
Chile	1924	1993	Santiago	Prague
P.R. of China	1949	1993	Beijing	Prague
Columbia	1934	1993	Bogotá	Prague
Comoros	1977	1995	Nairobi	not yet decided
Congo (Brazzaville)	1964	under discussion	Kinshasa	Bonn
D.R. of Congo (Kinshasa)	1960	1993	Kinshasa	Bonn
Costa Rica	1935	1993	San José	Warsaw
Côte d'Ivoire	1984	1993	Abidjan	Bonn

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Croatia	1992	1993	Zagreb	Prague
Cuba	1920	1993	Havana	Prague
Cyprus	1960	1993	Nicosia	Prague
Denmark	1920	1993	Copenhagen	Prague
Djibouti	1977	1997	Addis Ababa	not yet decided
Dominica	no dip. rel.	1996	Caracas	not yet decided
Dominican Republic	1942	1993	Caracas	not yet decided
Ecuador	1935	1993	Bogota	Varšava
Egypt	1922	1993	Cairo	Prague
Equatorial Guinea	1970	1993	Lagos	not yet decided
Eritrea	no dip. rel.	1993	Addis Ababa	Cologne
Estonia	1928	1993	Helsinki	Prague/CDA
Ethiopia	1944	1993	Addis Ababa	Vienna
Fiji	1970	1996	Canberra	not yet decided
Finland	1921	1993	Helsinki	Prague
France	1918	1993	Paris	Prague
Gabon	1976	1994	Lagos	not yet decided
Gambia	1972	1995	Dakar	Brussels
Georgia	1992	1993	Moscow	Tbilisi
Germany GDR	1949	1993	Berlin	Prague
Germany FRG	1973	1993	Berlin	Prague
Ghana	1959	1993	Accra	Prague
Great Britain	1918	1993	London	Prague
Greece	1920	1993	Athens	Prague

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Grenada	1979	1993	Caracas	not yet decided
Guatemala	1927	1993	Mexico	Vienna
Guyana	1976	1993	Caracas	London
Guinea	1959	1993	Dakar	Bonn
Guinea Bissau	1973	under negot.	Dakar	Brussels
Haiti	1943	no dip. rel.	Caracas	not yet decided
Honduras	1930	1993	San José	not yet decided
Hungary	1922	1993	Budapest	Prague
Iceland	1921	1993	Oslo	Oslo
India	1947	1993	Dehli	Prague
Indonesia	1955	1993	Jakarta	Prague
Iran	1925	1993	Tehran	Prague
Iraq	1933	1993	Baghdad	Prague
Ireland	1947	1993	Dublin	Prague
Israel	1948	1993	Tel Aviv	Prague
Italy	1918	1993	Rome	Prague
Jamaica	1975	1993	Caracas	Bonn
Japan	1920	1993	Tokyo	Prague
Jordan	1964	1993	Amman	Vienna
Kazakhstan	1992	1993	Almaty	Praha/CDA, Budapest/vv
Kenya	1964	1993	Nairobi	The Hague
D.P.R. of Korea	1948	1993	Beijing	Prague
Republic of Korea	1990	1993	Seoul	Prague

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Kuwait	1963	1993	Kuwait City	Prague
Kyrgyzstan	1992	1993	Almaty	Vienna
Laos	1962	1993	Bangkok	Warsaw
Latvia	1927	1993	Riga	Prague
Lebanon	1946	1993	Beirut	Prague
Lesotho	1982	being determined	Pretoria	Rome
Liberia	1972	1993	Accra	Bucharest
Libya	1960	1993	Tripoli	Prague
Lithuania	1927	1993	Vilnius	Prague
Luxembourg	1922	1993	Brussels	Luxemburg
F.Y.R. of Macedonia	no dip. rel.	1994	Belgrade	Vienna
Madagascar	1976	1993	Addis Ababa	Moscow
Malawi	1991	1993	Harare	not yet decided
Malaysia	1971	1993	Kuala Lumpur	Vienna
Maldives	1975	1993	Delhi	not yet decided
Mali	1960	1993	Dakar	Moscow
Malta	1968	1993	Rome	Berlin
Mauritania	1965	1993	Algiers	Moscow
Mauritius	1976	1993	Pretoria	not yet decided
Mexico	1922	1993	Mexico City	Prague
Moldova	1992	1993	Bucharest	Rome
Mongolia	1950	1993	Beijing	Prague
Morocco	1959	1993	Rabat	Prague
Mozambique	1975	1993	Harare	Bonn
Myanmar	1955	1993	Bangkok	Bonn

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Namibia	1990	1993	Pretoria	Moscow
Nepal	1959	1993	Delhi	Bonn
Netherlands	1919	1993	Hague	Prague
New Zealand	1958	1993	Canberra	Berlin
Nicaragua	1930	1993	San José	Vienna
Niger	1975	under negotiation	Lagos	Bonn
Nigeria	1961	1993	Lagos	Prague
Norway	1921	1993	Oslo	Prague
Oman	no dip. rel.	1993	Abu Dhabi	not yet decided
Pakistan	1950	1993	Islamabad	Warsaw
Palestinian National Authority	1983	1993	Ramallah Liaison office at Palestinian National Authority	Prague
Panama	1929	1993	San José	Vienna
Papua- New Guinea	1988	1995	Jakarta	Bonn
Paraguay	1936	1993	Buenos Aires	Bonn (as of 2 nd quarter of 2001 Berlin)
Peru	1922	1993	Lima	Prague
Philippines	1973	1993	Manila	Prague
Poland	1919	1993	Warsaw	Prague
Portugal	1920	1993	Lisbon	Prague
Qatar	no dip. rel.	1993	Kuwait	not yet decided
Romania	1919	1993	Bucharest	Prague
Russian Federation	1934	1993	Moscow	Prague

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Rwanda	1965	being finalised	Nairobi	Moscow
St. Kitts and Nevis	no dip. rel.	1993	Caracas	not yet decided
Sao Tome and Principe	1975	1993	Harare	not yet decided
Saint Vincent and the Grenadines	no dip. rel.	1995	Caracas	not yet decided
Salvador	1930	1994	San Jose	Bonn
Samoa	no dip. rel.	1995	Canberra	not yet decided
San Marino	1991	1993	Vatican	San Marino
Saint Lucia	no dip. rel.	1996	Caracas	not yet decided
Saudi Arabia	no dip. rel.	1995	Riyadh	Vienna
Senegal	1967	1993	Dakar	Bonn
Seychelles	1976	being finalised	Nairobi	not yet decided
Sierra Leone	1963	1993	Dakar	Moscow
Singapore	1973	1993	Singapore	Singapore
Slovakia		1993	Bratislava	Prague
Slovenia	1992	1993	Ljubljana	Prague
Somalia	1960	no dip. rel.		
Solomon Islands	1960	no dip. rel.	Canberra	Brussels
South Africa	1991	1993	Pretoria	Prague
Sovereign Order of Maltese Knights	1990	1993	Vatican	Prague
Spain	1919	1993	Madrid	Prague
Sri Lanka	1957	1993	Delhi	Vienna
Sudan	1956	1993	Cairo	Vienna

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Suriname	1976	1996	Caracas	not yet decided
Swaziland	1991	1993	Pretoria	Copenhagen
Sweden	1920	1993	Stockholm	Prague
Switzerland	1919	1993	Bern	Prague
Syria	1946	1993	Damascus	Prague
Tajikistan	1992	1993	Moscow	not yet decided
Tanzania	1961	1993	Nairobi	Bonn
Thailand	1974	1993	Bangkok	Prague
Тодо	1960	1993	Accra	Moscow
Trinidad & Tobago	1979	1997	Caracas	not yet decided
Tunisia	1959	1993	Tunis	Prague
Turkey	1924	1993	Ankara	Prague
Turkmenistan	1992	1993	Moscow	Vienna
Uganda	1962	1993	Nairobi	Moscow
Ukraine	1992	1993	Kiev	Prague
United Arab Emirates	1988	1993	Abu Dhabi	Vienna
Uruguay	1921	1993	Montevideo	Prague
USA	1919	1993	Washington	Prague
Uzbekistan	1992	1993	Tashkent	not yet decided
Vatican	1920	1993	Vatican	Prague
Venezuela	1929	1993	Caracas	Prague
Vietnam	1950	1993	Hanoi	Prague
Yemen	PDRY 1956 YAR 1968	1993	San'á	Prague

Country	Establishment of diplomatic relations with former Czechoslovakia	Establishment of diplomatic relations with Czech Republic	Location of Czech mission	Location of other state's mission
Yugoslavia	1919	1993	Belgrade	Prague
Zambia	1965	being finalised	Harare	Bonn
Zimbabwe	1981	1993	Harare	Bonn

Note: This list does not contain information about periods when diplomatic relations were suspended.

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