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Introduction

In 2008, the Ministry of Foreign Affairs of the Czech Republic continued in its intensive preparations for the Czech Republic's presidency of the Council of the EU. These preparations took place in close coordination with the Office of the Deputy Prime Minister for European Affairs. The half-year presidency is a unique opportunity for the Czech Republic to take part in formulating European policy and to prove its maturity and dependability as a full-fledged member of the European Union. In view of the approaching Czech presidency, ministerial coordination groups were formed under the Committee for the European Union.

The Ministry of Foreign Affairs was responsible for the preparation of the presidency's foreign policy themes and for setting the agenda priorities for the General Affairs and External Relations Council. Of great importance was to establish the ranking of priority areas and the programme of summits, conferences and informal meetings based thereupon. In December 2008, the document *Work Programme of the Czech Presidency 2009* was approved, encompassing the main political priorities of the presidency and explaining the agendas for the individual Councils of the EU. Under the unifying motto *Europe without Barriers*, an emphasis was placed on the competitive economic potential of European countries and a well functioning EU internal market with its four freedoms – free movement of workers, goods, capital and services. Securing the EU market for energy resources and searching for new sources and technologies in this area was considered a high-priority task, and the necessity was underscored of building a Europe that is both open and at the same time protected against illegal immigration, organised crime and other security risks. As a "global partner", Europe must take part in consolidating transatlantic cooperation, in creating "European" perspectives for the countries of the Western Balkans, and should enlist further Eastern European states for partnership cooperation.

A demanding task was the logistic preparation of events to take place under the Foreign Ministry and the associated presidency calendar. It was necessary to organise roughly 200 events, of which more than one third took place in the Czech Republic, for example, *Gymnich* (the informal meeting of the Council of EU Foreign Ministers in Hluboká nad Vltavou) and the EU – Rio Group Ministerial Meeting in Prague.

The European agenda had its firm place in the activities of the Ministry, despite statutory changes in the Committee for the European Union and despite shifts in jurisdiction in relation to the Office of the Deputy Prime Minister for European Affairs.

Also having an effect on foreign policy relations was the fact that the Czech Republic's stance on essential EU reforms had not been cleared up on the domestic scene, and the legislative process leading to ratification of the *Lisbon Treaty* had not yet taken place in Czech Parliament. At the last meeting of the Chamber of Deputies in December, the Lisbon Treaty – in the meantime reviewed by the Constitutional Court with a positive ruling – was returned to the committees for consideration.

In the first half of the year, Slovenia took on the presidency of the Council of the EU as the first country of the group of nations that acceded to the EU along with the Czech Republic in 2004. One of the main topics of the Slovenia presidency was the *Lisbon Strategy*, with the climate and energy package and the status of Bosnia and Herzegovina also being discussed.

The subsequent French presidency was marked by a number of extraordinary events and the tasks resulting therefrom. The French called a special meeting of the European Council to deal with the Russia-Georgia conflict. The six-point ceasefire plan proposed by the French presidency played an important role in achieving reconciliation in the Russia-Georgia conflict. To deal with the financial and economic crisis, a summit of eurozone member states was called, as was a summit of the G-20. With the support of the French presidency, the European Commission drafted the *European Economic Recovery Plan*, which was approved at the European Council in December. The crisis on the financial markets was a load that the Czech Republic had to take on with the start of its presidency, which naturally influenced its agenda.

The whole French presidency was an example not only of routinely managed political meetings, but also of good crisis management. The attempt to give an impression of exceptional importance to the presidency was somewhat disconcerting. The agreement on the *Union for the Mediterranean* project is more of a reason for caution for countries like the Czech Republic, as it dilutes the idea of European integration and indirectly calls into doubt our interest in Eastern Europe. It is worth noting that N. Sarkozy proclaimed the ultimatum

that Croatia cannot be accepted into the EU until all Member states have ratified the *Lisbon Treaty*.

The process of further EU enlargement was one of the most important topics in the joint programme of the trio presidency of France, Czech Republic and Sweden. In November 2008, the "*enlargement package*" was published, containing the documents *Enlargement Strategy and Main Challenges 2008-2009*, *Turkey 2008 Progress Report* and *Croatia 2008 Progress Report*, which evaluate the accession activities of candidate and perspective candidate countries and suggest the future direction for EU enlargement.

Czech foreign policy advocated that Croatia's accession take place as soon as possible and independently of the general course of the *Lisbon Treaty's* ratification. For the Czech position it was important that Croatia fulfil the conditions for adopting the remaining chapters of the *acquis* as soon as possible. Aside from snags with justice reform, a persistent serious problem was the Slovenian blockade of Croatia's accession due to an ongoing dispute over the international maritime boundaries between the two countries. Even once presiding over the EU, the Czech Republic did not take on a role as mediator because it considers the Slovenia-Croatia dispute a purely bilateral matter. This, however, did not lessen the country's interest in preserving the dynamic of enlargement toward Eastern Europe. From the Czech perspective, Montenegro, Albania, Macedonia/FYROM and Serbia all remained serious potential candidates.

In contrast with France, the Czech Republic stood for the full-fledged membership of Turkey in the EU, assuming the country meets the accession conditions. Ankara has pressed for membership, but has not shown proportionate interest in finding a solution to the Cyprus issue, without which it is naturally not possible to accept Turkey into the EU.

At the start of 2008, the *Lisbon Process* entered a new three-year *Lisbon cycle*. In the spring, the *Integrated Guidelines for Growth and Jobs* were updated and new *Lisbon Programme* was adopted. The Council of the EU approved the *European Small Business Act*, which is to improve the conditions for small and medium enterprises, particularly in access to financial resources, better regulation and reduction of administrative burden. The European Commission adopted a number of initiatives, including in the field of liberalising financial services. It continued in implementing the Services Directive, which is to be completed by the end of 2009 and which the Czech presidency also intends to address.

The Czech Republic proceeded according to its *National Reform Programme*, which defined the steps planned in accordance with the programmes of the *Lisbon Strategy*. Among the main priorities of the Czech presidency were economic efficiency, the common market and the competitiveness of the EU. In particular toward the end of 2008, the Czech Republic endeavoured to ensure that even with the ongoing economic crisis the four fundamental freedoms of the internal market (free movement of persons, goods, service and capital) were not disrupted and that protectionism and state intervention in the EU economy remained within the bounds of reason.

In the second half of 2008, a debate unfolded at Council of the EU meetings and at international forums on the plans of the French presidency related to the EU's energy policy. The *European Nuclear Energy Forum* met with success in Prague and Bratislava. On the question of the internal energy market a political agreement was achieved on the third energy liberalisation package. The draft was then forwarded to the European Parliament for further consultation. The aim of the Czech Republic was to push through a compromise text before the end of the European Parliament's functional period, i.e. during its presidency of the Council of the EU.

The same was true of the *EU Common Agricultural Policy*. In the first months of 2008, negotiations on the proposed legislative package took place at the level of the Council, as well as among the individual EU institutions and, in November, EU agriculture ministers came to an agreement. *Inter alia*, this agreement does away with the requirement that farmers leave ten percent of arable land fallow, gradually increases milk quotas with the aim of removing them in 2015 and, in some areas, removes market intervention. The ministers also agreed on a solution that allows the reduction of direct payments to farmers and the transfer of the financial resources to the rural development fund.

At stake for the Czech Republic on the given question was ensuring the competitiveness of its own agricultural sector while respecting the sustainable development of rural areas, environmental protection, maintenance of biodiversity and food safety and quality. What the agreement reached means for the Czech Republic in practice is that it saved its agricultural sector and was not handicapped by cuts to subsidies.

In 2008, the Czech foreign policy agenda included coordinating the Czech participation in the *European Economic Area (EEA)*, which brings together the EU Member

states, Norway, Iceland and Liechtenstein. Negotiations were launched on an agreement between the EU and Liechtenstein which is to guarantee exchange of legal aid in the fight against financial fraud and other economic crime. Also discussed was the application of EEA financial mechanisms under which Norway, Iceland and Liechtenstein contribute to the reduction of economic and social differences in the EU.

In the area of external economic relations, the Czech Republic, as a member of the *World Trade Organisation (WTO)*, pushed for a policy of liberalisation of international trade in goods and services and removal of existing tariff and non-tariff barriers. It was highly involved in the legal protection of intellectual property and in the fight against counterfeit production, and supported developing countries in accessing world markets. In its trade policy it took into consideration the state of democracy and human rights, good governance and the fight against corruption, as well as the danger of terrorism and the spread of weapons of mass destruction.

In 2008, the European Union confirmed once more that it plans to be the world's greatest partner for developing countries. A number of important international conferences took place in Doha, Accra and Paris, which the *Council of Development Ministers* devoted much space to preparing. In Strasbourg, the third *European Development Days* took place, providing an opportunity for experts to exchange opinions on development.

In connection with the preparations for its EU presidency, the Czech Republic became more closely involved in the European Union's development and humanitarian aid in 2008, both on a political and an implementational level. Funding provided for this work was transferred to the jurisdiction of the Czech Ministry of Foreign Affairs, specifically the *Czech Development Agency*, which will take over all projects starting in 2011. The setting of priorities and specific conditions for providing development aid remained the task of the Foreign Ministry for the whole of 2008.

The *EU Common Foreign and Security Policy* was considered a necessity by every Member State. The Czech Republic took part in its formulation and implementation at the level of the working groups, on the *Political and Security Committee (COPS)*, on the *Committee of Permanent Representatives (COREPER)* and at the meetings of political directors and correspondents. The Minister of Foreign Affairs took part in sessions of the *General Affairs and External Relations Council (GAERC)*, informal working meetings

(*Gymnich*) and several meetings between the EU and third countries. In 2008, Czech embassies took part in cooperation among EU countries in third countries and produced situation, evaluation and recommendation reports on them.

The strengthening of transatlantic ties was among the main priorities of the Slovenian and French presidencies in 2008. Of great importance were the EU – USA summit on 10 June 2008 in Brdo, Slovenia, and the session of the *Transatlantic Economic Council* held 13 May 2008 in Brussels and 12 December 2008 in Washington. An intensive debate took place within the EU on reflection on transatlantic relations, which arose out of the two informal meetings of EU foreign ministers in September and November where a platform was defined for negotiating with the new US administration. The talks Czech diplomacy was conducting on the inclusion of the Czech Republic in the US anti-missile system were consulted with the EU and NATO, particularly in consideration of the varying interpretations of our actions.

Intensive dialogue between the EU and United States served to bring foreign policy positions closer together in 2008, primarily on questions of a joint approach to the continuing Iranian nuclear programme, a common solution to the worsening situation in Afghanistan and coordinated responses to the armed conflict between Georgia and Russia. Cooperation brought positive results in the reconstruction of Iraq and in bringing the countries of the Western Balkans closer to Euro-Atlantic structures.

In November, the USA expanded its *Visa Waiver Program* to include several more EU member states. Several member states nevertheless remain outside this project. The Czech Republic came up with its own independent initiative and managed to bring about certain advantages for its citizens.

In 2008, relations with Canada took on a new dynamic, particularly in the economic field. This process reached its peak with the EU-Canada summit, held 17 October 2008 in Québec, where an agreement was reached on *strengthening economic partnership*. Among the further results of the dialogue with Canada was an air transport agreement and significant progress in preparing an air safety agreement. Intensive collaboration took place in the areas of the environment and energy security, strengthening cooperation in crisis management and the participation of Canadian units in ESDP missions.

In 2008, the contractual framework connecting the countries of the Western Balkans to the EU in the stabilisation and association process was nearly completed. At the end of April, the EU signed a *Stabilisation and Association Agreement (SAA)* with Serbia, and an agreement with Bosnia and Herzegovina followed. The agreement with Serbia will, however, only be passed along to member states for ratification once Serbia fully cooperates with the ICTY.

Aside from the stabilisation and association process, the process of visa liberalisation, launched at the turn of May and June, also increased the European perspective of the whole region. The result of this was to be the removal of the visa regime for Macedonia, Serbia, Albania, Montenegro and Bosnia and Herzegovina following the fulfilment of specific criteria.

The declaration of Kosovo's independence 17 February 2008 had a disparate reception in Europe. The following day, the Council of the EU issued its position in which it labelled Kosovo a *sui generis* case and took into consideration that individual member states would decide on their own relationship with the new independent body. By the end of 2008, 22 of the 27 EU Member states, including the Czech Republic, had recognised Kosovo. The Czech political scene remains to date divided in regard to the province's independence.

While no unanimity was come to in the EU on the independence of Kosovo, a clear consensus reigned on the question of its European perspective and the need for stabilisation, which was expressed, *inter alia*, in the June conclusions of the European Council. The EULEX Kosovo mission was sent to Kosovo to speed stabilisation and strengthen the rule of law, taking over part of the jurisdiction from the previous UN mission. The Czech Republic contributed a group of police specialists to the mission.

In compliance with its long-term priorities, the Czech Republic advocated the quick integration of the Western Balkans into the EU throughout the year. Montenegro's application to the EU at the end of the year to a great extent set the stage for the EU agenda in relation to the Western Balkans for the following year. Logically tying in to the previous policy was the Czech Republic's support for all countries in the region to quickly achieve candidate status so that accession talks could be launched with them.

The region of Eastern Europe was among the top priorities of the *EU Common Foreign and Security Policy* in 2008. It played a significant role during the French presidency

in resolving the armed conflict between Russia and Georgia. Thanks to the negotiating efforts of European politicians, the six-point peace plan was adopted, thereby achieving a ceasefire and the withdrawal of Russian troops from part of Georgian territory, with the exception of the separatist regions of South Ossetia and Abkhazia. By creating a position of Special Representative for the crisis in Georgia, getting involved in the peace talks in Geneva and deploying a monitoring mission (EUMM) in Georgia, the EU not only confirmed its great interest in searching for a way out of this crisis, but also its growing role in resolving global problems.

In 2008, negotiations were launched on an association agreement with Ukraine, the European Commission's mandate for negotiating on a new strengthened agreement with Moldova was presented, and negotiations were launched on a new partnership and cooperation agreement with Russia. The negotiations with Russia were temporarily suspended (and subsequently renewed) as a result of the Russia-Georgia conflict in August 2008.

In its relationships with the countries of Eastern Europe, the EU built on its progress to date within the *European Neighbourhood Policy* with the aim of expanding its eastern and southern dimension on the bilateral and multilateral level. In April 2008, the European Commission issued evaluation reports for individual partner countries – on the whole positive – on the fulfilment of pre-established tasks, in which the accommodating efforts of Eastern European countries is praised.

In connection to current developments in the region, the EU decided, in the second half of 2008, to accelerate its plans for developing cooperation mechanisms with six Eastern European partners and asked the European Commission to draft a proposal for creating a long-term EU policy toward those countries, which later received the official title *Eastern Partnership*. In the priorities of its upcoming presidency of the Council of the EU the Czech Republic focused on supporting this far-reaching project.

The *European Security and Defence Policy (ESDP)* was highly effective in 2008. Aside from ongoing missions in the Western Balkans, Iraq, the Occupied Palestinian Territories and the Congo (DRC), extensive military operations also took place in Chad and Central African Republic, which were to ensure security in areas neighbouring the region of Darfur in western Sudan. In the second half of the year, the EU reacted very quickly to the Russia-Georgia conflict by sending observer missions to the areas of fighting. More and more

frequent cases of piracy off the coast of Somalia brought the EU to set up a coordination cell with the goal of supporting the ongoing activities of member states and to prepare the ground for later military operations of greater scope. At the December session of the European Council, a declaration was adopted to strengthen the ESDP, led by an effort to give new momentum to European security. Despite certain stagnation at the political level, NATO was the European Union's primary partner in the field of the ESDP.

The Czech Republic has an interest in maintaining the OSCE, in which the member states of the EU make up nearly half of participant countries. Support for this organisation is one of the long-term priorities of the Czech government. The Czech Republic supports balanced activity of all three dimensions of the OSCE (politico-military, economic and environmental, and human rights) and observance of the adopted standards in these dimensions by all participant states. As in previous years, the Czech Republic coordinated its activity in OSCE with the other EU Member states in 2008.

A very important area of OSCE's work in the politico-military dimension was the regime of disarmament control issuing from the *Treaty on Conventional Armed Forces in Europe (CFE Treaty)*, which has been signed by thirty countries. The Czech Republic continues to push for ratification of the *Adapted Treaty on Conventional Armed Forces in Europe (Adapted CFE Treaty)*, which is significant for the Czech Republic not only because it removes the bloc-to-bloc basis of the treaty, but also because it improves the system of controlling the armed forces of the participating nations. The *Adapted Treaty* should contribute to build trust within the whole disarmament process. Like other NATO countries, the Czech Republic will ratify the Adapted CFE after Russia fulfils the political commitments it assumed toward Georgia and Moldova at the final conference of the OSCE Summit in 1999. Since December 2007, Moscow has not been meeting the commitments from the basic valid treaty, not providing the other parties with regular information on its armed forces and not allowing inspections.

OSCE's main event in the field of the economy and the environment in 2008 was the *16th Economic and Environmental Forum (EEF)*, which took place in two parts in January and May in Vienna and Prague. The First Preparatory Conference to the 17th EEF took place on 16-17 October 2008 at the Czech Ministry of Foreign Affairs and drafted the groundwork for migration policy and international cooperation in the current movement of labour.

In 2008, the OSCE Chairmanship was held by Finland. Minister of Foreign Affairs K. Schwarzenberg led the Czech delegation at the 16th OSCE Ministerial Council. In connection with the Russia-Georgia conflict he spoke out for the necessity of upholding the principle of territorial integrity of member states. At the ministerial working lunch he pointed out the problems for European security stemming from the lack of political will from certain participating states to meet the commitments adopted and from the attempts to prevent other countries from freely choosing their current orientation. Despite record attendance by foreign ministers this meeting of the OSCE Ministerial Council once again did not attain significant results as it was not easy to come to an agreement for 56 delegations. Russia, Serbia, Azerbaijan and Uzbekistan came out against adopting the proposed declaration text.

For the Czech Republic, NATO is the cornerstone of the Euro-Atlantic security architecture, and the Czech Republic's membership in this collective defence organisation is of primary importance for the independent existence of this state. In the spirit of alliance solidarity in 2008, the Czech Republic contributed to joint defence and other tasks of the alliance based on the principle of indivisible security.

The country's involvement in NATO activities was intensive both politically and militarily. Both with funding and manpower it contributed to operations in Kosovo and Afghanistan and a training mission in Iraq. The level of the Armed Forces of the Czech Republic (ACR)'s involvement in forces and funding in NATO military operations was based on political and security priorities and was correspondent to the available resources.

The North Atlantic Alliance entered its sixth year of activity in Afghanistan with the goal of creating a clear and comprehensive strategy for its further presence in the country beyond the framework of the already existing *Operational Plan*. This strategy was adopted in April 2008 at the summit in Bucharest and was entitled the *Comprehensive Strategic Political-Military Plan (CSP MP)*. The plan is made up of two parts. In the public *ISAF Strategic Vision* four pillars are defined as guideposts for ISAF's activities in the country: a firm and shared long-term commitment, support for enhanced Afghan leadership and responsibility, a comprehensive approach by the international community; and relations with Afghanistan's neighbours (the regional dimension). Concrete steps for implementing the *Strategic Vision* are then laid out in detail in the internal political-military plan and implementation undergoes ongoing evaluation.

The ISAF operation continued to be NATO's largest and most significant in 2008. Its primary goals were to ensure peace and stability in Afghanistan, to help build the Afghan security sector and to increase the influence of the Afghan government in the regions. ISAF was also the Alliance's contribution to the fight against international terrorism.

The basic role of ISAF was to support the building up of the Afghan National Army, which is gradually showing better and better results. The security situation in the country nevertheless continued to degrade in 2008. High levels of activity from insurgents continued with the goal of disrupting the process of building security in the country and undermining the authority of the Afghan government and international forces. Insurgents continued to lead an asymmetric warfare strategy and made use of hideouts in the border regions of Pakistan. Their subversive activities were often tied to the production of narcotics, particularly opium. Profits from the sale of narcotics represented a large part of the financial revenues of the OMF. As a result of very weak results from Afghan units deployed against the narcotics trade, the war on drugs was added to ISAF's mandate at the meeting of defence ministers in Budapest in October 2008. The weak central government and omnipresent corruption also have their share in the worsened security situation. On the other hand the gradual transfer of responsibility for the safety of Kabul to the Afghan side, which was initiated in August 2008 and was to finish in spring 2009, has shown positive development.

The process of national reconciliation is supported by the Afghan government as well as the international community with the condition that it will not mean either military or political concessions to the insurgency forces and that its participants will renounce violence and submit to the authority of the Afghan government

An important form of the Alliance's activity in Afghanistan are the *Provincial Reconstruction Teams (PRT)* made up of soldiers and civilian workers. The Czech team started operating in March 2008 in the eastern Afghan province of Logar. From the start there were 200 members of the Armed Forces of the Czech Republic and nine civilian experts working there. The team focused on education, healthcare, good governance and support for the provincial government, agriculture and security. The Czech government released CZK 80 million for this project for 2008.

In 2008, the ACR had a mandate to deploy forces and resources in ISAF forces for a total of 415 persons. Aside from PRT Logar Czech soldiers also served at the international

airport in Kabul – in the Czech field hospital, in a chemical detachment, as meteorological experts and a team of specialists took part in the training of the national army's Air Corps. Since July 2008, a 67-man contingent of the ACR has been carrying out tasks connecting with the internal defence of a Dutch base in the province of Uruzgan in the south of Afghanistan.

The gradual transfer of helicopters that the Czech Republic donated to the Afghan Air Corps continued over the course of 2008.

Also ongoing is NATO's second largest foreign operation after ISAF in Afghanistan, in Kosovo. The mandate for KFOR forces remained unchanged even following Kosovo's declaration of independence in February 2008. In accordance with Resolution 1244, they were to remain in the same number until the UN Security Council decides otherwise.

In June 2008, NATO started to fulfil the *new tasks in Kosovo* that came out of the *Ahtisaari plan*. Its responsibility was to supervise the creation of a Kosovan security apparatus. The significant tasks included supervision and assistance during the dissolution of the *Kosovo Protection Corps (KPC)* and the construction of the *Kosovo Security Force (KSF)*, as well as supervising the building of Kosovo's Ministry for the MSF, including creating the related legislation. In connection with the dissolution of the KPC and the building of the KSF two trust funds were established, into which the Czech Republic contributed a total of EUR 100,000.

KFOR also provides support for EULEX, the newly deployed EU policing mission that is to replace UNMIK (cf. above). The Czech Republic's largest foreign military contingent at approximately 400 persons was in Kosovo once again in 2008. It operated as part of the *Multinational Task Force – Centre (MNTF-C)* at the Šajkovac base along with contingents from Finland, Latvia, Slovakia, Ireland and Sweden. Over the course of 2008, a back-up rotation of 116 soldiers was repeatedly sent out as well, in particular covering the sensitive period around the declaration of Kosovo's independence.

In 2008, the *NATO Training Mission Iraq (NTM-I)* continued with the implementation of education and training programmes for Iraqi security forces. On the basis of a request from the Iraqi government, the Alliance decided in March to continue the NTM-1 mission until the end of 2009 in the same scope with the addition that a conception of mobile teams for

perfecting training should be created. For 2008 the Armed Forces of the Czech Republic had a mandate to deploy forces and resources in NTM-I in a total amount of five persons.

The Alliance helped the African Union (AU) in building up the *African Standby Force (ASF)* and evaluated the level of their abilities for operational deployment. It also continued in helping the AU in the air transport of its units to Somalia as part of the AMISOM mission. The Czech Republic contributed EUR 15,000 for this purpose.

The *Comprehensive Approach (CA)* included planning and leading NATO stabilisation operations and made use of a whole range of available instruments (i.e. not just military but also civilian) and coordinated the Alliance's efforts with other actors operative in the field of the operation. Its essence was an effort to achieve the closest possible coordination between the Alliance and governmental and non-governmental organisations participating in operations, starting in the planning phase.

The Alliance's platform for dialogue and cooperation between NATO and Russia, the *NATO-Russia Council (NRC)*, suffered a strong blow at the start of August 2008 with the move of Russian armed forces onto the territory of Georgia. NATO reacted to this impugntiy of the shared values and principles on which the NRC stands by holding an extraordinary meeting of the foreign ministers of member states in August 2008, where the *NATO-Georgia Commission* was established. The ministers decided that it would not be possible to continue in the NRC as if nothing had happened, and began to consider the consequences of Russian actions for NATO-Russia relations. For mutual dialogue this meant postponing convening the NRC at any level until such a time as Russia completely fulfils the *six-point plan* signed by presidents M. Saakashvili and D. Mevedev. The area of cooperation was narrowed, at the military level it was completely suspended by the Russian side, which did not however apply to cooperation related to Afghanistan and the fight against terrorism.

The main Russian initiative in 2008, in connection with the summit in Bucharest, was the offer of allowing ground transit of non-military material through Russian territory for the needs of ISAF forces in Afghanistan. NATO's agreements with the other countries along the route had not finished being negotiated by the end of 2008 and Russia's offer has not yet been taken advantage of.

2008 was in many ways a breakthrough year for NATO relations with Ukraine and Georgia. The Czech Republic and other states in the *New Group of Friends of Georgia*

consistently supported the efforts of both countries to receive *Membership Action Plans (MAPs)*, which are the key tool for preparing candidates to join NATO and thus have the symbolic value of being the last level before membership. At the NATO summit in April in Bucharest an unprecedented compromise decision was achieved that labelled Georgia and the Ukraine as future NATO members.

Two of the three countries in the Alliance's *Partnership for Peace (PfP)* programme associated under the *Adriatic Charter* – Albania and Croatia – received an invitation to join NATO, having gone through long preparations according to the *Membership Action Plan (MAP)*. In the case of Macedonia/FYROM, which is otherwise subject to the same conditions, a consensus on invitation was not reached due to the unresolved dispute with Greece over the country's name.

Within the *Partnership for Peace (PfP)*, an intensified dialogue was offered to Montenegro and Bosnia and Herzegovina. The new government coalition that was formed after the May elections in Serbia is interested in working with the Alliance within PfP, but for the time being without aspirations of membership. In December 2008, the Czech Republic took over managing the *Military Liaison Office (MLO)* in Belgrade, which is headed by a Czech general. It also acquired the status of *NATO Contact Point Embassy* in Belgrade for the period 2009-2010.

The Czech Republic also attempts to assert the policies that it supports in the European Union and in NATO in cooperation with states in other regional groupings. Since the accession of the *Visegrad Four (V4)* to the European Union, EU matters have formed an integral part of its common agenda. The programmes of the individual *Visegrad* presidencies reflect to a large extent the priorities of the current presidency of the Council of the EU, and the prime ministers of the presiding EU countries are often guests of the top-level meetings of the V4 prime ministers.

In 2008, the Czech Republic and Poland divided up the presidency of the *Visegrad Group*. Aside from extensive interdepartmental cooperation and support for contact between citizens the Czech presidency focused in its programme primarily on strengthening mechanisms of V4 cooperation under the conditions of the EU. Other priorities were support for democracy and human rights in the world and the V4's communication strategy. At the foreign policy level an emphasis was placed on developing cooperation in the "*V4 plus*"

formats, in particular in relation to the countries of Eastern and Southeast Europe and other regional groups.

Just as in previous years, one of the most visible successes of cooperation among the V4 countries in 2008 were once again the activities of the *International Visegrad Fund (IVF)*. The fund contributes considerably to building up a dense network of contacts among citizens of the Visegrad countries, increases the outward prestige of this regional grouping and is also a useful tool for advocating certain foreign policy priorities of the V4 countries. In accordance with the foreign policy priorities of the V4 countries it was decided in 2008 within the IVF to expand the granting of Visegrad scholarships to include students from Bosnia and Herzegovina, Montenegro, Georgia, Armenia and Azerbaijan.

The Czech Republic acted similarly within the *Central European Initiative (CEI)*. The primary administrator of the Czech Republic's cooperation with this group is the Czech Ministry of Foreign Affairs, a representative of which is a member of the *CEI Committee of National Coordinators*. Since 2005, the Czech Republic has been contributing to the activities of the CEI by regularly organising CEI conferences in Prague focused on the problem of human resources development and lifelong education.

The *Regional Partnership (RP)*, the members of which are the Czech Republic, Hungary, Poland, Austria, Slovakia and Slovenia, does not have any fixed mechanism for cooperation among its member states along the lines of the Visegrad Group. Only the role of organiser for the conferences of member foreign ministers regularly rotates among its six member countries.

The best developing form of cooperation in the RP, yielding concrete results, is collaboration in the field of internal security, which was realised as regular meetings of interior ministers as part of the *Salzburg Forum*. Since the meeting in Innsbruck (12–13 July 2007), the forum meetings have also been taken part in by the interior ministers of Bulgaria and Romania. The presiding country of the *Salzburg Forum* for the first half of 2008 was the Czech Republic. The last ministerial meeting took place in Prague on 15–16 May 2008.

From the perspective of regional cooperation in Southeast Europe, 2008 was a breakthrough year. On the basis of positive results from the activities of the *Stability Pact for South Eastern Europe*, the participant countries stated that the *Pact* had fulfilled its role, approved the termination of its activities and decided to hand over responsibility for

development of regional cooperation to the countries of the region, specifically the *Regional Cooperation Council (RCC)*. This took place at a celebratory session of the *Stability Pact Regional Table* in Sofia in February 2008. The Czech Republic fully supported this decision.

The member states of the *Pact* could conclude direct regulation of regional cooperation from Brussels after nine years of joint effort to develop regional cooperation in Southeast Europe. In its policies toward the countries of Southeast Europe the Czech Republic continued with active support of regional cooperation as an important tool for making contacts and developing the cooperation important for overcoming the unfortunate legacy of the conflicts in the nineteen nineties. For this reason it became a member of the *RCC Board*, where donor countries are represented.

The anchoring of our state in European structures is also reflected in its involvement in UN activities, which are more and more frequently carried out through the coordination mechanisms of the EU, both directly in New York and in the thematic working groups and committees of the Council of the EU in Brussels. The common EU position is then presented by the presiding EU country. On questions for which such a position was not formulated the Czech Republic acts independently.

In the first half of 2008, the 62nd UN General Assembly continued, leading into the 63rd General Assembly in September. Among the activities in this context was a ministerial meeting on support for the *Comprehensive Nuclear-Test Ban Treaty (CTBT)*. Taking part were 40 top diplomats, including Czech Minister K. Schwarzenberg. On 30 September 2008, an interactive panel on the topic of the global financial crisis took place. Its goal was to set the steps for creating a more stable and more easily sustainable economic order. The member states agreed on the key role of the UN in the reform of world financial institutions.

Over the course of the autumn segment of the assembly, a total of 60 resolutions were approved. From the point of view of the Czech Republic, among the most important was the resolution, approved by consensus, on the worsening situation in Afghanistan, which was supported by a total of 85 states, including the Czech Republic. The General Assembly also dealt with a Serbian draft resolution asking the International Court of Justice to assess whether Kosovo's unilateral declaration of independence was in compliance with international law.

In the first half of December, the 14th conference of the parties of the *UN Framework Convention on Climate Change (UNFCCC)* took place in Poznań, and at the same time so did the 4th meeting of the *Kyoto Protocol (KP)* signatories. The debate focused on the implementation of the UNFCCC and KP. In this regard, a number of decisions were adopted on the implementation of the Action Plan from Bali, a review of the financial mechanism, the Adaptation Fund. The approach for preparing future agreements on the new regime for preventing climate change after 2012 was also discussed, particularly from the standpoint of setting new commitments from signatories in terms of reducing greenhouse gas emissions for this upcoming period.

The head of the Czech delegation, Deputy Prime Minister and Environment Minister M. Bursík, reported on the fulfilment of our national commitment under the *Kyoto Protocol*.

The UN Security Council has traditionally devoted much attention to the African continent and the Middle East. Resolutions were adopted on the situation in Chad and the Central African Republic, in Sudan, Congo (DRC) and in Côte d'Ivoire. Resolutions dealing with Somalia were mainly on the growing level of piracy. The Security Council repeatedly dealt with the situation in Afghanistan and for the first time also with the situation in Burma/Myanmar.

Within the UN, the Czech Republic took part in the ongoing negotiations on a draft *Comprehensive Convention on International Terrorism* and along with the other EU states supported its quick adoption. It also took part in evaluating the *UN Global Counter-Terrorism Strategy*.

The fight against international terrorism is one of the priorities of our foreign policy. In 2008, the Czech Republic was again an active member of the international coalition against this dangerous phenomenon, not only due to solidarity with countries afflicted by terrorism, but also with a view to international stability and its own security.

At the start of the year, the Czech government approved the fourth update to the *National Action Plan to Combat Terrorism* for the period 2007–2009. This strategic document contains a set of tasks, the fulfilment of which increases the ability of the country to deal with terrorist threats. The plan includes improving communication and cooperation between security components, protecting the populace and infrastructure, preventative

measures against radicalisation and the direction of foreign policy in the fight against terrorism.

The Czech Republic continued in the mutual exchange of intelligence information on terrorism with the other members of NATO. It also concentrated on terrorism in connection with deployment in NATO security operations such as *Enduring Freedom (OEF)* in Afghanistan.

In the EU, the Czech Republic continued in implementing the *European Security Strategy* and was involved in forming the *EU Common Foreign and Security Policy*. It contributed to analyses of the *EU Joint Situation Centre* dealing with the security situation and terrorism, and took part in discussions on political, legal and technical documents related to the fight against terrorism.

The Czech Republic fully supports the *Millennium Development Goals (MDGs)* that came out of the UN conferences in the 1990s and were confirmed by the UN summit in 2000. As a member of the EU and the international community of democratically and economically developed countries, the Czech Republic respects the principle of solidarity and accepts its share of responsibility in dealing with global problems. This position is reflected in the *foreign development cooperation (FDC)*, an integral part of Czech foreign policy. The Czech Republic performs and provides FDC on both a bilateral and multilateral basis, in line with international principles and its own interests.

The provision of foreign development cooperation and humanitarian aid is governed by the *Principles of Foreign Development Cooperation after the Czech Republic's Accession to the EU* from 2004. The government approved the specific programmes for development cooperation between the Czech Republic and eight priority countries for the period 2006–2010. Aside from these programmes development projects in other countries and other forms of development activities are also taking place to a limited extent (including the provision of post-secondary scholarships for students from development countries, aid for refugees in the Czech Republic, debt relief and restructuring, and the like). In 2008, institutional changes took place in the sense that the system of foreign development cooperation was transformed. (The relevant chapter of this publication informs about these changes in detail.)

Aside from bilateral development cooperation, the Czech Republic also provided *humanitarian aid* in 2008. This aid is governed by the fundamental international humanitarian

principles of humanity, impartiality, neutrality and independence. The goal of humanitarian aid is to prevent the loss of life and alleviate human suffering in a population affected by a natural or man-made disaster or armed conflict. It is also about aid provided to countries and regions that find themselves in a complex and long-term humanitarian crisis. In recent years, the emphasis has also grown on prevention of extraordinary situations and their consequences.

The concept known as *transformation policy* is an integral part of the Czech foreign policy. It brings together the foreign policy tools that may be used to influence the state of human rights and democracy in the world. Transformation policy is designed to motivate political processes leading toward long-term stability and prosperity and to help emancipate civil society as a key actor in sustainable democratic change.

Transformation cooperation complements the Czech Republic's foreign development cooperation system with specific instruments. At the same time, it is a separately defined component of government policy toward transforming countries as well as undemocratic regimes.

The aim of this cooperation is to help ensure that ongoing or possible future changes in these countries lead to democracy and the rule of law, and not to chaos, conflict and destabilisation. Transformation cooperation concentrates on creating and strengthening democratic institutions, the rule of law, civil society, and the principles of good governance. It is implemented primarily through projects targeting education and the dissemination of information, opinions and experiences with non-violent resistance to totalitarian systems and the social transformation process, which the Czech Republic underwent in the 1990s.

Transformation cooperation is characterised by systematic cooperation with and support for civil society groups and non-governmental organisations – contact with state authorities in the beneficiary countries may be deliberately ruled out.

In 2008, the transformation cooperation programme continued to focus on countries of priority interest to Czech foreign policy where, at the same time, there is a tradition of mutual contacts and a certain assumption that Czech experiences can be applied (Belarus, Bosnia and Herzegovina, Georgia, Iraq, Cuba, Moldova, Myanmar/Burma, Serbia and Ukraine).

In 2008, the transformation cooperation programme funded a total of 50 projects of cooperation between Czech non-governmental organisations and institutions and their

counterparts in the target countries, as well as independent activities of the Czech Ministry of Foreign Affairs, which were also realised in other countries of Asia and the Middle East, predominantly through Czech embassies. A number of the projects involving Czech organisations are multilateral or international in nature; the Transformation Cooperation Programme stresses coordination with other governmental and non-governmental providers of support and reflects the trends in EU policy towards the countries concerned. Total expenditure on transformation cooperation projects, scholarships and activities in 2008 amounted to approximately CZK 44.2 million.

A financial instrument available to the Ministry of Foreign Affairs since 2004 is the *Transformation Cooperation Programme*. The experiences gained from cooperation with civil society in target countries are then factored into the process of formulating the Czech Republic's positions. The Czech Republic's purposeful work in this field also helps enhance the country's image abroad as an active supporter of the observance of human rights.

At the 63rd UN General Assembly, the Czech delegation voted for the adoption of a number of resolutions on human rights, including a resolution calling on states to issue a moratorium on the use of the death penalty. It supported resolutions pointing out the violation of human rights in DPRK, Iran and Burma/Myanmar and actively lobbied against the no action motions to adjourn debate on them. It also supported resolutions on the rights of the child and against religious discrimination. It represented the EU at negotiations on resolutions against the trafficking of women and girls and on the unacceptability of practices contributing to the development of contemporary forms of racism, race discrimination, xenophobia and related intolerance. It voted against the resolution on activities that were to follow from the *Durban Conference against Racism*, the reason being provisions leading to limitations on freedom of speech in violation of international standards in the realm of human rights.

In defending and advocating human rights, Czech foreign policy accumulated a number of valuable experiences and made this into one of its traditional activities. Until June 2007, the Czech Republic led, within the UN Human Rights Council, the working group for revising the mandates of the special procedures focused on the work of the special rapporteurs on selected areas of human rights and the state of observance of human rights in specific countries. In 2008, it focused on making European Union policy in this area more effective. The objective was to increase the strength, cohesion and transparency of steps taken

by the EU in this area and to ensure better use of existing mechanisms and tools. The Czech Republic draws on its own experiences with the process of social transformation and non-violent resistance to violations of human rights under the communist regime. The Czech Republic can now also make use of the expertise in transformation cooperation which it provides to other countries. The Czech Republic monitors the situation of civil society and human rights defenders, both in its own transformation policy and in the EU. The Czech Republic also concentrates on strengthening the partnership between EU institutions and non-governmental organisations and on improving the effectiveness and coordination of the financial instruments used to support human rights and democracy.

In 2008, the Czech Republic contributed actively to the formulation of the EU's human rights policy in the COHOM working party on human rights. The Czech Republic took part in the session of the *UN Human Rights Council* as an observer and took part in formulating the common positions of the EU on the questions discussed in the Council.

The Czech Republic was also put through a *Universal Periodic Review*, a mechanism by which the HRC assesses the state of human rights in all UN member states once every four years. In April 2008, the Czech delegation in the *HRC Working Group* led the dialogue with the UN states on specific problems and measures in the field of human rights in the Czech Republic. During the session, the delegation answered the posed questions, for example on issues of discrimination against minorities, extremism, sterilisation of women, human trafficking, protection of children's rights or the use of cage and net beds in social and healthcare institutions.

In line with its powers, the Ministry of Foreign Affairs monitors the Czech Republic's compliance with its commitments under international law, as well as the evolution of international law, and makes every effort to contribute to the development of its standards in the globalising world, taking into account all its problems and challenges.

A priority of Czech foreign policy in 2008 was the negotiation of bilateral treaties with the USA on the founding of a United States radar site in the Czech Republic and the status of its armed force. The legal precondition for establishing the US radar site in the Czech Republic was the conclusion of two international treaties. The first was the *Agreement Between the United States and the Czech Republic on Establishing a United States Ballistic Missile Defence Radar Site in the Czech Republic* (hereinafter the *Main Agreement*). It was

signed in Prague on 8 July 2008 by the foreign ministers of the Czech Republic and the USA. The Senate approved the *Main Agreement* on 27 November 2008. Its consideration in the Chamber of Deputies was commenced and then immediately suspended in October 2008.

The second agreement, which was under the authority of the Czech Ministry of Defence, was the *Agreement between the United States of America and the Czech Republic on the Status of United States Forces Present in the Territory of the Czech Republic* (hereinafter SOFA). SOFA was signed on 19 September 2008 in London by the defence ministers of the Czech Republic and the USA. In the Czech Parliament it was discussed parallel to the *Main Agreement*.

The third treaty that relates to the possible establishment of a US radar site in the Czech Republic and which also fell under the jurisdiction of the Czech Ministry of Defence was the *Agreement Between the Government of the Czech Republic and the Government of the United States of America on Ballistic Missile Defence Cooperation*, signed 31 October 2008 in Prague. After it enters into force, it will allow Czech enterprises to take part in building the ballistic missile defence system.

The Czech Ministry of Foreign Affairs pushed for the completion of the ratification process for the *Rome Statute of the International Criminal Court*. By the end of 2008, 108 states were signatories of the *Rome Statute*. Support for the *International Criminal Court* is an important part of the *EU Common Foreign and Security Policy*.

On 13 April 1999, the Permanent Representative of the Czech Republic to the United Nations signed the *Rome Statute* on behalf of the Czech Republic. After nine years of expert and political discussion, the government of the Czech Republic issued its approval of the ratification proposal. On the basis of wide political consensus, the agreement of the Senate of the Parliament of the Czech Republic was granted on 16 July 2008. The Chamber of Deputies of the Czech Parliament agreed with ratification 29 October 2008. In December 2008, the President of the Republic was asked to sign the ratification. The Czech Republic was the only EU state that had not yet ratified the *Rome Statute*.

The Czech Republic systematically monitors the work of the *International Law Commission* in preparing drafts for the codification and development of international law. As part of the discussions of the UN GA 6th Committee in autumn of 2008 on the *International Law Commission* report, the representatives of the Czech Republic had speeches on a number

of topics and in May 2008 the Czech Republic also sent the UN Secretariat a written statement on the topic *Qualifications to the Treaties*.

Upon the Czech Republic's accession to the EU, a new dimension, Community law, became part of the Czech legal order. In relation to national law, Community law includes both acts that the Czech Republic is obliged to transpose into Czech law by means of legally binding provisions, and directly applicable norms that can impose rights and obligations directly on natural and legal persons. It is the endeavour of the Czech Ministry of Foreign Affairs to achieve complete compliance between the Czech legal code and the *acquis communautaire*.

As a full-fledged member of the EU, the Czech Republic is of course not only a recipient of these regulations, but also their co-author. Within the Ministry of Foreign Affairs, the independent *Community Law Department* monitors and analyses the development of the EC/EU law and draws up opinions on matters of Community law for the purposes of the Czech Republic's foreign policy. It assesses the compliance with Community law of draft national legislation and negotiated international treaties coming under the responsibility of the Ministry and interpretation of the relevant provisions of Community law. In 2008, the majority of the expert opinions drawn up regarding interpretation of Community legislation concerned the EU's external relations, the *Common Foreign and Security Policy* and the internal market (in particular the free movement of persons, goods and capital).

Aside from the international law, Community law and the consular dimension of its activities in bilateral, wider regional, European and international relations, Czech foreign policy also has an economic dimension and its function in promoting and spreading Czech culture abroad.

Assistance for export and investments remains one of the priorities of the Czech government. Under the conditions of an open economy in the current financial crisis and economic depression, the prosperity of a country was even more significantly dependent on the abilities of the state to push its economic interests in the world. This is what *economic diplomacy* serves to do, advocating the interests of the government in the field of production, movement of goods, service, work and incoming and outgoing investments. It develops a wide range of activities from organising trade missions to searching out partners at the municipal level. In 2008, the Czech Ministry of Foreign Affairs put together a project

Strategic Management of the Czech Foreign Ministry in the Field of Economic Diplomacy, for which it coordinates its activities with the Czech Ministry of Industry and Trade.

Czech culture transferred abroad is not just a more or less attractive choice from current production, but it also shows the level of thought and creativity of the national society and its way of life. For this reason so much depends on comprehensive projects of cultural presentation, the concept of the *Czech Centres*, the selection of their directors and on properly targeted programmes. Every year, Czech embassies and the *Czech Centres* present Czech culture and its diversity with regard for territorial specifics and with the hope of creating positive feedback for further development of Czech culture, the culture industry, tourism, economy, investments, science and research and for the support of Czech studies internationally.

A contribution to the presentation of the Ministry of Foreign Affairs abroad and at home – particularly valuable in the period of preparations for the Czech presidency of the Council of the European Union – was the Open Doors Day on 14 September 2008. The Ministry's *Culture and Promotion of the Czech Republic Abroad Department* (OKKP) took advantage of the opportunity to present its activities and showed off a sample of its exhibitions on the history of the *Gratias Agit*, awarded by the Minister of Foreign Affairs.

The OKKP also submitted its *Proposal for Creation of a Unified Visual Style of State Administration with Focusing on the Ministries and Office of the Government* to the government, basing it on the selected visual style variants. The material went through an interdepartmental reflection process and was taken into consideration by the Czech government. The next stage of implementing the submitted proposal depends on a decision by the government of the Czech Republic.

Effective internet communication is an important presentational tool with a widening reach in the development of a positive image of the Czech Republic abroad. Since 2006, the Czech Republic's visual marketing style, the "*bubbles*", has been used on the official website www.czech.cz, operated by the Ministry of Foreign Affairs. This comprehensive presentational and informational portal provides a range of information about the Czech Republic, from a general presentation to daily news and detailed information on different areas of life in the Czech Republic. The portal is accessible in six language versions – in March 2008, a Russian version was added to the Czech, English, French, German and Spanish

versions. In 2008, 2.5 million users visited the portal and in November 2008 it received two prestigious awards for winning in the *Křišťálová lupa* poll in the *Public Sector* category and in the *WebTop 100* poll in the *Tourist Industry* category.

Within the context of multicultural events in 2008, the Ministry took part in preparing and organising the traditional *Lidice International Children's Art Competition and Exhibition*. The OKKP prepared exhibitions for the anniversary of the significant "fateful eights" and the upcoming Czech presidency of the Council of the European Union in cooperation with the Ministry-funded *Czech Centres*. From the important events of wider cultural reach in 2008 we can mention the grand opening of the *Bohemian National Hall* in New York, the presentation of the exhibition *Orbis Pictus, or Gate to the World of Creative Human Imagination*, this time in Vancouver, or the travelling photography exhibitions *68/69* and *Czech Press Photo*. An example of interdepartmental and interministerial cooperation was the grand unveiling of the *Memorial to Czechoslovak Legionnaires* at Mikhailov cemetery in Yekaterinburg in the Russian Federation.

Film projections were among the most accessible tools for presenting the Czech Republic abroad. Individual Czech embassies took part in international film festivals, thereby bringing the foreign public closer to the work in Czech acted, documentary and animated films. This for example was the survey of the ten most successful Czech films *Czech Cinema – The Dream Goes On* (cooperation between the Ministry and the National Film Archive allowed access to older Czech films as well), which took place as part of the 32nd annual Hong Kong International Film Festival. Czech embassies also took part in organising screenings of Czech films for ex-patriots in many countries of the world. In 2008, the Ministry of Foreign Affairs took part in organising the 15th year of the *Days of European Film* festival in the Czech Republic.

A project for promoting Czech literature and raising awareness of it abroad continued in 2008. Books were made available to the general public through European cultural institutes (*Czech Centres, Alliance Française, British Council, Goethe-Institut, Instituto Cervantes*, etc.), local libraries, schools, universities and book fairs. The presentation of books to individual organisations is generally combined with activities of a broader informational or representational nature, or in some cases with a series of literary discussions or seminars about the Czech Republic. This support for Czech literature supplemented and expanded the

existing distribution channels for Czech authors in the original language (for expatriates and university departments for Czech studies abroad).

In 2008, collaboration between six countries (Czech Republic, Slovakia, Poland, Hungary, Austria, Slovenia) continued within the framework of the *Central European Cultural Platform*. Its most important project was taking part together in the *International Design Biennial* in Saint Étienne during the French presidency of the Council of the European Union. The Czech Republic presented an exhibition of porcelain from the studio *Qubus (Qubus Design)* and glass from the studio of J. Pelcl (*Atelier Pelcl*).

Czech Centres (CC) is an organisation partially funded by the Ministry of Foreign Affairs of the Czech Republic. Its mission is to develop the good name and positive image of the Czech Republic abroad, to promote the Czech Republic's interests actively and, to this end, to use the tools of public diplomacy. The principal task of CC is to present the Czech Republic abroad in the areas of culture, trade and tourism. One of the priorities of CCs programming for 2008 was to prepare over 80 events included in the programme of cultural presentation abroad during the Czech Republic's presidency of the Council of the EU in the first half of 2009.

In 2008, there were a total of 23 Czech Centres operating in 20 countries on three continents. Aside from Europe there are Czech Centres in the USA, in Japan, and since March 2008 in Argentina as well. Preparations continued to open a CC facility in Israel. In October the newly reconstructed *Bohemian National Hall* had its grand opening in New York, and the CC New York relocated there.

Czech embassies assisted in helping the positive image of the Czech Republic abroad, organising promotional events and lectures with discussions, and were also in contact with print and other media. Immensely important for the Czech Ministry of Foreign Affairs' own presentation was the information system on its internet website, which was reworked in 2008. It is made up of the main presentation of the Czech Ministry of Foreign Affairs and 120 sub-presentations. Of these 108 are presentations of embassies and general consulates. The rest are presentations of permanent missions, representations and delegations to international organisation and presentations of the PRT Logar Mission in Afghanistan and the *Czech-Polish Forum*.

Aside from the Czech version, information was also presented in English or French, in some cases in the local language of the host country (in 2008 there were 22 foreign-language versions). In the Czech versions, the most visited sections were those containing information on the economy and trade and the sections on visas and consular services. In the foreign-language versions, the sections on consular services markedly dominated in terms of traffic. Other areas of interest were economics, trade and current political reports and positions.

Thus was the positive image of the Czech Ministry of Foreign Affairs, with its extensive agenda and widely branched-out activities, formulated. This publication, issued every year, should also help contribute to this, recording what the Ministry considers to be the fundamental facts on Czech foreign policy for the past calendar year.

I. MULTILATERAL COOPERATION

1. The Czech Republic and the European Union

The Slovenian Presidency of the Council of the European Union

Slovenia held the Presidency of the Council of the EU from 1 January to 30 June 2008. The future of the *Lisbon Strategy* after 2010 was one of the main themes for the European Council in March 2008. In that context there were discussions about the *Ljubljana Process* and the related launch of the *European Plan for Innovation*. The output was the founding of the *European Institute of Innovation and Technology (EIT/ETI)*, based in Budapest.

In spring 2008, work continued on the *climate and energy package*. Discussions of the individual legislative proposals produced a basis for agreement in the latter half of 2008.

In agriculture, there was political agreement on direct payments and an agreement by the Council on the launching of plant protection products on the market. The Slovenian Presidency also chaired the Council's introductory discussion on the *Commission Communication on the "Health Check" of the CAP Reform*.

Freedom, security and justice in the EU were strengthened by the adoption of the *European Pact on Immigration and Asylum*, and by stipulating the conditions for the entry and residence of highly qualified workers in the EU, as well as the Council's decision to establish Europol and the adoption of a new timetable for the *Schengen Information System (SIS II)*.

In the *Council for Employment and Social Affairs*, agreement was reached on a common approach to the Working Time Directive and the Temporary Employment Directive.

During the Slovenian Presidency, talks were completed on the *Stabilisation and Association Agreements* with Serbia and Bosnia and Herzegovina. Talks were also completed on Slovakia's entry to the eurozone, and Malta and Cyprus became members in January. There was also agreement on a mandate for the EU's negotiations with Russia. There were EU summits with Japan, Latin America, the USA and Russia.

The Slovenian Presidency of the Council of the EU faced unexpected events such as the declaration of independence in Kosovo, disturbances in Tibet and the earthquake in China.

The French Presidency of the Council of the European Union

France held the Presidency of the Council of the EU from 1 July to 31 December 2008. The French Presidency was influenced by two extraordinary events: the conflict between Russia and Georgia and the onset of the financial crisis. The French Presidency convened extraordinary meetings of the European Council for both events. A six-point ceasefire proposal presented by the Presidency played an important role in reaching a settlement in the Russia-Georgia conflict. A summit on the financial crisis was held for eurozone member states, as well as the first G-20 summit. The European Commission, with the support of the Presidency, produced the *European Economic Recovery Plan*, which was approved by the European Council in December.

In October, the European Council approved the *European Pact on Immigration and Asylum*. The Pact's main objective consists in measures against illegal migration and the harmonisation of asylum laws in the EU. Work continued on visa and consular issues, and on internal security and civil defence.

At its meeting in December, the European Council adopted the *climate and energy package*. The *Health Check of the EU Common Agricultural Policy* was completed, but agreement was not reached on the future of the EU's Common Agricultural Policy after 2013.

In external relations, agreement was reached on plans for the *Union for the Mediterranean*, and positive relations were established with Syria. Relations between the EU and Israel were strengthened. Summits were held with South Africa, Brazil and India.

Treaty of Lisbon

During the Slovenian Presidency, the process of ratifying the *Treaty of Lisbon* was underway. In June 2008, the process was affected by the negative outcome of the Irish referendum. That outcome influenced the programme for the French Presidency and prompted lively debate on the future direction of the EU. The future of the process to ratify the *Treaty of Lisbon* was discussed at meetings of the European Council in October and December 2008.

For the *Treaty of Lisbon* to come into effect by the end of 2009, the European Council set out the following procedure: on the assumption that the *Treaty of Lisbon* will come into effect, the number of commissioners under the existing arrangements will not be reduced in 2009, and each member state will retain its own commissioner. Ireland will be given legal guarantees on tax, social and family issues, and on the Common Foreign and Security Policy. The specific form of those legal guarantees will be known by mid-2009. On the basis of the guarantees approved the Irish government has undertaken to seek the ratification of the *Treaty of Lisbon* (most probably in the form of a repeat of the referendum) by 31 October 2009. The ratification process will not be re-opened in countries where ratification has already taken place.

By the end of the French Presidency, the parliamentary ratification of the *Treaty of Lisbon* had been completed in 25 countries, of which 23 countries deposited the ratification documents with the Italian government, thereby formally completing the ratification process.

European Union enlargement

The enlargement process, which continued in 2008, is one of the most important themes in the programme for the presidencies of the trio of France, the Czech Republic and Sweden. On 5 November 2008, the *enlargement package* was published, comprising the documents *Enlargement Strategy and Main Challenges 2008-2009*, the *Turkey 2008 Progress Report* and the *Croatia 2008 Progress Report*, which assessed the progress made by the candidate countries (Croatia, Turkey and FYROM) and the potential candidate countries (Albania, Bosnia and Herzegovina, Montenegro, Kosovo and Serbia) and made recommendations for the progress of enlargement.

On 8 December 2008, the *EU General Affairs and External Relations Council (GAERC)* adopted the *Conclusions on Enlargement*, based on the aforementioned documents, from which it follows that the enlargement process will continue on the basis of the renewed consensus achieved at a meeting of the European Council in December 2006. Each country is rated according to its merits and the progress it has made, while the EU adopted measures to improve the quality of the enlargement process, mainly consisting in the use of reference criteria and impact studies, as well as solutions for fundamental issues (public administration, the judicial system, the fight against corruption and organised crime) at the start of the accession process.

Croatia

The Czech Republic wishes to ensure that accession negotiations with Croatia are completed as soon as possible, and in that respect it welcomes a draft indicative road map for the completion of the EU's negotiations with Croatia by the end of 2009, provided the conditions for the closing of individual chapters are satisfied. A swifter pace of reforms in the judiciary, the public administration and the fight against corruption and organised crime is expected from Croatia. By the end of 2008, Croatia had 22 opened chapters out of a total of 35, of which seven were provisionally closed.

Turkey

The Czech Republic supports Turkey's full membership of the EU provided the relevant conditions are satisfied. The progress of negotiations with Turkey depends on how successful the country will be in introducing essential reforms, and how it will proceed in resolving the issue of Cyprus and relations between Turkey and Cyprus.

The GAERC's conclusions are a confirmation of Turkey's commitments to reform; in that context, the Council has pointed to the modest results achieved last year and the necessity of continuing reforms in a number of fields (the judiciary, the fight against corruption, the protection of civil liberties, freedom of speech and belief, the functioning of political parties, etc.). In the foreign policy perspective, Turkey's strategic importance to the EU is emphasised (Turkey's initiatives in the South Caucasus and the Middle East) and the need for good relations with its neighbours, including settling disputes in line with the UN Charter. The Council expects the implementation of the *Additional Protocol to the Association Agreement* to commence, and that the anticipated progress will be made in normalising relations with Cyprus: Turkey is expected to actively support the negotiations underway on Cyprus.

By the end of 2008, 10 of a total of 35 chapters had been opened, of which one was provisionally closed.

Other countries in the Western Balkans

The Czech Republic's main priority for countries in the Western Balkans during its Presidency is to achieve significant progress in their integration into the EU, both at the political level (filing applications for EU membership) and at the practical level (the liberalisation of visas).

In 2008, the signing of the *Stabilisation and Association Agreements (SAA)* with Serbia and Bosnia and Herzegovina completed the process of establishing relations between the EU and the countries of the Western Balkans, other than Kosovo; the SAA with Albania and Montenegro are undergoing ratification in the member states. FYROM achieved candidate status in 2005 and is waiting for a date to be set for the start of talks on accession. Montenegro filed an application to join the EU on 15 December 2008.

Preparations by the Ministry of Foreign Affairs of the Czech Republic for the Presidency of the Council of the EU in the first half of 2009

In 2008, preparations for the Czech Republic's Presidency of the Council of the EU entered their final phase. At the Czech Ministry of Foreign Affairs, preparations were coordinated by the *Secretariat for Preparations for the Presidency (PRES)* in collaboration with other divisions at the Ministry. Preparations covered the programme, logistics, finance, personnel, security, communications and promotion.

The most important content concerned finalising the main priorities and the resulting programme for the Presidency. In 2008, the *Work Programme of the Czech Presidency 2009* was approved, and it describes the main political priorities for the Presidency and the priority agenda for individual formations of the Council of the EU. The Ministry of Foreign Affairs was responsible for preparing the foreign policy themes for the Presidency and for setting out the priority agenda of the *General Affairs and External Relations Council*. The priorities for the Czech Presidency are closely tied to the main political priorities for the trio presidency of France, the Czech Republic and Sweden, which were presented as part of an eighteen-month programme at the start of the French Presidency.

One of the most important aspects of preparations for the Presidency were the logistics for events coordinated by the Czech Ministry of Foreign Affairs, and related to that the producing of a calendar for the Presidency. It was necessary to organise approximately 200 events coordinated by the Ministry of Foreign Affairs, of which approximately 70 are to be held in the Czech Republic. This workload is many times greater than that of other departments, as the Ministry of Foreign Affairs coordinates not only events by EU member states but also political dialogues with third countries. One of the most important events taking place in the Czech Republic and coordinated by the Ministry of Foreign Affairs under the Czech Presidency is the *Informal Meeting of EU Ministers of Foreign Affairs (Gymnich)*, which will be held in Hluboká nad Vltavou, and the ministerial EU – Rio Group meeting in

Prague. The Ministry of Foreign Affairs has contributed to planning events – summits – at the level of heads of state/government. During the Czech Presidency, there should be summits with the USA, Russia, Canada, Japan and South Korea. There are also plans to hold a summit to launch the Eastern Partnership, a summit on the southern energy corridor, etc. The Ministry of Foreign Affairs also had to make the logistical arrangements for the Presidency at the Czech Republic's embassies (*the local presidency*).

The staffing of the Permanent Representation in Brussels, permanent missions at international organisations, selected embassies and the Ministry itself was significantly increased.

A mechanism for communication and presentation was set up at the Ministry of Foreign Affairs for the Presidency. For operational decision-making during the Presidency a team was established at the Ministry, headed by the First Deputy Minister of Foreign Affairs.

Representation of the Czech Republic before the Community's judicial bodies

Since the Czech Republic's accession to the European Union, the Czech Republic's representation before the Community's judicial bodies, i.e. the *Court of Justice*, the *Court of First Instance*, and the *Civil Service Tribunal* (jointly referred to hereafter as the *European Court of Justice*), has been the responsibility of the Ministry of Foreign Affairs, within which this task is assigned to a government agent. In 2008, there was a change to the government agent: the Czech Government's Resolution No. 246 of 10 March 2008 recalled T. Boček (originally appointed by Resolution No. 422 of 5 May 2004) and M. Smolek was appointed government agent in his place.

The work of the government agent is set out in Resolution No. 133 of 4 February 2004 and the *Statute of the Government Agent for Representation of the Czech Republic before the Court of Justice of the European Communities and the Court of First Instance*. Resolution No. 435 of 13 April 2005 extended his powers to include representing the Czech Republic before the *Court of the European Free Trade Association*.

The *Committee of the Government Agent*, an interdepartmental advisory and consultation body, met at regular sessions in 2008, which were held approximately once a month. Through the Committee the government agent informs individual departments of

developments in cases before the Community's judicial bodies, proceedings on infringements of the Treaty in the phase before the EC Commission, and statements by the Czech Republic on individual cases. At its sessions the Committee also discussed issues concerning difficulties in transposing Community law and the planned reform of the European Community's judicial bodies.

In 2008, 61 new *Treaty infringement proceedings*, through which the Commission enforces compliance with the *acquis communautaire* by member states, were initiated against the Czech Republic. Compared to 2007, that represented an increase of roughly one-third in the number of new proceedings (43 were initiated in 2007); the total number of proceedings initiated against the Czech Republic from accession to the EU to the end of 2008 was 405. A considerable number of those cases were stopped before they reached the phase of an action before the *European Court of Justice* – at the end of 2008, there were 66 ongoing proceedings, of which 44 were in the first procedural phase (formal notice), 22 in the second phase (reasoned opinion) and four in the phase of an action before the *European Court of Justice*.

Six actions against the Czech Republic were submitted to the *European Court of Justice* in 2008, of which in one case the *EC Commission* retracted its action following a request by the Czech Republic. Two condemnatory judgements were passed against the Czech Republic in 2008 for actions lodged in that same year. Those condemnatory judgements concerned a failure to implement directives on the financial market and equal treatment for men and women. Of the total of 405 proceedings 327 had been halted by the end of 2008 in the phase prior to lodging an action, four proceedings had been halted after lodging an action (retracting the action) and eight proceedings had ended in condemnatory judgements.

The reasons for the initiation of new proceedings against the Czech Republic in 2008 were failures to transpose Community legislation on schedule (46 cases in total) or an alleged substantive breach of Community law (15 cases in total). Significant proceedings on substantive grounds initiated in 2008 included e.g. discrimination in taxation, the incorrect implementation of group registration for value added tax, the allegedly incorrect implementation of directives under the *first rail package* and the alleged incomplete transposition of environmental protection directives into national law (e.g. the Water Framework Directive, the Waste Electrical and Electronic Equipment Directive, and the

Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment).

In references for a preliminary ruling, by means of which member states' national courts turn to the *European Court of Justice* with queries concerning the interpretation of particular provisions of Community law or their validity, the government agent received approximately 500 submissions in a total of 230 proceedings in 2008.

In 2008, the Czech Republic actively took part in a total of 40 references for a preliminary ruling, which were significant in view of their impact on the legal or factual state of affairs in the Czech Republic. Of that figure, in 32 cases a written statement was submitted, and in eight cases the Czech Republic took part in oral proceedings. In comparison with the preceding two years (2006 – participation in 18 references, of which there were 14 written statements and four oral statements; 2007 – participation in 12 references, of which there were nine written statements and three oral statements), this was a significant increase in the Czech Republic's activity in such references. Statements concerned the general principles of community law, the free movement of goods and intellectual property rights, the free movement of persons, consumer protection, the recognition of qualifications, personal data protection, value added tax, the jurisdiction of the courts, the serving of documents, the European Arrest Warrant, public procurement, customs issues, etc.

In 2008, the *European Court of Justice* also dealt with references for preliminary rulings submitted by Czech courts. There were two proceedings. C-572/07 *RLRE Tellmer Property*, which concerns the interpretation of the *Sixth Council Directive on the harmonisation of the laws of the member states relating to turnover taxes – common system of value added tax*, was initiated in 2007, but in October 2008, there were oral proceedings on the case. In December 2008, the opinion of an Advocate General was issued on the case, which is to a considerable extent identical with the Czech Republic's arguments. The other reference for a preliminary ruling was filed by the *Supreme Administrative Court of the Czech Republic* in case C-223/08 *Kyrian*, concerning the interpretation of the Directive on mutual assistance for the recovery of claims relating to certain levies, duties, taxes and other measures.

On the basis of a decision by the Government (see Resolution No. 1222 of 1 October 2008), an action was lodged in October 2008, concerning the invalidity of the *EC*

Commission's decision on the implementation of the settlement of the *EC Commission's* payables and receivables. In total, this is the third action lodged by the Czech Republic against an act by the *EC Commission*.

The Czech Republic also has the option of intervening on one side of a dispute in proceedings before the *Court of Justice* and the *Court of First Instance*. The Czech Republic has exercised that option in 20 cases, of which proceedings are still underway on 12 of them. The most important of them are proceedings on infringements of the *Treaty* brought by the *Commission* against six member states, in which the *EC Commission* has contested those states' national legislation stipulating the condition of nationality for the profession of notary. The Czech Republic has intervened, through the government agent, on behalf of the member states concerned.

The Lisbon Strategy

At the start of the year, the *Lisbon Process* entered the new three-year *Lisbon cycle* for 2008-2010. At the EU's spring summit, the *Lisbon Spring European Council*, the regular annual report, published by the *European Commission* in mid-December 2007, was discussed. Progress to date was assessed (including an assessment of the progress made by the individual member states) and starting points and specific recommendations were proposed for the following 2008-2010 cycle. In spring 2008, there were updates to the *Integrated Guidelines for Growth and Jobs*, and the new *Community Lisbon Programme* was adopted.

For the new period, the Commission defined key measures under the *Lisbon Strategy's* four priorities (investment into human resources; the enterprise environment; education, research, development and innovation; energy and climate change) aimed at strengthening economic growth and increasing employment in the EU.

In response to the financial and economic crisis, the European Commission published the *European Economic Recovery Plan*, a document closely tied to the *Lisbon Strategy*, which defines short-term measures as part of structural reforms. It was approved by the European Council in December. In 2008, the European Commission then published another part of the *Lisbon Package*, including e.g. communications on the *European Globalisation Adjustment Fund*, cohesion policy, cooperation in education, external aspects of competitiveness and a review of the internal market.

The Czech Republic is proceeding in line with the *National Reform Programme*, which defines the steps planned for the objectives of the *Lisbon Strategy*. The Czech Republic welcomed the publishing of the *Recovery Plan* and the *Lisbon Package*, as it subsequently made use of them in its preparations for the spring European Council during the Czech Presidency.

The European Union's internal market

The Czech Republic closely monitored developments on the internal market for almost 500 million consumers in 2008 in view of the forthcoming Czech Presidency, which set itself the objective of helping to remove those barriers still existing on the internal market.

The Council of the EU approved the *Small Business Act for Europe*, which should improve the conditions for small and medium enterprise, primarily in access to finance, better regulation and reducing administrative burdens. The European Commission adopted a number of initiatives, including the liberalisation of financial services. The implementation of the Services Directive continued; it should be completed by the end of 2009 and the Czech Presidency intends to make it one of its themes.

At the end of the 2008, the Czech Republic sought to safeguard the four fundamental freedoms of the internal market (the free movement of persons, goods, services and capital) in the face of the economic crisis, which severely impacted the European economy, and to ensure that protectionism and state interventions in the EU economy do not go beyond a reasonable level.

Free movement of labour

In November 2008, the *European Commission report on transitional arrangements regarding free movement of workers* was published, and it declared that the accession of the new member states and the free movement of workers from those countries had had a positive influence on the economic situation in member states and had not led to any disruption of the labour markets.

The majority of EU countries no longer apply a transitional period, and other EU countries have liberalised access to their labour markets in sectors and professions with significant shortages of national labour. Denmark opened 85% of its labour market on

1 May 2008 and – like Norway – removed the final barriers at the beginning of 2009. In May 2008, Austria opened its market to 65 professions and France repealed its transitional measures in July. Germany has liberalised its labour market, at least for qualified university-educated workers and graduates from the German education system, as well as for professions facing shortages. Only Austria and Germany are making use of the final stage to restrict the movement of workers.

The Czech Republic promoted the free movement of labour at the bilateral level and in European institutions, and is still seeking to at least modify the mechanism agreed, which would gradually lead to the full liberalisation of the movement of labour.

Energy

2008 was an important year for the future of the EU's energy policy. The dominant theme in the EU's debates on energy was security, especially during the French Presidency of the Council of the European Union, when France presented its ambitious plans and outlined a possible scenario for development. Energy came to the foreground in discussions at European Council meetings in 2008, as well as at international forums. The *European Atomic Forum*, a high-level discussion platform, was held in Prague and Bratislava. Concerning the internal market for energy, political accord was reached on the *third liberalisation package for the EU internal energy market*. A proposal was submitted to the European Parliament for further discussion. The Czech Presidency of the Council of the European Union intends to push through a compromise text during the European Parliament's current term of office.

EU agricultural policy

In 2008, there were discussions both at Council level and between individual EU institutions on health check of the *EU's Common Agricultural Policy (CAP)*. In June, there was a political debate in the Council on a proposed package of legislation, and in November, a political agreement was reached by the EU agriculture ministers. That agreement has annulled the requirement for farmers to leave ten percent of arable land fallow, as well as gradually increasing the milk quotas with the aim of abandoning them in 2015, and in some areas it has halted market intervention to enable farmers to respond to developments on the market more promptly. The ministers also agreed on increasing modulation, which will allow

direct payments to farmers to be reduced and finance to be transferred to the European Agricultural Fund for Rural Development.

The Czech Republic approached that issue with the aim of ensuring the competitiveness of the Czech agricultural sector while respecting sustainable development for rural areas, environmental protection, the preservation of diversity and the safety and quality of foods. In practice, the agreement reached means that the Czech Republic has protected its agricultural sector and has not been affected by the cuts in subsidies.

Climate change

During 2008, preparations continued for a full range of measures to implement the European Union's objectives to counter climate change, as defined in the conclusions of the European Council held on 8-9 March 2007 and confirmed in the conclusions of the European Council held on 13-14 March 2008.

On 23 January 2008, the European Commission published its *climate action and renewable energy package*, including a draft revision of the Directive on establishing a scheme for greenhouse gas allowance trading, a draft decision to reduce greenhouse gas emissions by 30% to meet the Community's commitments to reduce greenhouse gas emissions by 2020, a draft directive on the capture and geological storage of carbon dioxide, which establishes the legislative framework for the development of a new technology that should help achieve the long-term global objective of reducing emissions to 50% of 1990 levels by 2050, and a draft directive to support the generation of energy from renewable sources, which sets out the rules for such support. The demanding discussions that took place in European Union institutions during 2008 culminated at a meeting of the European Council on 11-12 December 2008, where agreement was reached on key issues in the package. The negotiations ended on 17 December 2008 with the approval of the package in a plenary session of the European Parliament.

The European Economic Area / European Free Trade Association

Czech foreign policy coordinated Czech involvement in the *European Economic Area (EEA)*, bringing together the EU member states, Norway, Iceland and Liechtenstein, and in the EU's relations with the four countries of the *European Free Trade Association (EFTA)*. In 2008 intensive cooperation continued as part of the single internal market, based on four

fundamental freedoms – the free movement of persons, goods, services and capital – as well as cooperation in individual sectors (e.g. agriculture, transport and the EFTA countries' participation in EU community programmes).

Regarding treaties, negotiations were opened on a treaty between the EU and Liechtenstein to combat fraud, aimed at extending the mutual provision of administrative and legal assistance in criminal cases and making the fight against fraud and illegal activity more effective. Negotiations also commenced on the continuation of the financial mechanisms of the EEA and Norway, under which Norway, Iceland and Liechtenstein, who benefit from access to the EU's internal market, make financial contributions to reduce economic and social differences in the EU. The current five-year financial instrument, from which the Czech Republic can draw a total of EUR 110.91 million, ends in April 2009. Finishing talks on the continuation of the EEA/Norway financial mechanisms became an objective for the Czech Presidency of the EU.

The main topics at talks held by the *EEA Council*, which meets twice a year, included a traditional appraisal of the functioning of the *EEA Agreement*, energy and climate issues, the *Lisbon Strategy*, marine and Arctic policy, the EEA/Norway financial mechanisms and the financial crisis. In the EEA's political dialogue, both high- and working-level, current issues in external relations, including crisis areas, were discussed.

The European Union's external relations with third countries in trade and economics

As a member of the *World Trade Organisation (WTO)*, the Czech Republic advocates a policy of the liberalisation of the international trade in goods and services and the elimination of existing tariff and non-tariff barriers to trade, and is actively engaged in compliance with intellectual property rights, the fight against counterfeiting, public procurement and supporting developing countries' access to world markets. In its trade policy it takes account of the state of democracy and human rights, good governance and the fight against corruption, the fight against terrorism, the non-proliferation of weapons of mass destruction, migration and readmission, and the views of the International Criminal Court.

In the EU's multilateral trade policy, multilateral trade talks at the WTO on the *Doha Development Agenda (DDA)* were of key importance in 2008. The programme is aimed at gradually removing barriers to free trade. Although political will was not lacking and much

work was put into the negotiations in the summer and at the end of 2008, it proved impossible to conclude the negotiations, and their conclusion remains an objective for the EU and a task for all WTO members in 2009.

An important aspect of the EU's external relations are partnerships with the countries of the African, Caribbean and Pacific Region (ACP). In 2008, talks continued with that group of countries on Economic Partnership Agreements (EPAs). The EPAs are an instrument for eliminating trade barriers and strengthening cooperation in trade-related areas; they are also intended to support development and regional integration. In the latter half of 2008, the first comprehensive regional EPA was signed with the *Cariforum* group of Caribbean states, and a provisional EPA was signed with the Ivory Coast as part of the Western Africa Region. Since joining the European Union, the Czech Republic has actively participated in preparations for these talks, and it supports the EU's greater economic and development cooperation with the ACP countries. Talks in 2008 created the conditions for the signing of provisional EPAs with the other five ACP regions; some of them will be signed during the Czech Presidency of the Council of the EU.

The European Union's external relations and European Neighbourhood Policy (ENP)

Finances and their proper management are required to support objectives in the EU's external relations. The *European Investment Bank (EIB)* is the main lender for financing the EU's external policies, especially in the field of development cooperation.

(Note: The European Investment Bank (EIB) is an autonomous body within the European Union created to finance capital investment projects that implement the objectives of individual EU policies. The core of EIB activities takes place in EU member states. Outside the EU it takes part in implementing the EU's development and cooperation policies, under which it provides loans to more than 150 countries. Its work in the Czech Republic is governed by three Framework Agreements (No. 250/1994 Coll., No. 155/1999 Coll., and No. 280/1998 Coll.), which have remained in force since the Czech Republic joined the EU. From 1992 to 31 December 2008 the EIB concluded loan contracts in the Czech Republic worth a total of approximately EUR 10 416 million, of which loans for the functioning of the state were approximately EUR 4 439 million, loans to regions and municipalities approximately EUR 1 368 million and private sector loans EUR 4 623.7 million; of that figure in 2008 EUR 397 million was provided for the functioning of the state, EUR 154 million to regions and

municipalities and EUR 560 million to the private sector. In 2008, the Czech Republic signed the second part of a loan to co-finance projects under the Transport Operational Programme, which was renegotiated in 2007 at a total amount of CZK 14 billion). The EIB implements certain financial instruments agreed in international treaties between EU member states and the countries of Africa, the Caribbean and the Pacific Region. The EIB acts as the administrator and broker of support from the European Development Fund (EDF), financed in full by contributions from EU member states, and as the provider of credit from its own finances (*Note: Following the ratification of a revision of the Cotonou Agreement, on 1 July 2008 the 10th European Development Fund came into effect. It is the EU's special financial instrument for providing assistance to the ACP countries, which are outside the European Union's general financial system. In view of the fund's programming the Czech Republic will begin contributing to the fund in 2011, but for Czech entities it is now possible to take part in all development projects under the EDF.*) To support those loans EU member states provide guarantees – the Czech Minister of Finance signed the relevant agreement in October 2008 (*a guarantee agreement between EU member states and the EIB concerning loans to be provided by the EIB to finance investment projects in the countries of Africa, the Caribbean and the Pacific Region, and in overseas countries and territories*).

The *European Neighbourhood Policy Instrument (ENPI)* is used to support the EU's objectives for its *Neighbourhood Policy*, especially for project financing. Funds are drawn in close cooperation with the EIB, which provides credit instruments supporting EU objectives in the Mediterranean (Southern Region: Egypt, Jordan, Lebanon, Morocco, Tunisia and the occupied territory of Palestine; and on an *ad hoc* basis Algeria, Israel, Libya and Syria) and in Eastern Europe and the South Caucasus (Ukraine, Moldova, Armenia, Azerbaijan, Georgia and on an *ad hoc* basis Belarus).

A new instrument for the *Neighbourhood Policy*, one which was further strengthened in 2008, is the *Neighbourhood Investment Facility (NIF)*, which provides funding from the EU budget for investments in priority areas of neighbouring countries' infrastructure, especially transport, energy, the environment, small and medium enterprise and social affairs. In 2008, a new instrument began operating, aimed at increasing the volume of NIF funding – the *NIF Trust Fund*. It is managed by the EIB and member states can deposit contributions on a voluntary basis. The forecast volume of funds is in the order of tens of millions of EUR, so it will supplement funds in the NIF coming from the EU budget, as well as supplementing EIB loans.

On 12 December 2008, the Czech Republic became one of the largest contributors to the *NIF Trust Fund* with a deposit of EUR 2 million. Since 31 March 2009, it has held two votes in the *Fund's Executive Committee* for a period of three years. The Czech Republic officially became party to the Agreement when it was signed by the Minister of Foreign Affairs on 26 January 2009.

The European Union's development cooperation and humanitarian aid

In 2008, the European Union again confirmed that it intends to be the world's largest partner to developing countries, in line with the principles of the 2005 *European Consensus on Development* and the 2007 *EU Code of Conduct on Division of Labour in Development Policy*. The EU also confirmed its commitment to achieve its collective objective of donating 0.56% of its gross national income (GNI) to official development aid by 2010, and 0.7% of GNI by 2015.

Two international conferences were devoted to development cooperation in 2008: the *High Level Forum on Aid Effectiveness* in Accra (September 2008) and the *International Conference on Financing for Development* in Doha (December 2008), preparations for which received considerable attention in the *Council of Ministers for Development Cooperation*. Another important conference was the 2nd *Euro-African Ministerial Conference on Migration and Development*, held in Paris in November 2008. In the same month the third *European Development Days* were held in Strasbourg, facilitating exchanges of opinion between experts and helping raise awareness of development cooperation.

One of the main themes in 2008 was the financial and economic crisis and high food prices in developing countries. In that context, and in response to the instigation of the European Council in June, the *Regulation of the European Parliament and of the Council for rapid response to soaring food prices in developing countries* was drafted and adopted. Other topics discussed were the status of children in the EU's external work, strengthening healthcare systems, and good governance in developing countries at local level. In 2008, the first full *Economic Partnership Agreement (EPA)* was signed by the European Community and the CARIFORUM group of Caribbean states, and the first provisional EPA between the European Community and the Ivory Coast. Negotiations continued on full EPAs with other regions and countries in Africa, the Caribbean and the Pacific Region (ACP).

In connection with the adoption of the 2007 *European Consensus on Humanitarian Aid*, it was decided to set up a discussion forum for humanitarian aid issues. The mandate of the existing Council Working Group on Food Aid was extended to include humanitarian aid with effect from 1 January 2009.

Concerning instruments for external projects, in 2008 the EU continued implementing individual multi-year strategic programmes and annual action programmes. In 2008, EU expenditure on development cooperation was EUR 3.8 billion from the EU budget, and an additional EUR 3.2 billion was provided from the *European Development Fund (EDF)*, which is a fund outside the general budget for the ACP countries. In 2008, the 10th EDF commenced operations, covering the years 2008-2013. New EU member states, including the Czech Republic, will for the first time contribute to that fund (payments are expected from 2011 onwards). Since 2008, private companies and non-governmental organisations in those countries have been able to contribute to implementing development projects financed by the fund.

In 2008, again in connection with preparations for the Presidency of the Council of the EU, the Czech Republic became more closely involved in the European Union's development cooperation and humanitarian aid, both at the political level and during implementation. In October 2008, the Commissioner for Development Cooperation and Humanitarian Aid, Louis Michel, visited the Czech Republic. The Czech Republic's total contribution to EU development work in 2008 was approximately CZK 1.7 billion, almost half of the Czech Republic's total expenditure on foreign development assistance.

The Czech Republic and the EU's Common Foreign and Security Policy

The Czech Republic's involvement in the *EU's Common Foreign and Security Policy (CFSP)* is part of its membership of the EU. During 2008, the Czech Republic actively contributed to the formulation and implementation of the EU's foreign policy at the level of working groups, the EU's *Political and Security Committee (PSC/COPS)*, the *Committee of Permanent Representatives (COREPER)*, and meetings of political directors and European correspondents. The Czech Republic took part in meetings of the *General Affairs and External Relations Council (GAERC)* at the level of ministers of foreign affairs, informal meetings of ministers of foreign affairs (*Gymnich*), and several EU meetings with third countries.

In all these forums, the Czech Republic sought to make full and constructive use of its status as an EU member. In working groups it took part in the preparation of materials for the Council of the EU and in information exchange; in the PSC it helped prepare positions on current foreign policy questions. It also participated in preparing and subsequently implementing CFSP instruments, i.e. presidency declarations and démarches, and common positions and joint actions of the Council of the EU. The Czech Republic was involved in cooperation between EU member states' embassies in third countries and helped draw up assessment, situation and recommendatory reports on third countries. In the latter half of 2008, the Czech Embassy in North Korea acted as the local office of the French Presidency of the EU. Intensive political dialogue also took place in international organisations (primarily the UN and OSCE), where the Czech Republic coordinated its positions with those of other EU member states in order to promote EU policies.

2008 saw intensive preparations for the Czech Republic's Presidency of the Council of the EU, where the Czech Republic concentrated on setting the priorities for its presidency and elaborating programmes and procedures in individual working groups and other Council gremia, and on reinforcing ties with important partners in European institutions and EU member states.

In 2008, strengthening transatlantic relations was one of the top priorities of the Slovenian and French presidencies. Developments in the EU-USA dialogue on greater cooperation were influenced by the Presidential election campaign in the USA. The main events in 2008 were the EU-USA summit held in Brdo in Slovenia on 10 June 2008 and meetings of *Transatlantic Economic Council* on 13 May 2008 in Brussels and 12 December 2008 in Washington.

In 2008, there was intensive debate within the European Union on transatlantic relations at two informal meetings of EU ministers of foreign affairs in September and November. The output from those meetings was a definition of the basic platform for talks with the new American administration.

Among the key themes in EU-USA relations was extending economic cooperation sponsored by the *Transatlantic Economic Council*. In view of the burgeoning financial and economic crisis the continuation of economic cooperation assumed a crucial significance, also related to the growing food crisis, energy security and climate change.

In foreign policy, there was intensive dialogue between the EU and the United States in 2008, especially concerning a joint approach to the Iranian nuclear programme, resolving the worsening situation in Afghanistan, and coordinated responses to the war between Georgia and Russia. Cooperation brought positive results in the reconstruction of Iraq and aligning the Western Balkan countries with Euro-Atlantic structures. Cooperation continued in the fight against terrorism and promoting human rights and democracy in third countries. In November the *Visa Waiver Program* was extended to several EU member states, but other member states remain excluded from that programme.

In 2008, relations with Canada also took on a new dynamism, especially in economics. The process culminated in an EU-Canada summit held on 17 October 2008 in Quebec, where agreement was reached on *strengthening the economic partnership*. Other outcomes of the dialogue with Canada that culminated at the summit included an agreement on air transport and significant progress in preparing an agreement on air safety. There was intensive cooperation on the environment and energy security, and greater cooperation in crisis resolution and the involvement of Canadian units in ESDP missions.

In 2008, the agreements linking the Western Balkan countries to the EU in the stabilisation and association process were almost completed. On 29 April 2008, a *Stabilisation and Association Agreement (SAA)* was signed between the EU and Serbia, followed on 16 June 2008 by an agreement with Bosnia and Herzegovina. However, the agreement with Serbia will only be submitted to member states for ratification when the Council is able to state that Serbia is cooperating fully with the ICTY. While the signing of the SAA strengthened pro-European forces in Serbia, which was apparent in the subsequent elections and the arrest of Radovan Karadzic in July, the condition of full cooperation with the ICTY had not been satisfied by the end of the year.

Alongside the stabilisation and association process, the entire region's European perspective was also strengthened by the visa liberalisation process that was launched at the turn of May and June. The outcome should be – after specific conditions have been satisfied – the lifting of visa requirements for Macedonia, Serbia, Albania, Montenegro and Bosnia and Herzegovina.

A major event was the declaration of independence in Kosovo on 17 February 2008, to which the Council of the EU responded on the following day by publishing its *Conclusions*, in

which it described Kosovo as a unique case and noted that individual member states would decide on their relations with Kosovo. By the end of 2008, Kosovo had been recognised by 22 of the 27 EU member states, including the Czech Republic. While there was not accord in the EU on the independence of Kosovo, there was unanimous consensus on the issue of its European perspectives and the need for stabilisation, as expressed in the European Council's conclusions in June.

To speed up stabilisation and reinforce aspects of the rule of law, the largest mission to date from the European Security and Defence Policy (ESDP) was dispatched to Kosovo: *EULEX Kosovo*. The mission was approved on 4 February 2008 and operational capacity was achieved on 9 December 2008, with the deployment of the mission, totalling approximately 3 000 staff, to take place at the beginning of 2009.

On 5 November 2008, the European Commission published its regular reports for the Western Balkan countries. The reports stated there had been clear progress in all the countries evaluated, but they also called for additional essential reforms. In the case of Kosovo the European Commission declared it was ready to elaborate a study aimed at evaluating options for the use of instruments under the stabilisation and association process.

Relations between the EU and the Western Balkans were symbolically concluded in 2008 by Montenegro's application to join the EU, which the Prime Minister of Montenegro handed to the President of the European Council on 15 December 2008.

In line with its long-term priorities, throughout the year the Czech Republic promoted the swift integration of all Western Balkan countries into the EU, on condition that the stipulated conditions are satisfied. It fully supported the signing the SADs with Serbia and Bosnia and Herzegovina; it welcomed the launch of the visa liberalisation process and actively contributed to the EULEX mission, including dispatching specialists from the Czech Police. At the end of the year, Montenegro's application to join the EU to a large extent anticipated the EU's agenda for the Western Balkans in the following year. The Czech Republic's support for all countries in the region, so that they can receive candidate status and accession talks can begin with them, is thus a logical continuation of the earlier policy.

Eastern Europe was one of the top priorities for the EU's Common Foreign and Security Policy in 2008. There were ongoing bilateral negotiations on cooperation and extending relations with the countries of the region.

The European Union played an important role in resolving the armed conflict between Russia and Georgia. Thanks to the EU's efforts in negotiations, a six-point peace plan was adopted, achieving a ceasefire and the withdrawal of Russian troops from part of Georgia, with the exception of the separatist regions of South Ossetia and Abkhazia. With its creation of the post of Special Representative for the crisis in Georgia, its involvement in the peace talks in Geneva and the deployment of a monitoring mission (*EUMM*) in Georgia, the EU confirmed its great interest in finding a way out of the crisis, as well as its increasing role in resolving global problems. At all levels, the EU systematically emphasised its principled support for Georgia's sovereignty and territorial integrity.

In 2008, negotiations were commenced on an association agreement with Ukraine; the European Commission's mandate for negotiations on a new, stronger agreement with Moldova was presented, and negotiations began on a new partnership and cooperation agreement with Russia. Talks with Russia were temporarily suspended (and subsequently renewed) owing to the conflict between Russia and Georgia in August 2008.

The countries of Eastern Europe (with the exception of Azerbaijan) were positively rated in the European Commission's reports on the implementation of the action plans for 2007. Progress was reported in many areas and the reports defined those areas on which these countries need to focus (judicial reforms, the fight against corruption, freedom of the media and improvements to the business and investment climate).

In relations with Eastern European countries, the EU continued the progress already made under the *European Neighbourhood Policy* in its intention to expand its eastern and southern dimensions at the bilateral and multilateral levels. In April 2008, the European Commission published reports – on the whole positive – for the individual partner countries, covering the implementation of the tasks set, in which the positive efforts made by Eastern European countries were appreciated.

In connection with contemporary developments in the region, in the latter half of 2008, the EU decided to hasten its plans to extend cooperation mechanisms with its six Eastern European partners, and it requested that the European Commission elaborate a proposal for the formulation of the EU's long-term policy for those countries, which was subsequently given the official title the *Eastern Partnership*. The Eastern Partnership is based on the *European Neighbourhood Policy* and its principles, but presents a more coherent

approach, emphasising the specific features of the region to the east of the EU's borders, and new platforms for the partner countries to work with one another.

The Czech Republic was actively involved in discussions on the EU's new relations with Russia, Ukraine and Moldova, continuing to support Ukraine and Moldova's European aspirations. Significant events included the EU's summits with Russia and Ukraine.

In 2008, the political dialogue between the EU and the countries of Central Asia was further extended: ministers of foreign affairs met as part of the *EU Troika – Central Asia* in Ashgabat (April 2008) and Paris (September 2008). In line with the *EU Strategy for Central Asia*, talks on human rights were opened with Turkmenistan, Kazakhstan, Kyrgyzstan and Tajikistan, and the dialogue already commenced with Uzbekistan continued. There were also numerous expert-level discussions. They were attended by a Czech delegation as part of preparations for the Czech Presidency.

The implementation continued of the *EU Strategy for Central Asia*, which the European Council adopted in June 2007. During the Slovenian Presidency in the first half of 2008, the strategy was elaborated in collaboration with the countries of Central Asia at two levels: for individual countries (*the national priority papers*) and by topic (the rule of law; the environment and water management; education). Those areas are covered by projects by individual EU member states and projects financed by the European Commission.

The French Presidency in the latter half of 2008 focused on the security aspects of the strategy (i.e. the fight against common threats and challenges – specifically border management and the fight against drug smuggling). On 17-18 September 2008, the *Ministerial Forum on Security Issues* was held in Paris, and was also attended by NATO and the OSCE. On 21 October 2008, there was a conference in Dushanbe on border management and drug control. On 27-28 November 2008, there was a *Ministerial Conference on the Rule of Law* in Central Asia. In November 2008, Germany organised a conference on water and security in Almaty.

In 2008, the EU continued to relax the sanctions imposed on Uzbekistan in November 2005 following the events in Andijan. The lifting of sanctions is conditional upon meeting the EU's demands as set out in the GAERC's conclusions, i.e. progress on human rights and facilitating the work of non-governmental organisations. In view of the progress made in meeting those criteria, and in an attempt to normalise relations between the EU and

Uzbekistan, there was a partial lifting of sanctions, specifically the suspension of visa restrictions, on the basis of decisions taken by the GAERC in October 2007 and April 2008. On 13 October 2008, the GAERC lifted the visa restrictions and only the arms embargo now remains in place, for a period of 12 months.

The majority of member states, including the Czech Republic, essentially agree that it is necessary to “open the door” more to cooperation between the EU and Uzbekistan, in view also of the implementation of the EU Strategy for Central Asia. Meeting targets and achieving substantive progress on human rights is a long-term process, and it is necessary to motivate Uzbekistan to move in that direction.

In February 2008, the Council extended the mandate of the EUSR for Central Asia, Pierre Morel, for a further 12 months.

The Middle East peace process remained at the centre of the EU’s attention in 2008. The Council of the EU made a number of statements on the process and adopted conclusions on it (the GAERC meetings in January, May and December 2008). The EU remained the largest provider of financial aid to the Palestinian National Authority and actively supports the building of the Palestinian state. In particular this involved extending the work of the *EUPOL COPPS* mission to support the Palestinian Civil Police and the criminal justice system. The Czech Republic contributed three police officers to the mission.

As a member of the Quartet, the EU contributed to maintaining the dynamism of the political process and called on both sides to respect the undertakings they had accepted as part of the *Annapolis Process* in 2007 and the *Road Map*. Since the crisis broke out in Gaza at the end of 2008, the EU has actively sought to end fighting and restore the ceasefire. In that respect, the Council of the EU was convened at the level of ministers of foreign affairs on 30 December 2008.

Developments in Lebanon in 2008 saw the constitutional crisis continuing, magnified by the unstable security situation. The EU therefore attached great significance to strengthening Lebanon’s sovereignty, territorial integrity, unit and stability in line with the United Nations Security Council’s resolutions 1559, 1680, 1701 and 1757. EU ministers of foreign affairs supported the Doha Agreement of 21 May 2008, which allowed the operation of Lebanese institutions to be renewed, including the election of the President, Michel Suleiman. The EU welcomed the announcement by Syria and Lebanon that they had opened

diplomatic relations. It supported the holding of an international donor conference on the reconstruction and renovation of the Nahr al-Bared Palestinian refugee camp, and was the main contributor to the conference.

The European Union continued to support the building of a secure, stable, democratic, prosperous and unified Iraq. One manifestation of the EU's commitment to partnership with Iraq came in May 2008, when an EU member state, Sweden, held the first annual conference on the *International Compact with Iraq (ICI)*. The EU emphasised the importance of restoring the rule of law in Iraq by extending the mandate of the integrated *EUJUST LEX* mission in June 2008. The EU's involvement in the stabilisation process in Iraq was also apparent in ongoing talks on the *Trade and Cooperation Agreement (TCA)*. Continuing those talks on the TCA will facilitate the establishing of full relations between the EU and Iraq and the opening of a regular and structured political dialogue.

In Africa, the European Union focused mainly on current crisis areas and ongoing transformation processes. It continued to implement the *EU-Africa Joint Strategy* and the *Action Plan*, which should secure the implementation of an ambitious programme of cooperation between the two continents.

The Great Lakes region, and in particular the conflict in the eastern part of the Democratic Republic of the Congo (DRC), remained at the forefront of the EU's attention and activities. At the beginning of 2008, a peace agreement was signed by the government and twenty rebel groups in Goma. The EU expressed its deep disquiet at the renewal of armed conflict in August 2008. The work of the integrated *EUPOL RD Congo* mission to support the Congolese government in its reform of the police sector continued, as did the work of the *EUSEC RD Congo* mission, whose role is to support security reform. The two missions cooperate closely.

The European Union continued its engagement in the Sudan/Darfur conflict by supporting UN and AU mediation efforts. The EU Special Representative for Sudan paid regular visits to the region, where he conducted dialogues with all the key actors involved in the Darfur crisis and in the implementation of the peace agreement between the north and south of Sudan (CPA). The EU also took part, as an observer, in the work of the contact group for the implementation of the peace agreement between Chad and Sudan signed in March 2008 in Dakar.

In January 2008, the *EU EUFOR Tchad-RCA* military operation commenced, and it should contribute to stabilising the situation in eastern Chad and the north-east of the Central African Republic. The mission's role is to protect refugee camps and supervise the distribution of humanitarian aid.

The European Union continued to pay attention to improving the political, security and humanitarian situation in Somalia. In response to increasingly frequent incidences of piracy and armed raids off the coast of Somalia, the EU first established the *EU NAVCO* coordination mission with the aim of supporting the activities of member states and the international community and preparing the ground for a later military operation. In December 2008, the activities of EU NAVCO became part of *ESDP ATALANTA*, the EU's first ever naval operation.

June 2008 marked the start of an EU mission aimed at reforming the security sector in Guinea-Bissau (*EU SSR Guinea-Bissau*). The operation will provide consultancy and support to local institutions on the reform of the security sector.

In connection with the coup d'état in Mauritania in August 2008, when the president was ousted and power was seized by a military junta, on 20 October 2008, the EU activated a mechanism for consultancy under Article 96 of the *Cotonou Agreement*.

At the start of 2008, Zimbabwe held parliamentary elections and the first round of the presidential elections. In both elections the opposition, led by Morgan Tsvangirai, was successful, but the ruling party led by President Mugabe subsequently embarked a campaign of intimidation to influence the second round of the presidential elections in his favour. Under pressure, the leader of the opposition, Morgan Tsvangirai, decided to withdraw from the elections. The EU made a number of statements on the situation in Zimbabwe, criticising the actions of the ruling party. The EU, AU and UN declared unanimously that the outcome of the elections was illegitimate, and it was decided to impose sanctions on those persons responsible for the campaign of terror, and to extend restrictions to further individuals.

The implementation of the *EU – South Africa Strategic Partnership* continued. In July 2008, there was the first EU – South Africa summit in Bordeaux, which had considerable symbolic significance. However, the declarations adopted on the climate and the role of the private sector were merely of a formal nature.

The EU's relations with Asia progressed rapidly in 2008. At the multilateral level, the most important event was the *ASEM Summit* (a formal, institutionalised dialogue between the countries of Europe and Asia that was set up in the 1990s) in Beijing on 24-25 October 2008. India, Pakistan, Mongolia, Bulgaria and Romania attended the summit for the first time. The ASEAN Secretariat gained the official status of a partner in ASEM in 2008.

Relations with China in 2008 were influenced by major events in the country. At the request of the Chinese the EU-China summit, originally scheduled for 1 December 2008 in Lyons, was postponed, and in the international arena both sides managed to strengthen cooperation, especially concerning the global crisis, climate change and access to development policy in Africa. There were ongoing talks on a new *Partnership and Cooperation Agreement*. The lifting of the EU's arm embargo on China remains conditional on improvements in the country's human rights situation.

The EU's priorities for Afghanistan were support for the rule of law and the reform of the Afghan police, which should make it more effective and transparent. In May 2008, the EU approved a doubling of ESDP members of the *EUPOL Afghanistan* mission.

On 29 September 2008, an EU-India Summit was held in Marseille, resulting in progress on matters of trade, but other aspects of cooperation under the *EU-India Strategic Partnership*, including international politics and security, did not reach their full potential

Despite the worsening situation in Pakistan, the EU decided to strengthen political dialogue with Pakistan in 2008, and it identified concrete steps to promote the overall stabilisation of the country, including support for cooperation between the countries in the region.

In relations with Myanmar/Burma, the EU levied a number of sanctions against the military regime. It condemned its conduct, especially its disparaging response to the humanitarian crisis in the wake of Cyclone Nargis and the extending of Aung San Suu Kyi's house arrest. The EU also continued to increase humanitarian aid to the country's citizens.

Relations with Latin America were very animated. On 16-17 May 2008, an EU summit with the countries of Latin America and the Caribbean was held in Lima. The main topics were social cohesion, sustainable development, energy and climate change. At the

Lima summit, the EU Ministerial Troikas negotiated with Mercosur, Cariforum, Central American states, Mexico and Chile.

Another important event in 2008 was the signing of an agreement with Brazil on a *Joint Action Plan* at a high-level meeting held on 22 December 2008 in Rio de Janeiro. In its *Conclusions* of 13 October 2008, the Council of the EU pledged to elevate the association agreement with Mexico to a strategic partnership. Negotiations on association agreements with the countries of Central America and the Andean Community continued in 2008, with mixed success.

The EU responded to the worsening situation in Nicaragua by gradually cutting direct financial support to Daniel Ortega's government and targeting contributions to finance specific projects. The EU played an active role in brokering conciliation in Bolivia between the government of Evo Morales and the opposition in the four eastern provinces.

In June 2008, in response to the illness of the Cuban dictator Fidel Castro, the handover of power to Raul Castro and some signs of economic reforms, restrictions against the government of Cuba were lifted in the *June Measures*. At the same time the dialogue between the EU and Cuba was renewed for a period of one year. The perspectives for the economic transformation process, the human rights situation in the country and the options for better relations with Cuba will be assessed in June 2009.

Human rights and freedoms remain an important part of the EU's foreign policy. In 2008, 60 years after the adoption of the *Universal Declaration of Human Rights*, the *EU Agency for Fundamental Rights* became fully operational, covering racism, xenophobia and religious intolerance; it also monitors various forms of discrimination and promotes the rights and protection of children.

In 2008, there were the first meetings for a regular general review of the *Human Rights Council*, at which EU member states tried to identify problematic areas in other countries of the world, but some of them – including the Czech Republic – were themselves the subject of critical examination. In 2008, the EU approved or revised some of its general principles on weighty topics such as the death penalty and the repression of defenders of human rights.

The Czech Republic and European Security and Defence Policy

During 2008, the EU continued the international work of the *European Security and Defence Policy (ESDP)*. At the start of the year, a mission focusing on the reform of the security sector in Guinea-Bissau began work (*EU SSR Guinea-Bissau*), and the EU launched extensive military operations in Chad and the Central African Republic (*EUFOR Tchad/RCA*) to ensure security in regions neighbouring Darfur in the western part of Sudan. In the latter half of the year, the EU was very swift to respond to the conflict between Russia and Georgia by sending an EU observer mission (*EUMM Georgia*) to the region. In response to increasingly frequent incidences of piracy and armed raids off the coast of Somalia, the EU established a coordination cell to support the international community. In the first phase it should prepare the ground for the EU's subsequent military operation (*EU NAVFOR*), the first ever naval operation under the ESDP.

Preparations for an *EULEX* mission to Kosovo entered their final phase, drawing on the work of the UN (*UNMIK*), and it commenced operations at the end of 2008.

At the end of 2008, a number of important documents were adopted for the ESDP. The High Representative and Secretary-General Javier Solana presented a document which revised the *European Security Strategy (ESS)* adopted in 2003. It was adopted together with two important declarations: a declaration to strengthen European capacities and a declaration on international security. On the basis of those documents, a declaration to strengthen the ESDP was adopted at the European Council's meeting in December, motivated by an attempt to give a new impetus to European security and defence. Within the ESDP, there were preparations for the Czech Republic's Presidency of the EU, including the setting of priorities, which included the expanding of civilian and military capacities, strengthening EU-NATO relations and transatlantic relations, and continuing projects to share capacities (e.g. the *Helicopter Initiative*).

Cooperation with strategic partners

NATO was the EU's main partner in its security and defence policy. In view of the stagnation in relations at the political level between the two organisations, contacts consisted largely in practical cooperation. In that respect, the *ALTHEA* operation in Bosnia and Herzegovina remained of crucial importance, for it is the sole ESDP operation to facilitate cooperation between the EU and NATO *in situ* under the *Berlin Plus* mechanisms. The main

obstacle to establishing a political umbrella framework to extend EU-NATO relations are the complicated political relations between certain member states, especially Turkey, Cyprus and Greece. Turkey is obstructing Cyprus and Greece's closer cooperation with NATO, and Cyprus and Greece are obstructing cooperation between Turkey and the EU. The French Presidency made greater efforts to improve EU-NATO relations in the latter half of 2008, but despite attempts by member states (and at the close of 2008 primarily by France), no significant improvements in EU-NATO relations were achieved.

Contacts between the EU and UN in 2008 concentrated on cooperation in crisis management. Specific examples of cooperation include coordination to take over the work of the EUFOR Tchad-RCA military operation by UN peacekeepers and the takeover of the work of the UNMIK mission in Kosovo by the civilian ESDP EULEX Kosovo mission. A current example of cooperation between the EU and the UN was the coordination of activities by the international community in response to incidences of piracy and armed raids off the coast of Somalia.

Cooperation with the African Union (AU) was one of the main points in the *EU-Africa Strategy* in 2008. The new framework for cooperation between the EU and Africa in a broad range of fields should facilitate a new dynamism in relations between the EU and Africa, and it is proof of the importance the EU attaches to relations with Africa. One of the aspects of the implementation of that strategy which crosses over to the ESDP is reinforcing peace and security in Africa.

ESDP missions and operations

In the Western Balkans, the EU continued the ALTHEA military operation in Bosnia and Herzegovina. The operation began on 2 December 2004 and is conducted on the basis of the *Berlin Plus* mechanism, facilitating cooperation between the EU and NATO, while the chief objective is to ensure stability in Bosnia and Herzegovina, which includes combating organised crime. In the course of its activities the numbers involved in the operation have gradually been reduced (it included a Czech unit) as powers in the fight against organised crime are transferred to the EUPM mission. Towards the end of 2008, the EU began to consider the future of the mission, including the option of modifying the operation while retaining the unique *Berlin Plus* cooperation mechanism. However, the ultimate decision will depend on political developments in the country and the possible consequences for the

security situation. The EUPM police mission continued in Bosnia and Herzegovina throughout 2008. It began on 1 January 2003 as the EU's first police mission, and while its mandate was originally to expire on 31 December 2005, it has since been extended to 31 December 2009. The mission's objective is to support the formation of a multiethnic police system in Bosnia and Herzegovina through the provision of advice, training and instruction to policemen, and since 2007 it has also fought against organised crime

The EUJUST LEX civilian mission continued its work in Iraq. The mission began in July 2005 and its mandate has been repeatedly extended (its present mandate should end in June 2009). It is an ESDP civilian mission to support the reform of Iraq's criminal justice system, taking the form of training courses held in EU member states, with a liaison office in Baghdad. Extending the mission's mandate has opened the way for additional training courses in member states.

In the Palestinian Autonomous Territories, the EUPOL COPPS assistance mission to support the Palestinian police continued. The mission began in January 2006 on the basis of an agreement between the Palestinian National Authority and the EU. Its main objective is assistance in the implementation of the *development plan for the Palestinian police*. The Czech Republic has long supported the EUPOL COPPS mission, at the political, personnel (it directly participates in the mission) and material levels. Recently, the mission has increased its staffing and the issues it covers. In the same region the *EUBAM Rafah* assistance mission continued at the border crossing between Gaza and Egypt. It was decided to launch the mission in November 2005 and its mandate (which was originally to expire in November 2006) has repeatedly been extended. The mission's objective is to monitor, verify and appraise the work of the Palestinian police and customs officers at the border crossing. The mission is not of an executive nature. Since June 2006, the crossing has been more or less closed, and in July 2007 it was therefore decided to reduce the numbers involved in the mission and wind down its activities. However, in view of the sudden worsening of the security situation in the region at the end of 2008, the question of reactivating the mission and adding personnel became more pressing.

The EUPOL Afghanistan police mission continued its work in Afghanistan. Its principal focus is police reform at the central, regional and provincial levels, emphasising close cooperation with other actors working in Afghanistan (e.g. NATO, the UN and bilateral activities by EU member states and non-members). The launch of the mission was

accompanied by logistical and technical complications. It has to some extent overcome the initial difficulties in equipment and staffing, and is deployed in 14 provinces as well as Kabul. Great attention is paid to the worsening security situation and the selection of experienced experts. In December 2008, a process of adding 160 new members of staff began, with the aim of making it more visible at the central and regional levels and contributing to the work of the main actor in the reform of the ANP.

In Africa, the EUPOL and EUSEC Congo missions continued. The first mission commenced on 1 July 2007 as a follow-up to the EUPOL Kinshasa mission (30 April 2005 – 30 June 2007). On 1 July 2008, its mandate was extended for another year. The mission's main task is to assist in the reform of the police and to participate in the broader reform of the security sector with EUSEC RD Congo and MONUC. The mission is also assisting in setting up the judicial police and is promoting interaction between the police and the Ministry of Justice.

The EUSEC Congo mission has operated since 8 June 2005, and its mandate has repeatedly been extended. The mission focuses on providing consultancy to the Congolese authorities responsible for security to allow them to promote policy based on human rights and international humanitarian law, and to conduct policy based on democratic norms and the principles of good governance, transparency and respect for the rule of law. With other actors from the international community it has contributed to the integration, reconstruction and restructuring of the Congolese army. Part of the mission is the *chain of payments* project, aimed at reforming the Congolese army's payment system. In February 2008, the EU decided to implement an operation to support the security sector (SSR) in Guinea-Bissau. The EU's SSR Guinea-Bissau mission comprises military and civilian advisors (and a support team) and will run for 12 months. It began work in June 2008 and is aimed at advice and support for the local authorities in the reform of the security sector.

The civilian EULEX Kosovo mission was officially launched on 16 February 2008 to take over the work of UNMIK (*the United Nations Mission in Kosovo*), focusing on the police, justice, customs, civilian administration and protecting the cultural heritage. UNMIK embarked on a reconfiguration at the start of August 2008. The EU launched an identical process, a transitional period, on 26 July 2008. The deployment of EULEX members began on 20 September 2008. Initial operational capability was declared for EULEX at the beginning of December 2008. At present, approximately 1 300 international staff and 500

local staff work for the mission, which should be fully developed by the end of 2009. The mission has a two-year mandate, but its full duration will depend on the results achieved.

The *EU BAM Moldova* mission commenced operations in December 2005. In 2007, its mandate, originally for two years, was extended for two more years, i.e. until November 2009. The mission is outside the ESDP framework. Its main tasks include expert assistance and training for border guards and customs officials on border crossings, strengthening an integrated approach to managing the borders, cooperation between the border and customs authorities, support for cooperation and information exchange between the Moldovan and Ukrainian authorities, providing expert advice to the central authorities on implementing administrative and legislative reforms concerning border and customs issues, etc.

The *EUMM Georgia* monitoring mission began operations as planned on 1 October 2008. The civil dimension of the EU's monitoring mission supplements the work of the OSCE and the UN. Its main tasks are supervising the implementation of the six-point plan, monitoring the departure of Russian forces in line with that plan, and other activities related to the regeneration of the areas affected (including the issue of people who have been displaced in consequence of the conflict). The mission comprises police experts (or experts with military experience) and legal and humanitarian experts. The total number of participants in the mission is approximately 300. In the first phase the Czech Republic provided a five-member monitoring team and a vehicle, and the dispatch of another team is anticipated in a later phase.

In line with UNSC Resolution 1778 (2007), which authorises the EU to make its armed forces available, on 28 January 2008, an EU military operation, *EUFOR Tchad/RCA*, commenced in eastern Chad and the north-east Central African Republic. In total approximately 3 700 people are involved in the EU operation. Its mandate is for 12 months. Initial operational capability was achieved in March 2008 and full operational capability in September 2008. EUFOR units work to stabilise the situation in the region. At its session on 19 September 2008, the UNSC decided not to renew the mandate for the *EUFOR Tchad/RCA* operation after 15 March 2009. Its work will be taken over by the *UN MINURCAT* mission.

In response to incidences of piracy and armed raids off the coast of Somalia, a coordination cell (EU NAVCO) was established in September 2008 to support the work of EU member states implementing UNSC Resolution 1816. The cell coordinated the activities

of EU member states and any third countries involved. The work of EU NAVCO was taken over by a new operation, EU NAVFOR – ATALANTA. On 8 December 2008, a military operation was launched as part of ESDP, aimed at preventing, deterring and repressing acts of piracy and armed raids off the coast of Somalia. The operation, named EU NAVFOR – ATALANTA, should contribute to implementing UNSC Resolutions 1814, 1816, 1838 and 1846, while the overall objective is to protect WFP vessels and vulnerable vessels in the waters off the coast of Somalia, and the prevention, deterring and repression of acts of piracy and armed raids off the coast of Somalia. The operation is scheduled to cover 12 months, with approximately 1 200 persons ultimately taking part.

The European Security Strategy, strengthening the ESDP, developing capabilities

At the end of 2008, a number of important documents were adopted at EU sessions at the highest level (GAERC, European Council) for the further development of the ESDP. The first document presents an updating of the *European Security Strategy*, the other two are concerned with international security and strengthening ESDP capabilities. In that context the European Council, in its *Declaration on Strengthening Capabilities*, expressed its determination to provide a new impetus to European defence.

The *European Security Strategy (ESS)* was adopted by the European Council in December 2003. It identifies key security threats and defines a joint European approach to them, and ways in which to counter them. Over the years it became necessary to update the ESS so that it would reflect new security threats and challenges. In autumn 2008, the High Representative and Secretary-General Javier Solana presented a document updating the ESS. The document is the outcome of relatively long-term debates in the EU and summarises the contributions by all member states. As the text for the original ESS is considered balanced and still valid, it was decided not change its wording. The update does not replace, but supplements the 2003 ESS. It includes a statement that Europe is facing new threats and challenges, and those threats are outlined: energy security, global warming, the financial crisis, nuclear weapons, terrorism, the impacts of globalisation, etc. The Czech Republic's contribution to the process of updating the ESS including the following: EU-NATO relations, the proliferation of weapons of mass destruction, energy security and illegal migration.

The declaration to strengthen international security expands on some of the new elements introduced in the updated European Security Strategy, primarily terrorism, drug

smuggling and the proliferation of weapons of mass destruction. It asserts a need for the EU to mobilise all of its unique capabilities to deal successfully with the current security threats and challenges.

The Declaration on Strengthening Capabilities describes the specific improvements that should be made to military and civilian capabilities. Civilian capabilities are described as specific added value from the EU that has been successfully used in Kosovo, Georgia, etc. To strengthen those capabilities it recommends developing planning capabilities, synergy between civilian and military forces, exchanging experience when organising and deploying missions, and intensive work with human resources. In the military field, the declaration sets out specific objectives, including calculations of the number of troops and the type of military capabilities required for operations. It also asserts a need to improve transport capabilities (helicopters, aeroplanes), strengthening interoperability and personnel training, and pooling national capabilities and resources. The *European Defence Technological and Industrial Base (EDTIB)* is viewed as a strategic necessity for the EU to ensure supplies are not dependent on sources outside the EU.

In 2008, the development of civilian capabilities continued in line with the *Civilian Headline Goal 2010*, adopted at the end of 2007. CHG 2010 is targeted primarily at qualitative improvements in civilian capabilities, as well as enhancing their availability, developing logistical and other instruments necessary for planning and implementing civilian missions (personnel matters, communication tools, mission security, etc.). A no less important aspect is the emphasis on improving coordination work inside and outside the EU (synergy between the civilian and military dimensions of the ESDP, coordination between pillars within the EU, etc.).

The implementation of the *Headline Goal 2010* continued in its military aspects. Work continued on development projects for key capabilities (e.g. the *Helicopter Initiative*, strategic transport), with the *European Defence Agency (EDA)* playing an important coordinating role in the *Capability Development Plan*. At the end of 2008, preparations began for a project to exchange officers along the lines of the *Erasmus* civilian academic exchange programme.

2. The Czech Republic and the North Atlantic Treaty Organisation (NATO)

For the Czech Republic, the *North Atlantic Alliance* is the cornerstone of the Euro-Atlantic security architecture, and the Czech Republic's membership of this collective defence organisation is of primary importance for ensuring its national security. From the Czech Republic's point of view, the North Atlantic Alliance plays an indispensable role as a transatlantic consultation forum, and through its operations and various forms of partnership cooperation it projects security outside NATO's geographical borders.

For those reasons, security cooperation with European and North American countries through NATO membership is one of the Czech Republic's foreign policy priorities, in line with the *Czech Republic's Security Strategy* from 2003.

The focus for the Alliance's activities in 2008 were preparations for the NATO Summit in Bucharest in April 2008, work on the tasks assigned at the summit and preparations for the annual summit in Strasbourg and Kehl (April 2009). NATO ministers of foreign affairs met three times – in March and December as scheduled, and in August at an extraordinary meeting in response to the outbreak of fighting in the South Caucasus. All the meetings for foreign affairs ministers took place in Brussels. The NATO defence ministers met informally in February in Vilnius in Lithuania, in September in London and in October in Budapest (the topic at the last two meetings was the transformation of the Alliance), and formally in June in Brussels. In November, those meetings were supplemented by the *NATO-Ukraine Commission (NUC)* at ministerial level in Tallinn in Estonia.

The key topics for the summit in Strasbourg and Kehl crystallised during talks in 2008. The summit will be a *family* one, without partners. The main subjects will be Afghanistan, relations with Russia and the transformation of the Alliance. It will also discuss the Western Balkans, and the summit will evidently order a new *NATO Strategic Concept* to be produced.

In 2008, the Czech Republic again actively contributed to shaping NATO policy in line with its foreign policy and security priorities, as defined in the Czech Republic's strategic documents on foreign and security policy. In the spirit of solidarity with its Allies, the Czech Republic contributed – in line with its capabilities – to NATO collective defence and other NATO security tasks, which are based on the principle of the indivisibility of security.

In 2008, it continued its preparations to be part of the USA's missile defence, and also sought the closest possible ties between the development and construction of US and NATO systems.

The Czech Republic's involvement in NATO activities in 2008 was intensive at both the political and military levels. It used its resources and capabilities to play a significant role in operations in Kosovo and Afghanistan, and in a training mission in Iraq. The deployment of the Czech Army's forces and resources in military operations conducted by the Alliance in 2008 was based on political and security priorities and corresponded to the resources available. In political debates in NATO in 2008, the Czech Republic was particularly active in the following areas:

- missile defence (*in view of the fact that this Alliance policy intersects with bilateral negotiations between the Czech Republic and the USA this issue is covered by a separate chapter*);
- alliance operations and the *Comprehensive Approach* to operations;
- enlargement;
- cooperation with partner countries, particularly the Western Balkans, Ukraine and Georgia;
- NATO-Russia cooperation

NATO operations and missions

Afghanistan, ISAF

The North Atlantic Alliance presence in Afghanistan is through the *International Security Assistance Force (ISAF)*, which operates on the basis of UNSC Resolution 1386 of 20 December 2001. The ISAF's mandate has been regularly extended: as at 31 December 2008 UNSC Resolution 1833 of 22 September 2008 was in force. At the end of 2008, approximately 55 000 troops from 41 countries were involved in the ISAF operation.

In 2008, the ISAF operation in Afghanistan remained NATO's largest and most important operation. Its primary objectives are to ensure peace and stability in Afghanistan and to assist in building the Afghan security sector and expand the influence of the central Afghan government in the regions. The ISAF also represents an Alliance contribution to the fight against international terrorism.

The North Atlantic Alliance began its sixth year in Afghanistan with the aim of creating a clear and comprehensive strategy for its further work in the country beyond the framework of the existing *Operational Plan*. That strategy was adopted at the Bucharest Summit in April 2008 under the title *Comprehensive Strategic Political-Military Plan (CSPMP)*. The plan has two parts. In the public *ISAF Strategic Vision* four pillars are defined to guide the ISAF's work in the country: a shared common commitment among the allies, support for enhanced Afghan leadership, support for a comprehensive approach by the international community and support for improving Afghanistan's relations with its neighbours (the regional dimension). The specific steps to implement the *Strategic Vision* are then defined in detail in an internal political and military plan, and their implementation is regularly appraised.

Provincial Reconstruction Teams (PRT) are a significant element in the Alliance's work in Afghanistan. The teams, comprising soldiers and civilians, cover both security and reconstruction. There are currently 26 PRTs in Afghanistan, and they also contribute to implementing the *Afghan National Development Strategy* adopted in June 2008. The international community has undertaken to provide almost USD 22 billion to implement the strategy. The Czech Republic has pledged to provide USD 22.5 million by 2010.

The ISAF'S key role is to support the development of the *Afghan National Army (ANA)*, which is gradually achieving better results in its work. Nevertheless the Alliance has encountered considerable problems here, mainly concerning the limited ability to generate the required number of training teams for the individual components of the ANA. Moreover, in 2008, the international community approved increasing the ANA's target staffing to 134 000, which will present further requirements for training capacities.

The ISAF makes every effort to minimise the loss of civilian lives in combat operations; such losses result in a loss of confidence in the Afghan government and the international forces.

During 2008, the security situation in the country continued to worsen. The opposing militant forces (OMF) remained very active, aiming to halt the process of developing security in the country and undermine the authority of the Afghan government and the international forces. The OMF are increasingly effective at conducting an asymmetric form of combat, and make use of safe hideouts in the border region of Pakistan. Their subversive activity is often

linked to the production of narcotics, especially opium. Profits from sales of narcotics account for a large part of the OMF's revenues.

In 2008, a positive trend was noted in that respect, when there was a slight fall in production and an increase in the number of provinces that do not produce opium. Owing to very poor results from Afghan units combating the drug trade, the ISAF's mandate was extended at a meeting of defence ministers in Budapest in October 2008 to cover the fight against drugs. The weak central government and ubiquitous corruption have also played a part in the worsening security situation. In contrast, a positive development is the gradual handover of responsibility for the security of Kabul to the Afghans. That process began in August 2008 and should be completed by spring 2009.

The process of national reconciliation is supported by the Afghan government and the international community, on condition that it that will not entail any military or political concessions to rebel forces and that rebels will renounce violence and submit to the authority of the Afghan government.

In terms of the Czech Republic's involvement, the most important event was the start of the work of the Czech Provincial Reconstruction Team in the eastern Afghan province of Logar in March 2008. *PRT Logar* is housed at an American army base; in 2008, approximately 200 members of the Czech Army and nine civilian experts were working there. The Czech government allocated CZK 80 million to the PRT's projects in 2008. The priorities for the Provincial Reconstruction Team were education, healthcare, good governance, support for the provincial government, agriculture and security.

For 2008, the Czech Army's mandate was to deploy forces and resources in the ISAF with up to 415 persons in total. In addition to PRT Logar, Czech soldiers served at the international airport in Kabul – in a Czech field hospital and a light chemical warfare unit – while meteorological experts and a team of specialists provided training for the ANA's air force. From July 2008, a Czech Army contingent numbering 67 men worked on tasks related to the internal protection of the Dutch base in Oruzgan Province in southern Afghanistan.

During 2008, the gradual transfer of helicopters donated by the Czech Republic to the ANA continued (as at 31 December 2008 ten of a total of twelve helicopters had been handed over). In 2008, the Czech Republic continued to contribute to funds for the reconstruction and regeneration of Afghanistan (*ISAF Post-Operation Humanitarian Relief Fund*: EUR 80 000;

Afghan National Army Trust Fund: EUR 90 000; *National Solidarity Program*: CZK 2 700 000; *NRC Pilot Project Afghanistan*: USD 32 000). The total for 2008 was CZK 7 435 994

Kosovo, KFOR

The North Atlantic Alliance continued to pay great attention to the situation in Kosovo, where it has its second largest operation (after ISAF in Afghanistan). KFOR units with around 16 000 troops continued to ensure security in Kosovo and support the UN mission on the basis of UN Security Council Resolution 1244. The mandate for KFOR forces remained unchanged after Kosovo declared independence in February 2008. KFOR forces will remain in the same numbers and in accordance with Resolution 1244 until the UNSC decides otherwise.

In connection with the new Kosovo Constitution, which came into effect on 15 June 2008, NATO began implementing new tasks in Kosovo based on the *Ahtisaari Plan* (supervising the formation of the Kosovo security sector). The main aspect of the new tasks is supervision and assistance in the dissolving of the *Kosovo Protection Corps (KPC)* and the establishing of the *Kosovo Security Force (KSF)*, and in building the Ministry for the KSF and drafting the relevant legislation. Two trust funds were opened in connection with the dissolution of the KPC and the establishing of the KSF, to which the Czech Republic contributed a total of EUR 100 000 (EUR 50 000 to each trust fund). In autumn 2008, a public information campaign was launched, with contributions from KFOR and Kosovo institutions.

KFOR also provides support to EULEX, the newly deployed EU police mission which should replace the UNMIK mission that brought it into Kosovo. EULEX achieved operational capability at the beginning of December 2008. Cooperation between EULEX and KFOR, which after this change will remain in the third line, is good.

In 2008, the Czech Republic continued to have its largest military contingent abroad in Kosovo, numbering approximately 400 persons. The Czech contingent worked as part of the *Multinational Task Force – Centre (MNTF-C)* at the Sajkovac base, along with contingents from Finland, Latvia, Slovakia, Ireland and Sweden. The main component of the Czech Army contingent – a mechanised company – continued to work on tasks related to monitoring the Kosovo-Serbia “administrative” border and protecting national minorities and the cultural heritage; it also assisted in maintaining law and order. During 2008, a reserve company

(numbering 116 soldiers) was repeatedly deployed in Kosovo, especially in the sensitive time around the declaration of Kosovo's independence.

Iraq

In 2008, the *NATO Training Mission Iraq (NTM-I)* continued to implement education and training programmes, especially in the form of mentoring the work of the Iraqi side. It continued training the Iraqi police in the style of a gendarmerie, under Italian guidance. On the basis of a request from the Iraqi Government, in March 2008, the Alliance decided that NTM-I would continue until the end of 2009 with the same scope, while a concept for mobile advisory teams should be drawn up to enhance the effectiveness and flexibility of training. Iraqi training facilities achieved full operational capability in August 2008 and began to carry out training independently. NTM-I instructors remained as mentors and advisors in those facilities and in individual structures of the Iraqi armed forces. On the basis of requests from the Iraqis, another group of advisors continued to provide assistance in arming the Iraqi armed forces. For 2008, the Czech Army had a mandate to deploy forces and resources in NTM-I up to a total of five persons.

As the UNSC mandate covering the presence of international forces in Iraq was not extended after 2008, the Alliance opened discussions with the Iraqis on the legal status of NTM-I after 31 December 2008. On the basis of letters exchanged between NATO and Iraq in December 2008, it was decided that until the issue had finally been resolved NTM-I personnel would remain in Iraq under the same conditions as US military personnel on the basis of a bilateral agreement between the USA and Iraq.

Beyond the NTM-I framework, the Alliance opened talks with Iraq on establishing a more structured framework for cooperation, including the reform of the defence sector, civilian supervision of the armed forces and the fight against terrorism.

Support for African Union operations in Africa (Sudan, Somalia)

In 2008, the Alliance assisted the African Union (AU) in building the *African Standby Force (ASF)* and evaluated its capability for operational deployment. At the AU's request NATO assigned two experts for the needs of its mission in Somalia (*AMISOM*), who helped with planning airlifts and managing human resources, and contributed to training military

personnel. The Alliance also continued helping the AU to fly its units to Somalia as part of AMISOM. The Czech Republic contributed EUR 15 000 to that end.

Operation Active Endeavour

Operation Active Endeavour (OAE) in the Mediterranean was launched in 2001 as NATO's response to the terrorist attacks of 11 September 2001. It is the only NATO operation conducted under Article 5 of the Washington Treaty. Under this operation the Alliance's Mediterranean fleet has been tasked to monitor, board and search any shipping in the Mediterranean that is suspected of collusion with terrorists. The operation continued in 2008, and as in previous years Russian and Ukrainian capacities were also involved. Since January 2008, an Israeli intelligence officer has worked at the operation's headquarters in Naples. Discussions on possible participation continued with Croatia, Algeria, Georgia, Morocco, Sweden and Finland. The Czech Republic did not contribute any resources to the operation.

The fight against piracy

At the request of the UN Secretary-General and in accordance with the relevant UNSC resolutions, the Alliance's maritime operation *Allied Provider* ran from October to December 2008 in the waters off the coast of Somalia. It was tasked with escorting ships carrying humanitarian aid from the *World Food Programme (WFP)* to Somalia, and with deterring and preventing piracy in the region. During their two months there, the Alliance's ships helped transport 30 000 tonnes of humanitarian aid to Somalia and prevented a number of attacks by pirate vessels. The operation was deployed owing to an urgent need to fill the gap before the European Union's ATALANTA operation commenced in December 2008. *Allied Provider* was proof of NATO's ability to respond promptly and flexibly to the urgent needs of the international community.

Comprehensive Approach

Comprehensive Approach (CA) covers the planning and conduct of NATO stabilisation operations and uses the full range of instruments available (i.e. civil as well as military). It coordinates Alliance efforts with other actors in the operation. In essence it seeks the closest possible coordination between the Alliance and governmental and non-governmental organisations involved in operations, from the planning phase onwards.

A declaration from the 2006 summit in Riga defined the concept of CA and the terms for practical proposals for its implementation. However, negotiations on those practical proposals continued until April 2008, until the commitment from Riga was satisfied by the adoption of the *CA Action Plan*. Following the adopting of that document, work began on implementing the individual proposals contained therein.

NATO-Russia relations

At the beginning of August 2008, the Alliance's main platform for dialogue and cooperation between NATO and Russia, the *NATO-Russia Council (NRC)*, was shaken by the incursion of Russian armed forces into Georgian territory. In response to this undermining of the shared values and principles on which the NRC is based, NATO held an extraordinary meeting of the foreign affairs ministers of its member states on 19 August 2008. The ministers decided that the NRC could not continue as though nothing had happened, and they began to consider the consequences of Russia's actions for NATO-Russia relations. For the dialogue that meant suspending the work of the NRC at all levels until such time as Russia had satisfied in full the *six-point plan* signed by Presidents Saakashvili and Medvedev. The field for cooperation shrank, although that did not extend to cooperation on Afghanistan, the fight against terrorism, *Theatre Missile Defence (TMD)* and the proliferation of weapons of mass destruction. However, cooperation at the military level was entirely halted by the Russians.

NATO's position on Russia was explained in a public declaration presented at a meeting of NATO foreign affairs ministers on 2-3 December 2008. Dialogue and cooperation are important in effectively countering common threats and challenges. However, Russia's actions had shaken NATO's confidence in Russia's attachment to their shared values and principles, to the detriment of the partnership that was based on them. The ministers decided to commence a phased approach to their Russian partner. None of the informal discussions originally planned had taken place by the end of 2008, and the NRC did not meet from August onwards.

That aside, the functioning of the NRC from the start of the year to August 2008 fell far from fulfilling the platform's potential for cooperation. Dialogue in the NRC was unable to generate any impetus to deepen and extend cooperation, despite not avoiding topics about which Russia has consistently talked with reservations and has rejected NATO's standpoints, such as missile defence and NATO enlargement. Nor did that situation change with the arrival

of the new Russian Ambassador to NATO, Dmitry Rogozin, in January 2008, nor with the holding of the NRC Summit in Bucharest on 4 April 2008, which was attended by the then Russian President Vladimir Putin. That NRC Summit was the first since the founding NRC summit in 2002; the Russians had not accepted invitations to the preceding two summits. Nevertheless, it proved impossible to accept a joint declaration. The main Russian initiative in 2008, linked with the Bucharest summit, was a Russian offer for the transit by land of non-military materials over Russian territory for the needs of ISAF in Afghanistan. By the end of 2008, agreements between NATO and the other countries along the route had not been negotiated, and Russia's offer had not yet been taken up. Evidently the most important field of cooperation between NATO and Russia remains an NRC project aimed at enhancing the capabilities of the relevant actors in Afghanistan and the Central Asian republics in the fight against drugs, which was launched in December 2005. NRC countries participate on a voluntary basis (there are now 15 countries), and Finland is also a contributor. Since mid-2008, the Czech Republic has been a full participant thanks to a voluntary contribution of USD 32 000.

Ukraine and Georgia

2008 in many ways marked a turning point for NATO's relations with Ukraine and Georgia. The Czech Republic and other countries in the *New Group of Friends of Georgia* supported both countries' attempts to receive a *Membership Action Plan (MAP)*, which is a key instrument in the candidates' preparations to join NATO, and has symbolic value as the final stage before membership. At the NATO Summit in Bucharest in April, a compromise was reached in a decision that unprecedentedly declared Georgia and Ukraine as future NATO members and opened a period of intense high-level activity to resolve the remaining issues in both countries' applications to become members of the Alliance.

The August conflict between Georgia and Russia was the reason for the convening of an extraordinary meeting of the North Atlantic Council at the level of ministers of foreign affairs, who described Russia's actions as excessive and decided to establish the *NATO-Georgia Commission*. The Commission's first meeting took place – symbolically – as part of the first visit by the *North Atlantic Council* to Georgia in September. The new institution's long-term task is to supervise the implementation of the decision taken at the Bucharest summit on Georgia's future membership of NATO. The Commission also coordinates the assistance the Alliance has decided to provide to resolve the consequences of the conflict. As

part of post-conflict assistance, the Czech Republic and the *NATO International Secretariat* initiated a project to set up specialised rehabilitation centres in two Georgian hospitals.

The Bucharest summit also decided that the foreign affairs ministers would return to Georgia's request for a *Membership Action Plan* at its December meeting. Opposition from some allies to granting that instrument resulted in a decision to put the MAP to one side, as the issue had become excessively politicised, and to step up assistance to both countries in implementing the reforms required for them to progress to membership. That assistance will be implemented through the *NATO-Ukraine Commission* and the *NATO-Georgia Commission*. In practice then a fundamental step was taken that will allow both countries to concentrate on real reforms.

Ballistic missile defence (BMD)

Activities related to *ballistic missile defence (BMD)* in NATO gravitated around three projects: 1) BMD theatre – the *Active Layered Theatre Ballistic Missile Defence (ALTBMD)* programme, 2) BMD theatre – a study of the interoperability of NATO and Russian systems, and 3) BMD for NATO territories and populations (territorial BMD).

Positive results were achieved for the implementation of the ALTBMMD programme in combining national components (USA, France and the Netherlands). Unfortunately, the negative trend for delays in the programme continued in 2008. *Initial operational capability (IOC)* for the *lower layer* (Capability 1) was rescheduled from the end of 2010 to 2012. To ameliorate the results of that delay *interim capability* was stipulated that should give users the option of planning and training personnel for ALTBMMD in 2010 as originally planned. At the start of the year, the *Integrated Test Bed (ITB)* in the Hague was brought into partial operation, facilitating the trial link-up of the existing national and Alliance components of BMD.

Cooperation between NATO and Russia on the BMD theatre made little progress in 2008. The only meeting of the relevant working group (*NRC TMD AHWG*) took place in July. The main reason for this stagnation was Russia's objections to ongoing talks about locating parts of the USA's BMD system in the Czech Republic and Poland. Despite its exasperation over Russia's actions in Georgia, NATO considered the BMD theatre to be an area where it wanted cooperation to continue. For the time being, Russia is unwilling to discuss a modification to the existing rules for AHWG, which is an essential precondition for the

launch of phase 3 of the *Interoperability Study* of NATO and Russian BMD systems. The only positive development in 2008 was the *Computer Assisted Exercise (CAX)* held in Germany in 2008, with the participation of Russian and Alliance experts (both sides rated the exercise positively).

Territorial BMD is of crucial importance for the Czech Republic. The highlight of the year was a summit in Bucharest in April, which confirmed the fundamental importance of the European components of the USA's BMD for the security of the Alliance as a whole and protection against mounting threats. The summit also confirmed the need to work on integrating US components into the Alliance's BMD system, and it requested (for the next summit) the elaboration of options ensuring full coverage. The conclusions of the Bucharest summit were backed by technical analysis produced under the guidance of the *Missile Defence Project Group (MDPG)*.

The Helicopter Initiative

Helicopters were of crucial importance in 2008. In line with the methodology for defining an assistance framework, Hungary, the Czech Republic and Bulgaria requested assistance in the deployment of helicopters in operations. The Czech Republic received assistance from France (providing training in mountainous territory) and a contribution of EUR 1 million from the British and French trust fund for equipment for the ISAF mission. The fund's total was in excess of EUR 20 million, of which approximately half was allocated in 2008.

During the year, the *North Atlantic Council's (NAC)* list of tasks from December 2007 was implemented. On the basis of pressure from countries (including the Czech Republic and the UK), the NATO Secretary General appointed a special coordinator, the Deputy Assistant Secretary General for Defence Policy and Planning Issues (DASG DPP). Under a US initiative to establish a joint logistics base in Afghanistan, the Czech Republic took on the role of the leader country for helicopters of Russian provenience. It intends to provide that support through an international consortium that includes the Czech state-owned company LOM Praha, s. p.

Helicopters were also an important subject in the exchange of information between NATO and the EU that took place within the *NATO-EU Capability Group (NECG)*. The EU also regards the lack of transport helicopters as a pressing problem and initiated (on the basis

of a request from the Czech Republic) the elaboration of a feasibility study for the introduction of a tactical training system for EU member states' helicopter fleets (including regular multinational exercises).

NRF, reserve forces

In the first half of 2008, there was a persistent unwillingness to discuss the *NATO Response Force (NRF)* outside the preparation of EWG reports for the ministerial meeting (Vilnius, Brussels) and the summit (Bucharest). The breakthrough came with informal meetings of defence ministers in London and Budapest, where the NRF became more attractive in the light of the conflict between Russia and Georgia, and the allies again realised that the Alliance has no other rapid response instrument. With a substantial contribution from the Czech Republic (e.g. a non-paper distributed at the NAC level) it was possible in the closing months of the year to open a broader political and military discussion on the future of the NRF.

Questions that remain unanswered include the financing of NRF deployments, the issue of own deployment, and the size, structure and readiness of the NRF, all in the light of perfecting the system for creating contingents for deployment (the Czech Republic promotes the more consistent application of the principle of their long-term formation). The issue is also associated with the ongoing discussion of innovative financing methods and with the planned complete review of the concepts of deployable Alliance forces.

Protection against weapons of mass destruction (CBRN)

On the basis of a decision by the NAC, preparations began for a uniform Alliance strategy – which has so far been lacking – for the proliferation of and defence against nuclear and other weapons of mass destruction.

Cooperation with partner countries was extended, especially with Ukraine, which – among other forms of cooperation – offered to assign its units to the NATO rotation as part of the NRF.

NATO's external relations

NATO enlargement

NATO enlargement is a strategic political issue with a long-term impact on member states' ability to ensure effective collective security, and on the shaping of the Alliance's security and political role on a global scale. While the Bucharest summit in 2008 did not grant the *Membership Action Plan (MAP)* to Georgia and Ukraine, who had requested it, it did state that both countries would become full members of the North Atlantic Alliance at some point in the future. The subsequent meeting of foreign affairs ministers in December had a mandate from the Bucharest summit to decide on awarding the MAP to Georgia and Ukraine, but again the allies did not reach a consensus on the issue. Bringing both countries closer to the Alliance will nevertheless continue through the NATO Commissions for Ukraine (NUC) and Georgia (NGC). The NATO-Georgia Commission is a new body established in September 2008 in Tbilisi in response to the incursion of Russian armed forces onto Georgian territory in August, and to Georgia's subsequent request for aid and greater cooperation.

At the Bucharest summit, Albania and Croatia – two of the three *Adriatic Charter* countries in the Alliance's *Partnership for Peace (PfP)* programme – received invitations for membership. They had made long-term preparations for membership under the Membership Action Plan (MAP). It was not possible to reach a consensus on inviting Macedonia/FYROM, where the same circumstances apply, owing to an unresolved dispute with Greece over the country's name.

Albania and Croatia

After the Bucharest summit invited these two countries, they both presented timetables for reforms to be implemented before and after they join NATO. Both documents focused mainly on their contributions to Alliance operations, public support for NATO, the implementation of defence and – for Albania – democratic reforms, security cooperation in the region and the adoption of the *NATO Acquis*.

In July, the Accession Protocols were ceremonially signed in Brussels. That was followed by the start of the national approval processes in NATO member states. The

declared objective is to complete the process so that Albania and Croatia can attend the summit in April 2009 as full members of the Alliance.

The Czech government expressed its consent to the ratification of the Accession Protocols at its session on 1 October 2008. The materials were subsequently discussed and approved by both chambers of the Parliament of the Czech Republic before the end of 2008. (The Czech President signed the ratification documents at the start of January 2009, and on 21 January 2009 they were deposited in the Treaty's depository in Washington, marking the end of the ratification process in the Czech Republic.)

Macedonia

2008 was a disappointing year for Macedonia/FYROM, as at their April summit in Bucharest the NATO countries could not agree on an invitation for the country owing to an unresolved dispute over its name. However, the Bucharest declaration explicitly states that it will be invited to become a member of the Alliance once that matter has been resolved. Until that time, the country is to continue the reform process as part of the MAP.

The situation was also complicated by the fact that in November 2008 Macedonia filed a suit against Greece at the *International Court of Justice (ICJ)* owing to a breach of the *Interim Accord* from 1995, which sets out the relations between the countries for the use of the term "Macedonia". Under that accord Macedonia should be allowed to join NATO under the provisional name FYROM.

Montenegro and Bosnia and Herzegovina

NATO's Bucharest summit also resulted in Montenegro and Bosnia and Herzegovina being invited to *Intensified Dialogue (ID)*. Subsequently, there was a series of negotiations aimed at defence reform, legal issues, economic issues and public diplomacy. Both countries also began implementing their *Individual Partnership Action Plans (IPAP)*, which are an integral part of the ID process.

Montenegro expressed an interest in further integration with NATO, and in November 2008, it officially requested the Membership Action Plan (MAP). However, as it has only been using the other instruments in the Partnership for Peace for a very short time, it will clearly have to wait some time before commencing the MAP.

An obstacle to integrating Bosnia and Herzegovina into Euro-Atlantic structures is its problematic internal organisation and disagreements between the representatives of the three constituent nations. One of the main political conditions for Bosnia and Herzegovina to join Euro-Atlantic structures is – other than reforms of defence and the police – full cooperation with the *International Criminal Tribunal for the former Yugoslavia (ICTY)*. Bosnia is also interested in receiving the MAP, but unlike Montenegro it is more aware of the external limitations, and has yet to officially request the plan.

Serbia

Until a new coalition government was formed in Serbia following the elections on 11 May 2008, cooperation between Serbia and NATO under the Partnership for Peace (PfP) had come to a halt owing to the recognition of Kosovo's independence by the majority of the Alliance's member states. Relations thawed with the advent of the new coalition government, resulting the signing of the *Security Agreement on the exchange of confidential information* with NATO in October 2008. Belgrade is currently once more displaying an interest in taking part in Partnership for Peace programmes.

However, for the time being, Serbia is not interested in Intensified Dialogue or any deeper integration. NATO membership remains a sensitive issue for Serbia, which still insists on its neutrality. The new coalition government is interested in working with the Alliance under the PfP, but has no aspirations to membership. For that reason greater cooperation under the PfP should not give the impression that Serbia is being forced into membership. In that respect, it is useful to refer to Sweden and Finland, who are not seeking NATO membership but have strong and extensive ties with the Alliance.

In December 2008, the Czech Republic took over the running of the *Military Liaison Office (MLO)* in Belgrade, which is now headed by a Czech general. It also gained the status of *NATO Contact Embassy* in Belgrade, a function it will discharge in 2009-10.

NATO-EU relations

Relations between the EU and NATO remained strained in 2008. The main reason concerns political complications in relations between some members of the two organisations, especially Turkey, Cyprus and Greece. Turkey complains of inequality between NATO's approach to EU members who are not NATO members but contribute to its operations, and

the EU's approach to NATO allies who are not EU members but contribute to its operations. Other than certain technical aspects (cooperation with the European Defence Agency – EDA; the transfer of confidential information) that primarily involves consultations on issues involving security, defence and crisis management, invitations to take part in EU exercises, consultation on considering the EU's response to crises, including the deployment of an operation, consultation on preparations for an operation and operational documents, etc.

Talks were held during 2008 and a wide variety of proposals were put forward to resolve individual aspects of this complex issue. In the latter half of the year, the French Presidency of the EU was especially active, presenting for instance a proposal to establish an informal *High-Level Group* in which the NATO and EU Secretaries-General and military leaders would regularly discuss issues associated with the presence of both organisations in a single field of operations (primarily Kosovo and Afghanistan), and an initiative aimed at creating a new format for negotiations between the EU and third countries.

Mediterranean Dialogue (MeD) and the Istanbul Cooperation Initiative (ICI)

Cooperation under the *Mediterranean Dialogue (MeD)* and the *Istanbul Cooperation Initiative (ICI)* continued to develop in 2008. In practical cooperation, there was a clear increase in activities as part of the *Mediterranean Dialogue Work Programme (MDWP)*; in 2008, there were 794 activities, focusing on military cooperation (85%), the fight against terrorism, civil emergency planning, civil crisis management, and language teaching. Selected PfP instruments continued to be made available to the MeD and ICI countries – specifically the *Partnership Action Plan against Terrorism (PAP-T)*.

In November 2008, Jordan submitted a proposal for an *Individual Cooperation Programme (ICP)*. A second ICP cycle was approved for Israel. The work of a trust fund for Jordan to destroy old arms and ammunition continued. Cooperation with Mauritania was suspended owing to the military coup there.

As part of the December meeting for foreign affairs ministers in Brussels, a lunch was held for the 26 plus the MeD countries, which was judged to be highly successful by all those attending. However, for the time being the partners lack the will to accept a joint political declaration by the NATO and MeD countries.

In addition to its bilateral functions, the Czech Embassy in Israel acted as the *NATO Contact Point Embassy (CPE)* until the end of 2008 (a second two-year cycle). That function primarily consisted in familiarisation with NATO's mission and work through public diplomatic activities.

The most important event under the ICI was a *NATO and ICI* conference in Bahrain, with the participation of NATO's Secretary General and the North Atlantic Council.

Active cooperation with the MeD and ICI countries continued in training and arming; a significant part of that cooperation comprised activities as part of the Alliance's *Training Initiative*, under which a pilot course at the *NATO Defence College* in Rome was further extended.

Armament control (CFE)

Russia's moratorium on the implementation of the commitments set out in the *Treaty on Conventional Armed Forces in Europe (CFE)*, which came into effect on 13 December 2007, further worsened the crisis for this armament control mechanism. At the start of the year, a number of states who are signatories to the CFE (including the Czech Republic) conveyed notes to the CFE depository in which they objected to Russia's approach and reserved the right to take countermeasures.

In 2008, Russia did not discharge its obligations under the CFE, rejecting for instance requests from other signatories for inspections. In a statement by the NAC on 28 March 2008, NATO called on Russia to take a constructive approach to the set of proposals from the Alliance (*the Parallel Action Plan*) aimed at Russia's ratification of a modified CFE, while satisfying the *Istanbul Commitments* (concerning Georgia and Moldova). However, Russia continued to refuse to link the CFE to the resolution of regional conflicts in the South Caucasus. The Russia-Georgia conflict in August 2008 further complicated all dialogue on this issue, as talks on the *Parallel Action Plan* were halted and the work of a NATO-Russian expert working group on armament control was wound down.

The Russian moratorium jeopardises the entire regime for conventional armament control in Europe, as Russia has the largest numbers of armaments of all the signatories in the application zone, and without its participation the entire regime has become to a large extent pointless.

Energy security

Prior to the Bucharest summit, the *Senior Political Committee (SPC)*, which coordinates energy security in NATO, produced a document that summarised the role of the relevant NATO committees in protecting the energy infrastructure and assessing the risks to that infrastructure, especially those presented by terrorism. In the document the Alliance's role in energy security was defined as the exchange of intelligence, the developing of regional and international cooperation, support in protecting infrastructure in jeopardy, planning stability and support in resolving the consequences of extraordinary situations. However, the document also reflects the fact that differences remain between the allies in their views on the degree to which NATO should be involved in this area.

During 2008, NATO discussions on energy security were relayed to individual committees for elaboration. For instance, the Economic Committee devoted an extended expert session to the issue, discussing the impacts of the Russia-Georgia conflict on the security of the energy infrastructure and transport routes in the Caucasus-Caspian region.

Civil emergency planning (SCEP)

The work of the *Senior Civil Emergency Planning Committee (SCEPC)* and the individual planning committees was guided by the two main documents for civil emergency planning in NATO – the *Ministerial Directive for SCEP* and the *SCEP Action Plan to protect citizens from the effects of chemical, biological and nuclear weapons (CBRN)*. One of the main priorities was to support NATO military organs. On the basis of the *Catalogue of Civilian Experts* the *Allied Command Operations (ACO)* approved a directive allowing soldiers to make better use of civilian and CNP experts in its operations and missions.

In November 2008, the SCEPC adopted the concept of the *Advisory Support Team*. Its usefulness had already been proven in practice, when Azerbaijan officially requested the assistance of an advisory team. At the end of 2008, the SCEPC approved, in member format, direct access for the countries of the Istanbul Cooperation Initiative and the Mediterranean Dialogue to the Euro-Atlantic Disaster Response Coordination Centre (EADRCC), including participation in EADRCC exercises.

SCEP NATO was also active in humanitarian aid to Georgia. On the basis of

a mandate from the NAC two *Advisory Support Teams of SCEP civilian experts* were sent to Georgia. During 2008, EADRCC coordinated humanitarian aid in four countries – for an earthquake in Kyrgyzstan, forest fires in Bulgaria, and floods in Moldova and Ukraine.

International exercises are a regular part of EADRCC's work. The EADRCC exercise *Uusimaa 2008* took place in Finland from 1 to 5 June 2008. The scenario for the exercise was a natural disaster – torrential rain followed by flooding and serious damage to important infrastructure. 23 countries took part in the exercise, with 43 teams and more than 1 200 rescuers.

Crisis Management Exercise (CMX)

In April 2008, the Alliance held its CMX 2008 exercise, aimed at rehearsing NATO's crisis management procedures. The exercise was set in an international crisis on an imaginary island outside the Euro-Atlantic region. 26 allies and 14 partner countries took part.

NATO – UN

An important milestone in NATO – UN relations was the signing of the *Joint Declaration on UN/NATO Secretariat Cooperation* in September 2008. The main benefit is the creation of a mechanism for both organisations to consult and cooperate, including regular dialogue on political and operational issues. The declaration also stipulates the scope of cooperation, envisaging the exchange of information on protecting the civilian population, *lessons learned* and operational coordination and support.

Public diplomacy

In 2008, NATO's public diplomacy underwent a major reassessment of priorities. A significant volume of resources and personnel was redirected to the strategy of greater media coverage of the operation to renew Afghanistan. The Czech Republic contributed to those efforts by dispatching an expert to the *Media Operation Center*.

An exhibition of photographs by Daniel Hlaváč, *122 Days in Afghanistan*, was held at NATO's office in the Czech Republic. An exhibition of NATO archival documents was held in September in collaboration with the *Central Military Archive* to commemorate the events of 1968. This successful project was then used by the Permanent Mission to the UN in Vienna.

3. The Czech Republic and Regional Cooperation

Visegrad cooperation

Visegrad cooperation can be considered the key grouping for regional cooperation in Central Europe. The purpose of this initiative consists primarily in developing specific projects (interdepartmental cooperation, strengthening relations between the citizens of the Visegrad countries, etc.), and in political cooperation wherever the four Visegrad countries are willing to agree on common approaches. Despite minor differences, a considerable intersection of common interests and an interest in strengthening mutual relations can be found in the V4 countries. Since the Visegrad countries joined the European Union, EU affairs have been an integral part of their common agenda. The programmes of the individual presidencies of the *Visegrad Group* largely correspond to the priorities of the presidencies of the Council of the EU – as a rule, prime ministers of EU presidency countries are guests at the summits of heads of government of the V4 countries. 2008 saw the Czech (*in the first half of the year; the presidency commenced in mid-2007*) and the Polish (*in the second half of the year; the presidency will continue until mid-2009*) presidencies of the V4.

In addition to extensive interdepartmental cooperation and support for civil contacts, the Czech presidency's programme focused on strengthening the mechanism for cooperation between the V4 countries within the EU; supporting democracy and human rights around the world; implementing further steps in the V4 communication and information strategy; supporting extended activities by the *International Visegrad Fund*; and in foreign policy on extending cooperation in the *V4+ formats*, especially for the countries of Eastern and South-East Europe and other regional groupings.

In the latter half of 2008, there were multiple summits, talks and consultations at various levels on the main priorities of the Polish presidency of V4, which were closely linked to the European Neighbourhood Policy, the Eastern Partnership Initiative, energy security and climate change. The Polish presidency strengthened dialogue at the highest level with the Baltic states, whose prime ministers and ministers of foreign affairs were regularly invited by their Polish partners to V4 summits as guests in the latter half of 2008. Other guests at high-

level Visegrad meetings included representatives from Bulgaria, Romania, Sweden and Slovenia.

There were expert consultations at the level of foreign affairs ministers in the V4+ format with partners from the Benelux countries, Israel, Japan, Ukraine, Russia and Belarus. Diplomats also consulted in the basic V4 format on issues such as energy policy, development cooperation, cultural cooperation and strategic planning.

Under interdepartmental cooperation ministers of culture, defence, agriculture, the environment, transport, health and regional development met in 2008. There was cooperation between Visegrad ministries at the level of expert forums covering culture, education, trade and industry, the interior, defence, finance, the environment, transport and tourism. Individual ministries in the V4 countries also work together in the EU's *Ministerial Councils* and *Working Groups*. Ministries of education and culture also work the most intensively with the International Visegrad Fund on projects and grants, and each year ministries of culture award the *International Visegrad Prize* for achievements in art.

As in previous years, in 2008 the work of the *International Visegrad Fund (IVF)* was among the most visible examples of successful cooperation between the V4 countries. The IVF has contributed substantially to establishing a dense network of contacts between the inhabitants of the Visegrad countries and has raised the prestige of the regional grouping in its external relations, and it is a useful instrument for promoting certain foreign policy priorities of the V4 countries. In line with the V4 countries' foreign policy priorities, it was decided in 2008 to extend the awarding of Visegrad scholarships under the IVF to include students from Bosnia and Herzegovina, Montenegro, Georgia, Armenia and Azerbaijan, with effect from 2009. That brought the number of countries whose young people have an opportunity to use IVF support to seventeen (V4 + 13). In 2008, it was also decided to launch two new IVF programmes: the *Visegrad University Studies Grant (VUSG)* and the *Visegrad+* programme (for flexible projects). Under the VUSG 17 study programmes that included Visegrad studies (16 in the V4 countries, one in Ukraine) were launched at universities. The flexible projects are aimed at supporting the transformation processes in selected countries in Eastern and South-East Europe; the first pilot project was implemented in Belarus in 2008.

Meetings of representatives of Visegrad Group states in 2008:

- 3-5 March 2008 – meeting for the agriculture ministers of the V4 countries, Romania, Bulgaria and Slovenia at the SALIMA fair, Brno (CZ);
- 10-12 April 2008 – meeting for justice ministers, Tatranská Lomnica (SK);
- 23 April 2008 – meeting for the foreign affairs ministers of the V4 countries, Sweden and Ukraine, Prague (CZ);
- 25 April 2008 – meeting for defence ministers, Prague (CZ);
- 9-11 May 2008 – meeting for the agriculture ministers of the V4 countries, Romania, Bulgaria and Slovenia, Bucharest (RO);
- 22 May 2008 – meeting for the prime ministers of the V4 countries, the Baltic states and Slovenia with the President of the European Commission, Prague (CZ);
- 3-4 June 2008 – unofficial meeting for the regional development ministers of the V4 countries, Romania and Bulgaria, Prague (CZ);
- 15-16 June 2008 – meeting for the prime ministers of the V4 countries with the President of France, Prague (CZ);
- 16-17 June 2008 – meeting for health ministers, Prague (CZ);
- 19-20 June 2008 – meeting for culture ministers, Olomouc (CZ);
- 1 July 2008 – the Minister of Foreign Affairs, Karel Schwarzenberg, attended the GUAM summit as the representative of the Czech presidency of the V4, Batumi (GE);
- 12-13 September 2008 – meeting for presidents, Piešťany (CZ);
- 18-19 September 2008 – meeting for environment ministers, Budapest (HU);
- 26 September 2008 – meeting for European affairs ministers of the V4 countries, Romania and Bulgaria, Warsaw (PL);
- 21 October 2008 – meeting for health ministers, Brno (CZ);
- 5 November 2008 – meeting for the prime ministers of the V4 countries and the Baltic states, Warsaw (PL);
- 24 November 2008 – meeting for the foreign affairs ministers of the V4 countries, the Baltic states, Bulgaria, Romania, Slovenia and Sweden, Warsaw (PL).

Central European Initiative (CEI)

The Central European Initiative (CEI) is an organisation for the countries of Central, Eastern and South-East Europe that currently has 18 member states (*Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Montenegro, the Czech Republic, Croatia, Hungary, Italy, Macedonia/FYROM, Moldova, Poland, Austria, Romania, Serbia, Slovakia, Slovenia and Ukraine. Since Bulgaria and Romania joined the European Union in 2007 nine of the CEI member states are also members of the EU.*)

Following a decision by the prime ministers of the CEI member states at a summit in Sofia in November 2007, the reform of the CEI was implemented under the Moldovan presidency in 2008, focusing largely on strengthening the CEI's activity in the following areas: enterprise development (including tourism), intercultural cooperation, the environment and sustainable energy, human resources development, multimodal transport and sustainable agriculture. The process for the CEI's cooperation with other regional organisations and institutions operating in the CEI region was also enhanced.

The great majority of CEI activities take place through approved projects that are financed or co-financed by the relevant CEI funds. As the finance required for projects implemented under the *cooperation activities* was greater than the finance available, it was necessary to introduce mechanisms – in the past somewhat redundant – for the preliminary appraisal and selection of those project proposals. That meant, however, that financial support from the CEI funds only went to the best cooperation projects that were most beneficial in terms of their practical impacts. During the 12 months following the summit for the prime ministers of the CEI member states in Sofia in November 2007, 80 such projects were approved with total value of EUR 4.1 million, with 15.3% (i.e. EUR 770 000) financed by the CEI.

The CEI also provided an additional EUR 530 000 from its trust fund at the EBRD to support five technical cooperation projects, and it also took part in the implementation of five programmes financed by the European Union with a total value of EUR 6.1 million (with the CEI contributing EUR 1.5 million).

The Western Balkans and Eastern Europe are priorities for Czech foreign policy. The main coordinator for the Czech Republic's cooperation with CEI is the Czech Ministry of Foreign Affairs, a representative of which is a member of the CEI's *Committee of National*

Coordinators. Since 2005, the Czech Republic has contributed to the work of the CEI by regularly organising, through the Czech Republic's *National Training Fund*, CEI international conferences in Prague that focus on human resources development and life-long learning. In 2008, the Czech Ministry of Foreign Affairs provided a voluntary contribution of CZK 1 million to the CEI for that conference (Prague, 20-21 November 2008), which was attended by 60 experts from the CEI member states.

In 2007, the Czech Republic made a voluntary contribution of CZK 3 million to the CEI, which was then transferred into a new fund for climate and environment protection. That fund is the only CEI fund to be included in a list of international organisations and institutions qualified for reporting voluntary contributions received as official development assistance (ODA). CEI member states who are not members of the EU (i.e. the countries of the Western Balkans, Ukraine and Belarus) can draw from the fund. Projects are targeted at increasing energy efficiency and the use of environmentally-friendly technologies, supporting technologies for sustainable energy and transport, the sanitation of old ecological burdens, waste management and the supply of drinking water; in many of those areas the Czech Ministry of the Environment is already implementing bilateral projects in the Balkans and Moldova. In total 72 requests were submitted to the CEI secretariat for cofinancing for projects from that CEI fund at a total level of EUR 2.461 million (the total value of the projects was EUR 3.967 million). Czech enterprises will be involved in implementing (with effect from 1 January 2009) all three projects approved (two in full and one in part). This CEI fund represents one of the highly effective options to extend and improve the Czech Republic's cooperation with the countries of Eastern and South-East Europe, and it satisfies the strategy to support Czech exports in the region and in sectors of priority interest to Czech foreign policy in line with economic diplomacy.

Events (conferences, seminars, etc.) in line with the CEI's programme framework are organised each year on an *ad hoc* basis in the Czech Republic, in collaboration with the CEI secretariat (including CEI cofinancing). In 2008 Masaryk University in Brno organised

a seminar on plasma chemistry for 50 participants, and Bioinstitut Olomouc held a conference on developing science and research for organic agriculture for 60 participants. The relevant CEI funds pay for experts from CEI member states that are not members of the EU to attend such events.

The CEI's *Parliamentary Assembly*, which operates as part of the parliamentary dimension of the CEI, has three committees – for political and home affairs, for cultural affairs, and for economic affairs. In June 2008, the latter committee held a meeting in Prague for parliamentary delegations from the CEI member states on the future of nuclear energy in Europe.

The highlight of the CEI's enterprise platform is the annual *Summit Economic Forum*, where enterprises, financial institutions and non-governmental organisations meet with government representatives to tackle selected issues (e.g. the central theme of the economic forum in Chişinău in 2008 was the role of reforms and investments in bringing East and West closer together; it was attended by a Czech delegation).

Regional Partnership

The Regional Partnership (Czech Republic, Hungary, Poland, Austria, Slovakia and Slovenia) is a grouping that, since its inception in 2001, has focused mainly on cooperation on issues falling within the competence of interior ministries (internal security, asylum and consular matters), on culture and on joint infrastructure projects; its foreign policy focus is mainly on the Western Balkans region.

Unlike e.g. the Visegrad Group, the Regional Partnership (RP) does not have a set mechanism for cooperation between its member states; the role of organiser of conferences for the foreign affairs ministers of the RP countries regularly rotates among its six members. However, in 2008 there was no regional conference for foreign affairs ministers, which was deferred until 2009. The only meeting of the RP foreign affairs ministers was on the occasion of a lunch with the UN Secretary-General in Vienna on 25 April 2008.

The field where RP cooperation has developed most successfully and has yielded concrete results is internal security, with regular meetings for interior ministers under the *Salzburg Forum*. Since the meeting in Innsbruck (12-13 July 2007), the Forum has also been

attended by the interior ministers of Bulgaria and Romania. In the first half of 2008, the Czech Republic held the Presidency of the Salzburg Forum, and the final meeting of ministers took place in Prague on 15-16 May 2008. In the latter half of 2008, Hungary held the Presidency of the Salzburg Forum. On 2-4 October 2008, the interior ministries of the Regional Partnership and the Western Balkans countries met in Hévíz.

Cultural cooperation between the RP countries takes place under the *Platform Culture – Central Europe*, sponsored by the cultural sections of the foreign affairs ministries of the RP countries. It is concerned with the joint presentation of contemporary Central European culture in the EU and beyond Europe. The following events took place in 2008:

- *Eccentric Paths, Young Positions from Central Europe*, an exhibition on art and globalisation, where the Czech Republic was represented by J. Nepraš (video installations) and D. Pitín (painting) – Lisbon (PT), November 2007 to February 2008;
- *Days of Poetry and Wine*, readings by young poets where the Czech Republic was represented by M. Dežínský – Medana (SI), August 2008;
- *St. Etienne International Design Biennale*, where the Czech Republic exhibited glass and porcelain from Jiří Pelcl's studio and the Qubus design studio – St. Etienne (FR), November 2008.

Stability Pact for South-East Europe – Regional Cooperation Council

2008 marked a turning point for regional cooperation in South-East Europe. On the basis of the positive results from the work of the Stability Pact for South-East Europe, the member countries stated that it had fulfilled its role and approved the ending of its work, and they decided to transfer the responsibility for developing regional cooperation to the countries of the region, specifically to the *Regional Cooperation Council (RCC)*. That took place at the final meeting of the *Stability Pact's Regional Table* in Sofia in February 2008. The Czech Republic fully supported that decision.

Following nine years of working to extend regional cooperation in South-East Europe, the Pact's member states ended the direct management of regional cooperation from Brussels. The majority of over 30 initiatives had found bases in the region, where they set up secretariats (MARRI, DPPI, RACVIAC, SEESAC, SEPCA, etc.). The coordination and

promotion of regional cooperation was taken over by the RCC, whose secretariat is in Sarajevo. Political leadership and the guiding of regional cooperation was taken over by the *South-East European Cooperation Process*, whose members are the same countries as the RCC countries (Albania, Bosnia and Herzegovina, Bulgaria, Montenegro, Croatia, Macedonia/FYROM, Moldova, Romania, Greece, Serbia and Turkey).

In its policy regarding the countries of South-East Europe, the Czech Republic continued to actively support regional cooperation as an important instrument for establishing contacts and extending cooperation between countries while overcoming the legacy of the conflicts of the 1990s. For that reason it became a member of the *RCC Board*, where donor countries are represented. Through its contribution the Czech Republic supported the work of the RCC secretariat, which focuses its activities on five priorities: economic and social development; infrastructure; justice and internal affairs; security cooperation; and creating human capital. Parliamentary cooperation is an aspect of all of those priorities.

The Czech Republic actively participated in the quarterly sittings of the RCC Board and helped to guide its work. During a visit by the RCC Secretary General, Hido Biscevic, to Prague in September 2008, the Czech Republic promised its full support for the organisation in the light of its forthcoming presidency of the Council of the European Union.

The Czech Republic continued to support the work of regional initiatives that became independent following the termination of the Stability Pact. In defence and security it contributed to the work of the *Geneva Centre for the Democratic Control of Armed Forces (DCAF)* and to seminars by the *Regional Arms Control Verification and Implementation Assistance Centre (RACVIAC)*, based in Zagreb, aimed at improving the crisis management capacities of the countries of South-East Europe in line with the EU's requirements for defence capacities. In view of the importance the inhabitants of the Western Balkans attach to lifting European Union visa requirements, the Czech Republic supported a project by the *Migration, Asylum, Refugees Regional Initiative*, based in Skopje, which is aimed at developing regional cooperation between the border police forces on granting asylum.

To promote democracy, civil society and dealing with the legacy of the 1990s, there were contributions to organisations which operate in the Western Balkans, specifically the *Balkan Trust for Democracy*, the *European Fund for the Balkans* and the *International Commission on Missing Persons*.

The Czech Republic worked to bring Kosovo into regional cooperation and support its administrative structures. To achieve the maximum coordination of international aid the Czech Republic directed its support primarily through a World Bank fund for Kosovo, the OSCE and UNDP.

The Czech Republic continued implementing a technical assistance project for the countries of the Western Balkans covering standards, metrology and testing, which was coordinated by the *Czech Office for Standards, Metrology and Testing (COSMT)*. Seminars were held for experts from Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia/FYROM, Montenegro and Serbia: a seminar on metrology in Tirana, a seminar on market access for products in the construction sector in Zagreb, and a seminar in Prague on the accreditation of testing laboratories.

The Czech Republic also supported regional cooperation in South-East Europe through international organisations, primarily the European Union and NATO.

4. The Czech Republic and other European International Organisations and Forums

The Czech Republic and the Organisation for Security and Cooperation in Europe (OSCE)

The Czech Republic continues to regard the OSCE as an important part of the European security architecture. Supporting its work is one of the Czech government's long-term foreign policy priorities. The Czech Republic is concerned that the OSCE be a flexible organisation capable of adapting to current challenges and tasks. The Czech Republic supports a balance between all three dimensions of the OSCE (the politico-military, economic and environmental, and human dimensions) and the observation of the standards adopted in those dimensions by all OSCE participating states.

The Czech Republic has systematically advocated making the OSCE capable of responding flexibly to old and new security challenges, threats and risks, and adjusting its instruments accordingly. In the Czech Republic's view the OSCE's primary roles are conflict prevention, post-conflict renewal and the fight against terrorism. The Czech Republic

supports the further deepening of cooperation between Euro-Atlantic organisations and the OSCE security dimension in line with the principles of the *Platform for Cooperative Security*, approved at the OSCE summit in Istanbul in 1999.

As in previous years, in 2008 the Czech Republic continued to be fully involved in cooperation with other EU member states within the OSCE framework, where EU members account for almost half the participating countries (27 out of 56) and EU members' contributions make up roughly two-thirds of OSCE funds.

The OSCE politico-military dimension

In its politico-military dimension, the OSCE constantly seeks to implement existing confidence and security building measures as contained in the *1999 Vienna Document*, the implementation of the *OSCE Document on Small Arms and Light Weapons* and the implementation of other documents such as the *Code of Conduct, Principles Governing Conventional Arms Transfers, Global Exchange of Military Information, the Anti-Personnel Landmines Convention*, etc.

One highly important part of the OSCE's work in the politico-military dimension consists in talks on the arms control regime that take place in the context of the *Joint Consultative Group* of the states that are party to the *Treaty on Conventional Armed Forces in Europe (CFE)*. 30 OSCE participating states are party to the CFE, which the Czech Republic regards as one of the cornerstones of European security.

The Czech Republic continues to work for the ratification of the *Adapted Treaty on Conventional Armed Forces in Europe (Adapted CFE)*. The Adapted Treaty is significant for the Czech Republic because it eliminates the bloc-based concept of the original treaty and improves the verification system for the structures of the signatory states' armed forces. Implementation of the Adapted Treaty should further enhance transparency and build confidence in the disarmament regime as a whole. Like other NATO countries, the Czech Republic will ratify the Adapted CFE after Russia fulfils the political commitments it assumed in respect of Georgia and Moldova at the OSCE Summit in Istanbul in 1999 (known as the *Istanbul Commitments*).

Since December 2007, the Russian Federation has failed to observe the commitments set out in the current Treaty (CFE). It has not provided the other parties to the Treaty with

regular information on its armed forces, and has not facilitated inspections. The Treaty does not allow such a moratorium or suspension of commitments as a unilateral step by one of the parties to the Treaty.

The OSCE economic and environmental dimension

The main OSCE event in the economic and environmental dimension in 2008 was the *16th Economic and Environmental Forum (EEF)* – the first part took place in Vienna on 28-29 January 2008 and the second part in Prague on 19-21 May 2008. The theme for the 16th EEF was *Maritime and inland waterways co-operation in the OSCE area: increasing security and protecting the environment*. As usual the *UN Economic Commission for Europe (UNECE)* was involved in preparations for the 16th EEF, and its Executive Secretary, Marek Belka, attended the Prague part of the EEF in person.

The *First Preparatory Conference to the 17th OSCE EEF* was held on 16-17 October 2008 at the Czech Ministry of Foreign Affairs in Prague. The theme was *Migration management and its linkages with economic, social and environmental policies to the benefit of stability and security in the OSCE region*. The conference elaborated documents for the 17th OSCE EEF concerning the conditions for effective migration policy, simplifying legal migration and international cooperation in the movement of labour.

The OSCE human dimension

Regular events under the OSCE human dimension in 2008 traditionally included the annual *Human Dimension Implementation Meeting (HDIM)*, three *Supplementary Human Dimension Implementation Meetings (SHDIM)* and a seminar. In addition, there were a number of other important events such as a high-level conference to combat trafficking in children (Vienna, May 2008), a conference on the linguistic rights of national minorities (Oslo, June 2008), and a number of smaller events at expert level. Due to complications in agreeing on themes, those events began in the second quarter. In the latter half of the year, the conflict in Georgia and its consequences was reflected in all themes concerning the human dimension.

In May, there was a seminar on constitutional law and the first Supplementary Human Dimension Implementation Meeting, focusing on the role of national institutions in the fight against discrimination, racism and xenophobia, with special reference to national minorities

and migrants. In July, the second Supplementary Human Dimension Implementation Meeting looked at the integration of Roma and Sinti and there was a seminar on election issues, including election monitoring (an event held under the Finnish chairmanship of the OSCE). At the turn of September and October, the most important regular event for the human dimension, the HDIM, was held in Warsaw. The Czech Republic appeared at the forum for the first time with a side event organised by the *Inter-ministerial Commission for Roma Community Affairs* and the *ODIHR Contact Point for Roma and Sinti Issues* on the theme of harmonising European policy relating to the Roma and Sinti, with special regard to the role of national mechanisms. In November, the third Supplementary Meeting looked at the issue of democratic lawmaking. In mid-December, France, as president of the EU, held a conference on conflict prevention and resolution and the role of human rights advocates.

The attention devoted to the OSCE's human dimension, including the duration and the themes chosen for individual events, has a clear political significance. Some participating states have therefore systematically tried to limit it, especially with regard to the HDIM. One reason for that is the great space provided at the Meeting to non-governmental organisations, which criticise the implementation of the OSCE's commitments on the human dimension in their countries. Some countries therefore take procedural and other steps to limit the participation of certain non-governmental organisations. It has also been difficult to reach agreement on special themes that are usually the subject of in-depth discussions in the second half of the HDIM. Recently, that situation has been repeated each year, as the timing and the special themes are subject to a consensus by the Permanent Council.

Strained relations between the *Office for Democratic Institutions and Human Rights (ODIHR)* in Warsaw and certain participant states relaxed somewhat with the arrival of a new Director at the Office, Janez Lenarčič from Slovenia, in July 2008. However, some countries continue to press for the prevention of an apparent double standard in assessing compliance with OSCE commitments by the ODIHR, especially concerning elections and their monitoring, but also human rights in general.

The OSCE Representative on Freedom of the Media continued to actively monitor and promote the freedom of the media in all of the OSCE countries. As in previous years, he worked with those countries to achieve the decriminalisation of the slander and libel of public officials. He also focused on the issue of violence and murder committed against journalists and its impacts on the freedom of the media, and alerted to a number of specific instances

where OSCE commitments in that respect had been breached. He paid particular attention to violence against journalists in armed conflicts.

In October 2008, the OSCE High Commissioner on National Minorities and the *European Academy* in Bolzano presented new recommendations for the treatment of national minorities in inter-state relations (*Bolzano Recommendations*). They focus on the need for multicultural education and the prevention of segregation to avoid conflicts in the international arena. With reference to the July conflict in Georgia, the High Commissioner worked on relations between the ethnic groups there as well as visiting the region. He and the ODIHR produced a report on the situation of minorities, refugees and displaced persons in Georgia, which was presented to the participating states at the end of the year.

OSCE Ministerial Council in Helsinki

In 2008, Finland held the chairmanship of the OSCE, which culminated in the 16th OSCE Ministerial Council, held in Helsinki on 4-5 December 2008. The Czech Republic's delegation was led by Minister of Foreign Affairs, Karel Schwarzenberg. In his speech he emphasised the need to adhere to the OSCE's principles, standards and commitments, and in reference to the Georgia crisis he stressed territorial integrity as the guiding principle. Regret was voiced in the hall that the Organization for Security and Co-operation in Europe had yet to find effective mechanisms to implement the aid for Afghanistan that had been agreed by the member states at the previous Ministerial Council, held at the end of 2007 in Madrid.

An important part of the *OSCE Ministerial Council* was a working lunch for ministers at which the future of European security was discussed. The Czech Republic pointed to the problems resulting from the Russian Federation's suspension of the implementation of commitments under the Treaty on Conventional Armed Forces in Europe, to the lack of political will in some participating states to adhere to the undertakings they had made, and to attempts to prevent certain countries to freely choose their current course. The main message was that it was not possible to discuss new proposals for the future of European security without complying with the current obligations.

Despite the record attendance of foreign affairs ministers, this OSCE Ministerial Council again did not achieve many significant results, as it was not easy for the 56 participating states to reach a consensus. This was the sixth occasion on which the OSCE Ministerial Council failed to agree on the text of a Ministerial Declaration, which should be

the most important document adopted at the meeting. Russia, Serbia, Uzbekistan and Azerbaijan spoke against the adoption of the draft text of the declaration. The Ministerial Council approved a total of 15 documents, but some of them were merely formal or declaratory in nature.

OSCE field and election missions

As in previous years, an important part of the OSCE's work in 2008 were its offices, centres and missions (*OSCE field missions*) in individual participating states in South-East Europe, Eastern Europe, the Caucasus and Central Asia. The nineteen field missions focus on providing assistance to the host countries and their work concerns all three OSCE dimensions.

The Czech Republic sent experts to the great majority of OSCE/ODIHR election observation missions as long-term and short-term election observers. There were 64 of them in 2008.

The Czech Republic also sent civilian experts to long-term OSCE missions. In 2008, 10-12 persons from the Czech Republic worked in OSCE missions.

Prague office of the OSCE Secretariat

The Czech Republic continues to pay great attention to the work of the *Prague office of the OSCE Secretariat*. The Ministry of Foreign Affairs provides premises for the office free of charge and seconds the head of this institution. The Czech Republic is interested in further enhancing the significance of the office and extending its activities for the benefit of the entire organisation, by strengthening its function as an archive of historical documents and its role in providing information to experts and the general public, as well as its conference services and, most notably, the annual meeting of the *OSCE Economic and Environmental Forum*.

Council of Europe

The 118th session of the Council of Europe's Committee of Ministers was held in Strasbourg on 7 May 2008. The main points on the agenda included the situation in South-East Europe and the Council of Europe's contribution to common stability and security. The ministers adopted a communiqué in which they praised the cooperation between the Council of Europe and the EU, supported the consolidation of the system of human rights protection, and emphasised the importance of the continued implementation of the priorities from

the 3rd summit. They adopted the *Revised European Convention on the Adoption of Children* and the *Additional Protocol to the Convention on Human Rights and Biomedicine concerning Genetic Testing for Health Purposes*.

In connection with the conflict in Georgia in August, there was an Informal Meeting of Ministers for Foreign Affairs of the Council of Europe at the UN General Assembly in New York (24 September 2008). The *Committee of Ministers* was charged with elaborating an action plan to promote the Council of Europe's values and standards in Georgia and the Russian Federation.

The Czech Republic was actively engaged in discussions on the Council of Europe's agenda for 2009, and on the budget. Zero real growth in the budget (i.e. the budget was only increased by an inflation coefficient) was maintained. Nevertheless, owing to high inflation in France, where the organisation is based, contributions from member states, including the Czech Republic, were tangibly higher (by 3%). In line with its long-term priorities in the Council of Europe, the Czech Republic promoted the strengthening (including financial strengthening) of the programmes for cooperation and development activities for the countries of Eastern Europe and the Balkans, in human rights, democracy and the rule of law.

In 2008, the Czech Republic continued to support reforms in the Council of Europe's secretariat and in its restructuring efforts, especially in the directorates for social cohesion and culture. It also promoted making the organisation of ministerial conferences more transparent, and making the organisation's workings more efficient (in particular by increasing the mobility of its employees and making administrative procedures more flexible).

The *European Court of Human Rights* delivered a total of 16 judgments and 56 other decisions in respect of the Czech Republic.

At the turn of March and April, the *European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment* carried out an *ad hoc* visit to the Czech Republic, focusing on the surgical castration of persons sentenced to protective treatment. The objective of the visit was to gather information for a report containing recommendations for the Czech government.

In October, the *European Commission against Racism and Intolerance* visited the Czech Republic, where it met with representatives of the government and non-governmental

organisations to gather information for its regular report on the fight against racism and intolerance in the Czech Republic.

5. The Czech Republic and International Organisations

United Nations (UN)

As one of the founding members, the Czech Republic takes active part in the activities of the UN. As in previous years, in 2008 the Czech Republic duly fulfilled its financial obligations to the UN in a timely manner, took part in selected peace missions and provided a number of voluntary contributions for individual UN projects. In preparing resolutions, the Czech Republic coordinated its position within the EU, both directly in New York and through the thematic working groups and committees of the Council of the EU in Brussels. The common EU position is then presented by the presiding EU country. On questions for which EU countries does not manage to find a common position, the Czech Republic acts independently.

Principle UN bodies

62nd session of the UN General Assembly

In the first half of 2008, the 62nd session of the UN General Assembly (GA) continued under the presidency of minister S. Kerim from the Former Yugoslav Republic of Macedonia. Among the main topics in this part of the UN GA were the issues of climate change, financing development, Millennium Development Goals, UN reforms and implementing anti-terrorism measures.

After long years of stagnation and intricate negotiations, an important procedural step managed to be taken for reform of the *Security Council (SC)*, just before the end of the session. The General Assembly adopted a decision according to which intergovernmental negotiations in informal plenary should start by the end of February 2009 at the latest. The decision transfers SC reform from the working group, where the rule of consensus decision-making has made any movement forward impossible for the last fifteen years, to the GA, where if no consensus is achieved the result can be voting. The Czech Republic belongs to the group of countries that have long supported the process of reforming the UNSC.

Among the successes of the 62nd session of the GA in connection with UN reform were the adoption of a resolution ensuring system-wide coherence among UN participants in the area of development, a revision of mandates, and the adoption of a *Resolution on GA Revitalisation*.

63rd session of the UN General Assembly

On the days 16 September – 24 December 2008, the main (autumn) part of the 63rd session of the UN General Assembly took place in New York. M. d'Escoto Brockmann, former Minister of Foreign Affairs from Nicaragua, was elected its president. Taking part in the session for the Czech Republic was a delegation led by Minister of Foreign Affairs K. Schwarzenberg.

For the Czech Republic, the main events of the GA included (1) the introductory general debate, followed by the (2) informal high-level meeting of the GA on Africa's development needs, (3) the high-level event on the *Millennium Development Goals*, (4) the joint ministerial statement in support of the *Comprehensive Nuclear-Test-Ban Treaty*, (5) the GA interactive panel on the global financial crisis and (6) the commemorative plenary session on the 60th anniversary of the *Universal Declaration of Human Rights*.

On 23 September 2008, the Czech Republic deposited with the UN Secretary-General the instrument of ratification to the *Optional Protocol to the Convention on the Safety of the United Nations and Associated Personnel*. On the same day, the Minister of Foreign Affairs signed, with the qualification of national ratification, the *International Tropical Timber Agreement*, adopted 27 January 2006 in Geneva.

The general debate of the 63rd GA took place 23 – 29 September 2008 and was taken part in by 191 UN member states at the level of heads of state, heads of government and ministers of foreign affairs, as well as two observers. Minister of Foreign Affairs K. Schwarzenberg spoke for the Czech Republic on 27 September.

UN Secretary-General (UN SG) Ban Ki-moon introduced the General Debate of the 63rd GA. Representatives from UN member states turned their attention to current global problems. Many speakers pointed out the relation between the three current global crises – the financial, food and energy crises. Great attention was devoted to climate change and the risks that terrorism and extremist movements present for our civilisation. Some speakers spoke out

on the necessity of dealing with the political-security situation, particularly in the Middle East, in Iraq and in Afghanistan. Running parallel to the general debate was an evaluation of the implementation of the *Millennium Development Goals*.

The informal high-level GA meeting on Africa's development needs took place 22 September 2008. The UN Secretary-General presented a report on the development needs of Africa and the *Political declaration on Africa's development needs*, which confirmed existing promises. Deputy Minister of Foreign Affairs J. Kohout took part in the following round-table discussion for the Czech Republic.

On 25 September 2008, a high-level event on the *Millennium Development Goals* took place as part of the 63rd GA. The aim of the debate was to evaluate progress thus far at the half-way point of the fifteen-year period for which the international community established eight fundamental development goals. Outside the debate three other roundtable discussions took place, entitled (1) Eradicating hunger and poverty, (2) Education and healthcare and (3) Environmental sustainability.

On the occasion of the 63rd GA on 27 September 2008, the 4th Ministerial Meeting in support of the Comprehensive Nuclear-Test-Ban Treaty (CTBT) took place. The meeting was prepared by the governments of Australia, Finland, Japan, Canada, Costa Rica, the Netherlands and Austria and 40 ministers of foreign affairs participated in it, including Minister K. Schwarzenberg. At the close of the meeting a ministerial statement was adopted stressing strong support for a complete ban on nuclear testing and calling for the Treaty's early entry-into-force.

On 30 September 2008, an interactive panel under the leadership of the President of the 63rd GA was organised on the global financial crisis. Its aim was to identify the steps toward creating a more stable and better sustainable global economic order. The member states agreed on the key role of the UN in world reform of financial institutions. A proposal to set up a *High-Level Task Force of Experts* that would evaluate the current international financial system and formulate a recommendation for UN bodies received wide support.

On the occasion of the 60th anniversary of the *Universal Declaration of Human Rights*, a commemorative plenary session of the GA took place on 10 December 2008, where personalities from various parts of the world who had done the most to advocate human rights were honoured. In conclusion, a declaration was adopted on the necessity of human rights for

development in the world and also the progressive nature of human rights, as well as the *Optional Protocol on Economic, Social and Cultural Rights*.

Over the course of the autumn segment of the 63rd GA, a total of 60 resolutions were approved. From the point of view of the Czech Republic among the most important was the consensually approved resolution on the situation in Afghanistan, which was supported by a total of 85 states, including the Czech Republic. In autumn 2008, voting took place on the situation in the Middle East and a peaceful settlement on the issue of Palestine, the so-called "*Palestinian Resolutions*". The General Assembly also dealt with a Serbian draft resolution asking the International Court of Justice for an advisory position on whether Kosovo's unilateral declaration of independence was in compliance with international law. Also discussed were reports on the activities of the international tribunals (ICTY, ICTR, ICJ, ICC). On 10 November 2008, the GA adopted a resolution on the annual report of the *International Criminal Court (ICC)* in which it newly emphasised the importance of cooperation with states that are not signatories of the *Rome Statute of the ICC*.

Work of the main committees

On the *Disarmament and International Security Committee* (GA 1st Committee), a wide range of issues related to the eradication of the threat of weapons of mass destruction (hereinafter WMD) and the control of conventional weapons were discussed.

Resolutions on the destruction of chemical and biological weapons and on measures to prevent terrorists from acquiring WMD were adopted by consensus. A resolution requesting that the *Comprehensive Nuclear-Test-Ban Treaty* come into force and a resolution on the *Hague Code of Conduct against Ballistic Missile Proliferation*, submitted by the countries of the EU, received large support. Once again discussions on a convention banning production of fissile materials that could be used in the creation of nuclear weapons did not manage to be opened.

In the field of conventional weapons, the main issue was the illegal spread of light weapons and small arms. The EU countries devoted particular attention to continuing in the process of drafting an *Arms Trade Treaty*. Efforts continue to completely eradicate anti-personnel mines. A resolution on ammunition stockpiles in surplus was approved. New resolutions dealing with illicit brokering and cluster munitions were adopted.

Altogether 54 resolutions and four procedural decisions were adopted. Of these 25 resolutions and three decisions managed to be adopted in full agreement.

Over the course of the autumn section of the 63rd UN GA, the *Economic and Financial Committee* (2nd Committee of the GA) negotiated a number of topics from the areas of financial development, UN operational activities, sustainable development and the environment.

The main content of the committee's session on development was drafting a ministerial declaration for the *Conference on Financing for Development*, which took place from 29 November – 2 December 2008 in Doha. In the field of sustainable development, the debate was focused on the possibility of organising a summit in the coming years to carry on with the work of previous meetings in Rio de Janeiro and Johannesburg. The Brazilian proposal to call a *Rio+20* summit for 2012, supported by the G77 group, did not receive clear approval from developed countries. The draft resolution on *Agenda 21*, the negotiation of which the Czech Republic coordinated on behalf of the EU, was accepted by the 63rd GA with a consensus.

Over the course of the autumn section of the 63rd GA, informal consultations also continued on the draft resolution on the IEG (*International Environmental Governance*), the subject of which is strengthening the UN's role on the environment. The consultations showed that there is currently not sufficient political will among UN members to achieve a consensus. The Co-Chairs, supported by the states of the EU, therefore recommended temporarily suspending the informal consultations on the IEG and renewing them in the 64th GA session.

The 63rd GA also adopted Turkmenistan's resolution on the reliable and stable transit of energy. The resolution, which was particularly supported by the EU states, calls for a strengthening of international cooperation in the field of energy and supports the idea of organising an international conference in 2009 that would deal with increasing the security and reliability of all types of energy transit routes.

Altogether 33 resolutions were adopted, of which 31 were adopted by consensus and two by voting; in both cases the EU voted uniformly.

The agenda of the *Social, Humanitarian and Cultural Affairs Committee* (3rd Committee of the GA) included questions of social development, human rights, crime prevention and criminal justice, international drug control, the rights of children, women, indigenous populations, racism and the right to self-determination. The committee also discussed a report from the *UN High Commissioner for Refugees* and a report of the *UN Human Rights Council*.

The committee discussed a total of 60 resolutions. Another seven resolutions relating to the committee's agenda were adopted directly in the GA plenary. EU members voted uniformly in all cases save one, during voting on a resolution on activities following up on the Durban World Conference against Racism.

At its sessions, the *Special Political and Decolonization Committee* (4th Committee of the GA) discussed the issue of decolonising non-self-governing territories, the effects of atomic radiation, the Palestinian problem, etc.

In terms of the so-called "*Palestinian Resolutions*", the main topic discussed was the ongoing construction of Israeli settlements, including barriers and violence on the part of new settlers, as well as the worsening of the humanitarian, economic and social situation in the Occupied Palestinian Territory, in particular in Gaza. Traditional questions, such as, for example, Israeli military actions in the Occupied Palestinian Territory or the firing of missiles at Israeli territory, were more in the background this time. Among the new points were the ceasefire between Israel and Hamas, which however was only reflected in the resolution on a general level. The text of the resolution was improved markedly over the original drafts, which allowed unified voting among the EU. The EU states supported the resolution on the *Operations of the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)*, and abstained during voting on the *Work of the Special Committee to Investigate Israeli Practices*.

Of the other topics, the most attention was stirred up by the point for debate on the *Effects of atomic radiation*, where a conflict arose over how to deal with already long-standing interest of some member states in being members of the *United Nations Scientific Committee on the Effects of Atomic Radiation (UNSCEAR)*. The procedural outcome was agreement that the decision would be made next year at the latest.

The committee adopted 23 resolutions and four decisions, with nine resolutions being adopted by consensus and 14 by voting. The EU voted uniformly in ten cases.

The Administrative and Budgetary Committee (5th Committee of the GA) discussed a number of questions related to the smooth financial functioning of the UN, international tribunals (ICTY, ICTR), 28 special political missions and two peace missions (UNMEE, UNAMID). The dismal state of the UN's finances is a persistent problem. Only 31 countries (including the Czech Republic and the majority of EU member states) have completely paid off their commitments; 120 countries have paid their contributions to financing the complete renovation of the UN buildings.

One of the pivotal points of discussion was the proposed models for the UN contribution scale for the period 2010-2012, even though the decision for the final appearance of the scale will not be adopted until the autumn session of the 64th UN GA. Delegations submitted a total of 31 models, for which the *Statistics Division of the UN Secretariat* worked out calculations. Nevertheless no agreement was come to on which models will be recommended for expert assessment by the *Committee on Contributions* for its session in June 2009 and thus negotiations will continue.

After several years of unsuccessful negotiations, a resolution was approved on dealing with the unpaid contributions of the former Yugoslavia up to 27 April 1992. The successor countries will divide up payment of debt amounting to USD 1.25 million.

In discussions on the UN programme budget for the financial period 2008-2009, it was decided to increase the UN programme budget from the original USD 4.17 billion to a total of USD 4.86 billion; this growth is caused by newly arisen budget expenditures, a marked fall in the exchange rate of the USD and inflation. The budget outline for 2010-2011 was also discussed and was preliminarily approved at USD 4.87 billion.

In connection with the planned renovation of the UN building complex in New York, questions related to the uninterrupted provision of conference services during sessions of UN bodies were discussed. Also discussed was the reform of information technology and setting up a fully integrated information system with improved security.

One of the most important points was the debate on UN personnel reform, particularly in terms of simplifying the system of contracts and improving and unifying conditions for

performance. After complex negotiations, a compromise text was approved that will establish only three types of work contract starting 1 July 2009.

In total, the Committee adopted 22 resolutions and 12 decisions. All but one of the resolutions were adopted by consensus. The EU proceeded in unison for all votes.

During the session of the *Legal Committee* (6th Committee of the UN), the delegations attempted to negotiate on an abridged version of the resolution on measures to eliminate international terrorism, free of traditionally controversial topics. The resolution was however approved in its version from last year, supplemented only by a mention of the review of the *UN Global Counter-Terrorism Strategy* in September 2008 and setting a date for further discussions of the draft *Comprehensive Convention on International Terrorism* at the turn of June and July 2009.

The Sixth Committee furthermore approved a resolution on the criminal accountability of United Nations officials and experts on mission for the UN, in which further measures to increase international cooperation in investigating and prosecuting crimes committed by UN officials are added against the text from last year.

The approved biennial resolution on the *Status of the Protocols Additional to the Geneva Conventions* now newly mentions the adoption of the *Convention on Cluster Munitions*.

Negotiations continued on the *Articles of the International Law Commission (ILC) on nationality of natural persons in relation to the succession of States*. Further debate on whether to adopt them as a convention or leave them as legally non-binding was put off until the 66th session of the GA in the approved resolution. Aside from the general resolution on the *Report of the United Nations Commission on International Trade Law (UNCITRAL)*, independent resolutions were approved on the documents drafted by said Commission: on secured transactions and on the adoption of the *United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea*. The 6th Committee adopted a resolution on the law of transboundary aquifers in which it encourages the States concerned to make appropriate bilateral or regional arrangements and sets further debate on the form of the articles for the 66th GA session.

Altogether, the 6th Committee adopted 16 resolutions, all of which were approved by consensus.

UN Security Council

In 2008, the *UN Security Council* (hereinafter SC) adopted 65 resolutions and issued 48 presidential statements. In keeping with tradition it devoted much attention to the African continent and the Near and Middle East. In connection with the security and humanitarian situation, resolutions were adopted on the situation in Chad and Central African Republic, Sudan, Congo (DRC) and Côte d'Ivoire. Resolutions related to Somalia primarily dealt with the issue of piracy. Resolutions were also adopted on the situation in the Middle East, Iraq and in Iran in connection with its nuclear programme. The SC repeatedly dealt with the situation in Afghanistan and for the first time in history also with the situation in Burma/Myanmar, to which it issued a presidential statement adopted with a consensus. The SC also dealt with the situation in Georgia and in Bosnia and Herzegovina.

Thematic debates were already a regular item on the SC's agenda, representing one possible way to consider current world events. In 2008, much attention was devoted to the causes and consequences of armed conflicts, including their impact on certain social groups such as women and children. The result of one such thematic debate was the unanimous adoption of a resolution *Women, Peace and Security*, which the Czech Republic advocated with initiative. The resolution calls on parties in armed conflicts not to commit acts of sexual violence on civilians and on states to take steps to punish the perpetrators of such acts and to surrender them to justice.

On 17 October 2008, elections for five rotating SC members took place in the UN GA plenary. The new members chosen for 2009-2010 were Austria, Turkey, Japan, Mexico and Uganda. The newly elected members replaced Belgium, Italy, Indonesia, Panama and South Africa, who sat on the SC for the years 2007-2008.

UN Economic and Social Council

The substantive session of the UN Economic and Social Council (ECOSOC) was held in New York on 30 June – 24 July 2008 and was divided into the following segments: high-level segment (HLS), coordination segment, operational activities segment, humanitarian affairs segment and general segment. The delegation of the Czech Republic, which was an

ECOSOC member for the 2006-2008 term, was led by Ambassador M. Palouš, Permanent Representative to the UN in New York.

In the HLS, there was a debate involving senior representatives of international financial and trade institutions on the state of the world economy and the possibilities of realising the development agenda within the UN. Part of this segment was also a debate of the *Development Cooperation Forum (DCF)* on the topic of how to make development cooperation more coherent and effective. A further point of the programme was the *Annual Ministerial Review*, where information on the fulfilment of UN development agenda tasks was given.

The main goal of the coordination segment was to continue in implementing the conclusions of the *Ministerial Declaration of ECOSOC's substantive session from 2007 (a strengthened effort to eradicate poverty and hunger including through the global partnership for development)*. The coordination segment also dealt with an evaluation of the ability of the UN system to face current challenges, particularly the fight against poverty and hunger. The aim of the debate was also to identify areas where the UN needs to be closer to the public.

A core theme of the operational segment was the *Operational Activities of the UN in international development cooperation*. Also as part of this segment were a number of thematic panels and three main reports of the UN Secretary-General were presented.

The humanitarian affairs segment provided space for an exchange of opinions on the issue of strengthening coordination of the humanitarian aid system within the UN.

As part of the general segment, reports of the component expert economic and social bodies of the UN were presented.

UN International Conferences

Conference of the Parties of the UN Framework Convention on Climate Change and Meeting of the Parties of the Kyoto Protocol

From 1 to 12 December 2008, the 14th Conference of the Parties of the UN Framework Convention on Climate Change (UNFCCC) and the 4th Meeting of the Parties of the Kyoto Protocol (KP) took place concurrently. In connection with the discussion on

implementing the UNFCCC a number of decisions were adopted, for example on implementing the Bali Action Plan, on the fourth review of the UNFCCC financial mechanism or on capacity-building for developing countries. One of the important decisions adopted for the KP was the decision allowing the launch of the Adaptation Fund, from which the financial aid to cover the costs of adaptation measures in developing countries is supposed to flow. Also discussed was the approach for preparing an agreement on a new climate change regime for after 2012, which above all is to set new commitments for the parties in terms of reducing greenhouse gas emissions for this period.

The Czech Republic's delegation chaired the regional group for the states of Eastern Europe and within the EU's activities at this international forum, in light of the Czech Republic's upcoming presidency of the Council of the EU, it also took part in the activities of the EU Troika along with presiding France and the European Commission. The leader of the Czech delegation was Deputy Prime Minister and Minister of the Environment M. Bursík.

Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer

From 16 to 20 November 2008, the *8th Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer* and the *20th Meeting of the Parties to the Montreal Protocol* took place. The pivotal topic of the 8th Conference of Parties to the Vienna Convention was an evaluation of activities in terms of researching the ozone layer. The Czech Republic was praised as one of the countries actively supporting research with its experts as well as financially. At the 20th Meeting of the Parties to the Montreal Protocol, a breakthrough decision was adopted calling on the parties to take legislative steps to ensure recovery of regulated substances and their disposal. It was also decided to replenish the Multilateral Fund for the Implementation of the Montreal Protocol in the amount of USD 490 million for the triennium. The Czech Republic's contribution, paid from the budget allocation of the Czech Environment Ministry in the years 2009 – 2011 will amount to CZK 7.6 million a year. The Czech delegation was led by Czech Environment Ministry representative J. Achrer.

Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade

In Rome on 27 – 31 October 2008, the *4th meeting of the Conference of the Parties to the Rotterdam Convention* took place. The meeting primarily evaluated the success of implementing the *Convention when putting in place measures on the import and export of hazardous substances*. The Czech delegation was led by Deputy Environment Minister K. Bláha.

Convention on Biological Diversity

In Bonn on 19 – 30 May 2008, the *9th Meeting of Parties to the Convention on Biological Diversity* took place. The core topics of the meeting were practical questions to do with the transboundary movement of live modified organisms, questions of biodiversity in dry and sub-humid areas, world initiative, and last but not least the issue of access to genetic resources. The Czech delegation was led by Deputy Environment Minister F. Pelc.

Cartagena Protocol on Biosafety

On the days 12 – 16 May 2008, the *4th meeting of the Conference of the Parties to the Convention on Biological Diversity, serving as a Meeting of the Parties to the Cartagena Protocol* took place in Bonn. The main topics of the negotiations were above all responsibility and compensation for damages caused during the transboundary movement of genetically modified organisms (GMOs), sampling and detection of GMOs, risk assessment and management in the handling of GMOs, capacity-building and strengthening human resources, socio-economic aspects, exchange of information and the *Biosafety Clearing-House (BCH)* and the mechanism for funding and financial resources of the Protocol. The head of the Czech delegation was Environment Ministry representative H. Jiráková.

Convention on the Conservation of Migratory Species of Wild Animals

From 1 to 5 December 2008, the *9th meeting of the Conference of the Parties to the Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention)* took place in Rome. The meeting evaluated the state of implementation of the Bonn Convention and all agreements and memoranda that were created under the Convention, approved the Strategic Plan of activities for the next period and approved the inclusion of new migratory species in Appendices I and II. The task to be dealt with in the following triennium

is finding the next steps for the Convention, fulfilling the agreements and memoranda and searching out donors for ensuring the protection of migratory species. The Czech delegation was led by Deputy Environment Minister F. Pelc.

Agreement on the Conservation of African-Eurasian Migratory Waterbirds

On 15 – 19 September 2008, the *4th Meeting of the Parties to the Agreement on the Conservation of African-Eurasian Migratory Waterbirds* was held in Madagascar. The meeting adopted a total of twenty decisions governing further action under the Agreement, of which those with the highest priority are adoption of a strategic plan for 2009 – 2017 setting the programme for the Agreement's future activity, including setting priorities for the coming period, phasing out lead shot for hunting in wetlands, the effects of climate change on migratory waterbirds and the adoption and implementation of international action plans for single species of migratory waterbirds and invasive non-native species in the territory of the Agreement. The meeting adopted changes to the Agreement Appendices related to the adding of new species to Appendix II of the Agreement and modifying Table 1 of the Action Plan contained in Appendix III, describing the status of migratory waterbird populations from the point of view of conservation. The Czech delegation was led by Deputy Environment Minister F. Pelc.

Framework Convention on the Protection and Sustainable Development of the Carpathians

On 17 – 19 June 2008, the *2nd Meeting of the Conference of the Parties to the Framework Convention on the Protection and Sustainable Development of the Carpathians* was held in Bucharest, where the Convention's first protocol was concluded, the *Protocol on Conservation and Sustainable Use of Biological and Landscape Diversity*. On behalf of the Czech Republic the Protocol was signed by the head of the delegation, Deputy Environment Minister F. Pelc. The conference dealt with the activities of the Convention's six working groups, the results of the EU project INTERREG IIIB CADSES for the support of the Convention, which ended in 2008, and also approved the results of the discussions by the *Steering Committee for the Carpathian Network of Protected Areas (CNPA)* and dealt with issues of the financial mechanism and funding resources, including the budget.

Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

Between 23 and 27 June 2008, the *9th meeting of the Conference of the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes* took place in Bali. Discussed at the meeting were revision of the technical guidelines for used tyres, incineration and other methods of disposing of household waste, persistent organic pollutants and the question of the capability of releasing toxic gasses upon contact with water or air. The parties also dealt with the harmonisation and coordination of labelling chemical substances. The Czech delegation was led by Deputy Environment Minister K. Bláha.

International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus

On the days 29 November – 2 December 2008, the International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (FfD II) took place in Doha, Qatar. The Czech delegation was led by Deputy Foreign Minister J. Kohout. The conference, which took place during the rapid rise of the financial and economic crisis, adopted a final document of which the basic element is a confirmation of the financial and other commitments in the field of development cooperation, commencement of discussion on intensifying the follow-up mechanism of financing for development and a decision on putting on a UN conference on the impact of the financial and economic crisis on development.

UN Specialised Agencies

United Nations Educational, Scientific and Cultural Organisation (UNESCO)

In UNESCO in 2008, implementation was commenced of the new *Medium-term Strategy for 2008-2013*, adopted at the 34th session of the *General Conference*. Also starting up was implementation of UNESCO's new *Programme and Budget for 2008-2009*, based on a decision not to increase the regular budget.

Two substantive sessions (the 178th and 179th) of the *Executive Board* were held during the year. After the end of a four-year membership in the Executive Board (2003 – 2007), the Czech Republic took part in the meeting as an active observer; in the first half of 2008, its delegation took on the role of coordinator for the *Eastern European Regional Group*.

The Czech Republic remains represented in six subsidiary elected bodies (*Bioethics Committee, Egyptian Museum, Restitution, UNESCO Headquarters, Council of the UNESCO International Bureau of Education and Intergovernmental Council for the Information for All Programme*).

In 2008, the Czech Republic once again provided a voluntary financial contribution in the amount of CZK 5.5 million toward UNESCO projects in developing countries as part of its development cooperation. These are mainly long-term projects focused on post-war reconstruction in the culture and education sectors, in Iraq, Afghanistan, Lebanon and the Occupied Palestinian Territory.

In connection to praise that UNESCO gave to the *One World* film festival, focused on support for human rights around the world, this festival was presented with a screening 25 September 2008 at the Paris headquarters. A discussion evening entitled *Round Table on the Events of Spring 1968 in Czechoslovakia and Poland* met with lively reception and was organised for 2 December 2008 at the UNESCO headquarters by the delegations of the Czech Republic, Slovakia and Poland.

The Czech Commission for UNESCO, whose chairperson H. Illnerová started her second two-year term on 28 November 2008, was the co-organiser of several educational and cultural events, in particular as part of the ongoing *Decade of Education for Sustainable Development (2005 – 2014), International Year of Planet Earth 2008 and the 60th Anniversary of the Universal Declaration of Human Rights*. In cooperation with the Czech Academy of Sciences (AV CR), several Czech universities and Czech Radio a colloquium on *International Mother Language Day* was put on in Prague 21 February 2008. The *Secretariat of the Czech Commission for UNESCO (SCC)* continued in coordinating cooperation with the Czech network of 50 UNESCO associated primary and secondary schools (*ASPnet*). The annual *UNESCO Global Action Week* was devoted to the topic *International Year of Planet Earth 2008* in the second half of the 2007/2008 school year. On 24 – 26 November 2008, the SCC organised an *Annual ASPnet Meeting* in Prague. It also launched preparations for an extensive three-year project using resources from the *European Social Fund* and ensured it was properly submitted by the October deadline (implementation starting 1 April 2009). Among the significant projects in cooperation with the Environmental Education Club, the SCC and the AV CR using financial participation from the regular UNESCO budget were, at

the end of the year, two annually organised *Youth Conferences on Sustainable Development – for Primary and Secondary Schools*, for the first time with international participation.

UN Industrial Development Organisation (UNIDO)

On 14 – 16 May 2008, the *34th session of the UNIDO Industrial Development Board (IDB)* took place in Vienna. On the IDB programme the following points were discussed: implementation of the medium-term programme for 2008 – 2011, South – South cooperation, regional programme for LAC, UNIDO approach to GEF, UN and UNIDO reform, cooperation with other international organisations and UNIDO's possible reaction to the global food crisis.

On 2 – 4 December 2008, the *35th session of the UNIDO Industrial Development Board (IDB)* took place in Vienna. On the IDB programme the following points were discussed: implementation of the medium-term programme for 2008 – 2011, the report of the UNIDO Programme and Budget Committee, report of the external auditor on the accounts of UNIDO, the financial situation of UNIDO, mobilisation of UNIDO financial resources, financial framework for 2010 – 2013, Cooperation Agreement with UNDP, the global food crisis and a system of coherence for the UN development system.

Czech institutions took part in the realisation of cleaner production projects and training courses in predicting technological development. For the Czech Republic UNIDO is a natural partner in cooperation related to carrying out the Czech EU presidency, of which the priority topic in the field of development cooperation is *Local sustainable energy sources in developing countries*. The Czech Republic's voluntary contribution to the IDF (*Industrial Development Fund*) was CZK 3.5 million in 2008.

Food and Agriculture Organisation of the United Nations (FAO)

On 3 – 5 June 2008, the *High-Level Conference on World Food Security: the Challenges of Climate Change and Bioenergy* took place at the FAO Headquarters in Rome. Taking part in the conference were around 40 heads of state and government, about 70 ministers and a total of 4000 delegates. The Czech delegation was led by 1st Deputy Agriculture Minister I. Hlaváč. The declaration adopted by the conference points out the crisis situation on the world food market and the growing number of undernourished people. It calls to ensure food security and significantly increase investments in agriculture and rural development, for greater involvement of the international community in increasing the resilience of food systems to climate change, for successful conclusion of the Doha Development Agenda in favour of more just conditions on the world food market and for greater dialogue on the influence of biofuel production on food security.

On 19 – 22 November 2008, the 35th (Special) Session of the FAO Conference took place, i.e. of the supreme governing body of this international organisation. The Czech delegation was led by 1st Deputy Agriculture Minister and head of the *Czech Committee for Cooperation with FAO* I. Hlaváč. This special session of the Conference was called with the aim of approving the *Immediate Plan of Action for FAO Renewal (2009-2011)*, which was the result of the joint work of member states and FAO management under the *Conference Committee on Follow-up to the Independent External Evaluation (CoC-IEE)* and three reform working groups for the period January-November 2008.

In 2008, the Czech Republic held onto the position of the most significant donor within the FAO from among the new European Union members. Voluntary contributions from the Agriculture Ministry's chapter for development cooperation were once again allocated through the joint trust fund. In 2009, CZK 9 million was allocated to cover the costs of development cooperation projects – FAO training courses and seminars organised in the Czech Republic for experts from the countries of Eastern Europe, joint forestry projects by the Czech Republic and FAO in Mali, and a contribution to the fund for national forestry programmes, which allowed the Czech Republic to enter the *FAO/NFP Facility* steering committee.

International Labour Organisation (ILO)

From 28 May to 13 June 2008, the 97th session of the *International Labour Conference*, which is the highest authority of the ILO. Heading the Czech delegation was Deputy Minister of Labour and Social Affairs M. Hošek. The main topics of the meeting were

the report of the Director-General of the *International Labour Office*, on the implementation of the its programme for 2007-2008 with an Appendix on the situation of workers of the occupied Arab territories, and also the *2008 Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work*. The last document discussed was the Director-General's report *Decent Work - Some Strategic Challenges Ahead*, focused on current topics such as the crisis in the financial sector, growing food prices, economic recession and the role of the ILO in this situation.

At the close of the conference, the *Declaration on Social Justice for a Fair Globalization* was adopted. The main significance of the declaration is a new definition of the ILO's strategic goals through the *Decent Work Agenda*. The declaration and its subsequent process are to contribute to increasing the ILO's importance in the world of a globalising economic and social environment.

At the independent session of the *ILO Committee on the Application of Conventions and Recommendations*, the violation of conventions by Burma/Myanmar and Zimbabwe was discussed. The Czech Republic appeared on the agenda in connection with fulfilment of the *Discrimination (Employment and Occupation) Convention* with regard to the issue of Roma ethnicity and the "lustration" law. The *Committee on skills for improved productivity, employment growth and development* discussed issues around the knowledge economy and lifelong learning for workers. The *Committee on Rural Employment* stressed in its conclusions the importance of support for small-scale agriculture, transport and social infrastructure and access to transparent markets for the worldwide fight against poverty.

During the conference, elections to the Governing Body of the International Labour Office were held for the 2008 – 2011 term, as part of which the Czech Republic became a full member of the Governing Body. At both sessions in 2008, the Czech Republic got actively involved in, among other things, the work of the informal group of *Industrial Market Economy Countries (IMEC)*. As part of the November session of the Governing Body, J. Somavia of Chile was once again elected Director-General for the 2009-2014 term.

World Health Organisation (WHO)

In Geneva on 19 – 24 May 2008, the 61th session of the *World Health Assembly* took place. During the session, working groups and the plenary discussed questions related to the flu pandemic and other communicable and noncommunicable diseases, to the health impacts

from climate change and meeting the Millennium Development Goals related to health. The Czech delegation was led by M. Vít, Deputy Minister of Health and Chief Public Health Officer of the Czech Republic.

International Maritime Organisation (IMO)

In 2008, the *International Maritime Organisation* devoted attention to dealing with problems surrounding the introduction of a global information system on the movement of ships (LRIT – Long Range Information and Tracking) and around the complete revision of the system for designing ships with regard to the planned lifespan of crafts. The worsening security situation in the Gulf of Aden, in the territorial waters of Somalia and the adjoining international waters, demanded extraordinary attention.

According to IMO statistics, more than 120 pirate attacks took place in this area in 2008, with 35 vessels and more than 600 sailors being kidnapped by pirates and two sailors having been killed. This is an area via which more than 12 % of the volume of world oil trade is transported. These security risks have a dramatic impact on the key sea route from Europe to the Middle and Far East transiting the Suez Canal. The worsening situation was also taken up by the UN Security Council.

International Civil Aviation Organisation (ICAO)

On 15 – 20 September 2008, the ICAO organised the *Conference on the Economics of Airports and Air Navigation Services (CEANS)* in Montreal, at which questions related to charges for basic services in air transport. CEANS brought success for European states, which actively contributed to further modifying the recommended procedures for charging for airport services and air traffic management services toward harmonisation with the regulations of the European Communities.

In 2008 again, questions of safety in civil aviation and security against illegal acts were the centre of attention for the Council and the whole ICAO. The ICAO also focused on carrying out audits on the implementation of the technical appendices to the *Convention on International Civil Aviation* in individual countries.

World Tourism Organisation (UNWTO)

In 2008, the Czech Republic commenced a four-year membership in the *Committee for Statistics and Macroeconomic Analysis of Tourism* (for the 2008-2011 term). On 15 – 16 May 2008, the 48th session of the *UNWTO Commission for Europe*, which is the second largest regional commission in the organisation, took place in Prague. Membership in UNWTO is constantly taking on greater gravity and importance worldwide, particularly in connection with the activities that UNWTO is developing in the field of research, the fight against poverty, sustainable development, etc.

UN Programmes, Funds and other Specialised Bodies

UN Conference on Trade and Development (UNCTAD)

UNCTAD's work in 2008 was to a large extent influenced by preparations for and then the actual XII session of the *UN Conference on Trade and Development (UNCTAD XII)* at the ministerial level, which took place on 20 – 25 April 2008 in Accra. The Czech delegation was led by Deputy Foreign Minister H. Bambasová. UNCTAD then dealt with the implementation of the results of that session, in particular in terms of preparing a work programme for the following four-year period.

At UNCTAD XII, an agreement managed to be reached on the resulting document, the *Accra Accord*, which contains the majority of the EU's priorities, including a reform package and definitions of the functions of the individual bodies. The number of commissions was reduced to two, the *Trade and Development Commission* and the *Investment, Enterprise and Development Commission*. One new thing approved was multi-year expert meetings.

Also in 2008, there were one regular, three executive and one special meetings of the *Trade and Development Board (TDB)*, UNCTAD's highest management body in the period between the sessions of the ministerial conference. The 24th special session of the TDB, which took place on 17 -20 March 2008, discussed in particular the reports from sessions of the individual Commissions and questions related to preparations for UNCTAD XII.

At the 55th regular session of the TDB in September 2008, Permanent Representative of the Czech Republic to the United Nations Office in Geneva T. Husák was elected one of the TDB vice-chairs for the following year, and during the session he also chaired a hearing with civil society and the private sector on the global financial and food crisis. The topic of

the high-level meeting was the issue of trade and productive capacities for achieving internationally agreed development goals, including the Millennium Development Goals. The secretariat presented UNCTAD's most important reports (*Trade and Development Report 2008*, *World Investment Report 2008*, *The Least Developed Countries Report 2008*). Two sessional committees were formed as part of the meeting, on issues of least developed countries (LDCs) and Africa, where negotiations took place on particular recommendations as guideposts for further UNCTAD activities in the given areas.

At the request of the TDB chair, on 13 November 2008, the 45th executive session of the TDB took place on the issue of financing for development, particularly in relation to the global financial crisis. Its aim was to contribute to the preparation process for the *Doha Conference to Review the Implementation of the Monterrey Consensus*.

UN Commission on Sustainable Development (CSD)

The 16th session of the *UN Commission on Sustainable Development* was held in New York from 5 to 16 May 2008. The delegation of the Czech Republic was led by the Executive Secretary of the Working Group (Government Council for Sustainable Development) for the Coordination of Preparations for the CSD Sessions J. Hlaváček from the Czech Ministry of the Environment. The session evaluated progress in implementing the sustainable development programme in areas such as agriculture, rural development, soil, drought, desertification, Africa and cross-cutting themes.

UN Development Programme (UNDP) and UN Population Fund (UNFPA)

The *United Nations Development Programme (UNDP)* has, as the principle UN body for coordinating development work, a global reach and annually administers finances of USD 5 billion, making it the biggest provider of grant aid in the UN system.

The Czech Republic provides most of its finances to the UN development system through the UNDP. Thanks to a contribution made to the "trust fund", Czech experts on environmental matters and energy efficiency and economic transformation, medical personnel (primarily in the area of the fight against HIV/AIDS) and specialists in small and medium-sized enterprise or waste and water management, may take part in UNDP projects and programmes. In this way, Czech expertise was involved in Albania, Armenia, Belarus, Bosnia

and Herzegovina, Kosovo, Kyrgyzstan, Moldova, Montenegro, Serbia, Uzbekistan and Ukraine in 2008.

On 21 – 24 January and 8 – 12 September 2008, the regular session of the *Executive Board of the UN Development Programme (UNDP) and UN Population Fund (UNFPA)* took place. In 2008, the Czech Republic was on the executive board as an observer.

UN Environment Programme (UNEP)

From 20 to 22 February 2008, the 10th Special Session of the *Governing Council of the UN Environment Programme/9th Global Ministerial Environment Forum (UNEP/GMEF)* was put on in Monaco. Two current topics were the main themes of the consultations: *Globalisation and the Environment – Mobilising Finance to Meet the Climate Challenge* and *International Environmental Governance and UN Reform*. The session also dealt with practical questions of environmental protection, in particular chemicals management, including mercury and waste, and sustainable development of the Arctic region. The *UNEP's Medium-term Strategy for the period 2010 – 2013* was presented and approved at the session, representing a basic strategic document for the future activity of the UNEP with the goal of achieving, through six cross-cutting priorities, more effective and efficient functioning of the UNEP, which will become results-based and will completely base its work on scientific findings.

The delegation of the Czech Republic, which is a member of the UNEP Governing Council for the period 2006 – 2009, was led by Deputy Prime Minister and Minister of the Environment M. Bursík. As the Vice-President of the Governing Council Bureau, First Deputy Environment Minister of the Czech Republic J. Dusík chaired the Working Committee.

Every year, the Czech Republic contributes to the UNEP Environment Fund (EF); in 2008 their voluntary contribution was CZK 4.5 million.

UN Programme for Human Settlements (UN-Habitat)

As part of the ECOSOC organisational session in New York in April 2008, the Czech Republic was again voted onto the Governing Council of this UN system development programme for the term 2009 – 2012.

Every year, the Czech Republic provides a voluntary contribution to the UN-HABITAT budget. In 2008, the amount was CZK 2 million.

UN Volunteers Programme (UNV)

Together with the UNV, in 2008 the Czech Republic continued looking for additional ways and means of cooperating both on joint projects and with a view to increasing participation and strengthening the role of Czech volunteers in UN peace missions. Direct contact is kept with the staff of UNV Bonn as part of special recruitment drives that take place annually in Prague.

In 2008, the Czech Republic expressed its support for volunteer activities within the UN system with the participation of 27 Czech volunteers – 14 of those women – in multilateral UNV programmes. Czech volunteers took part in long-term missions, particularly in Africa, Asia and the Balkans, in the following countries: Afghanistan, Angola, Bosnia and Herzegovina, Congo, Côte d'Ivoire, East Timor, Egypt, Ethiopia, Kosovo, Mongolia, Marocco/Western Sahara, Nepal, Sudan, Ukraine, Vietnam and Yemen. The most Czech volunteers worked in Bosnia and Herzegovina, Kosovo and Ukraine.

World Food Programme (WFP)

In 2008, the Czech Republic's donor activities to the *World Food Programme (WFP)* continued, it being reliant on the voluntary contributions of donor countries, institutions, private business and individuals. The Czech Republic donated a total of CZK 14.5 million to the WFP in 2008, of which CZK 12 million was for humanitarian projects in Kenya, Senegal, Zimbabwe and the countries of the Horn of Africa and a further CZK 2.5 million was in the form of a voluntary contribution to the WFP budget.

Universal Postal Union (UPU)

From 23 July to 12 August 2008 in Geneva, the 24th *Universal Postal Congress* took place, which as the top body of this specialised UN agency meets once every four years. The Congress discussed changes to the "*UPU Act*" (the multilateral international agreements governing the UPU and postal relations between the 191 member countries), adopted a basic strategic document for 2009 - 2012, the "*Nairobi Postal Strategy*", and re-elected the serving Director General E. Dayan (France) and his Deputy G. Huang (China) to their functions

again. Also elected were 40 member states to the UPU's two managing bodies – the *Council of Administration* and the *Postal Operations Council*.

UN Economic Commission for Europe (UNECE)

In accordance with the UNECE reform, in 2008 the annual plenary session was not held for the first time. It will take place in the first half of 2009. Within the Commission a new *Working Group on Ageing* was created. A significant part of the UNECE's activity in 2008 was focused on technical cooperation, with the traditional involvement of the Czech Republic.

In January 2008, a regional implementation session of the UNECE region took place to prepare for the 16th session of the UN Commission on Sustainable Development. Czech delegation leader J. Hlaváček chaired the segment dedicated to desertification and drought and was the main presenter on relations between the EU, the UNECE region and Africa. Attention was also paid to cooperation between the ECE and the Organisation for Security and Cooperation in Europe (OSCE), including in preparing for and putting on the 16th OSCE Economic and Environmental Forum, the second part of which took place in Prague on 19 – 21 May 2008, attended by Executive Secretary Belka.

On 1 November 2008, M. Belka freed up his function and 19 December 2008 the UN Secretary-General named as new ECE Executive Secretary J. Kubiš, until then Slovak Minister of Foreign Affairs, to take up the function on 28 January 2009.

On 25 – 27 November 2008, the fifth session of the Conference of Parties to the Convention on the Transboundary Effects of Industrial Accidents took place in Geneva. The conference evaluated the status of implementation of the Convention and assessed the progress made within the Assistance Programme for the Countries of Eastern Europe, Caucasus and Central Asia and Southeast Europe. The conference also approved safety guidelines and good practices for tailings management facilities and called for their implementation. The leader of the Czech Republic's delegation was Czech Environment Ministry representative P. Forint.

The twenty-sixth session of the Executive Body, which is the governing body of the Convention on Long-range Transboundary Air Pollution, took place on 15 – 18 December 2008 in Geneva. The session discussed proposed changes to the Protocol on Persistent

Organic Pollutants and decided on a procedure for discussing changes to the Protocol on Heavy Metals and the Protocol to Abate Acidification, Eutrophication and Ground-level Ozone (Gothenburg Protocol).

UN Committee on the Peaceful Uses of Outer Space (COPUOS)

On 11 – 20 June 2008, the delegation of the Czech Republic, led by Professor V. Kopal, took part in the 51st session of the *UN Committee on the Peaceful Uses of Outer Space (COPUOS)* in Vienna. As in previous years, the session dealt with questions of maintaining outer space for peaceful purposes and implementation of the recommendations of the UNISPACE III conference. The Committee also dealt with the application of spin-off benefits of space technology, the relationship between space and society and International cooperation in promoting the use of space-derived geospatial data for sustainable development.

Over the course of 2008, the Czech Republic got involved in the activities of the *Scientific and Technical and Legal Subcommittees of COPUOS*. At the session of the Scientific and Technical Subcommittee year's experiences with directives on space debris were evaluated. The Committee also praised the progress achieved along with the expert group of the Scientific and Technical Subcommittee and the *International Atomic Energy Agency (IAEA)* in preparing the safety framework for goals and recommendations for possible future use of nuclear power sources in outer space. It also looked at topics of the danger of an asteroid colliding with the Earth and the utilisation of geostationary orbit. The COPUOS Legal Subcommittee session took place under the chairmanship of Professor V. Kopal. In 2008, the Czech Republic supported the UN SPIDER project for using space monitoring to warn against natural disasters with a voluntary contribution of CZK 200,000.

The fight against transnational organised crime and drugs in the United Nations

UN Commission for Narcotic Drugs (CND)

The 51st session of the *UN Commission for Narcotic Drugs* was held in Vienna on 10-14 March 2008. The CND dealt with traditional topics, such as reducing the demand for drugs and the supply of drugs and the issue of the illegal drugs trade. The CND furthermore appraised the implementation of commitments in respect of international anti-drugs

conventions and the annual report of the *International Narcotics Control Board*. Thematic debates as part of the 51st session dealt with assessing progress achieved in the ten years elapsed since the 20th UN GA special session on drugs (UN GASS). Considerable attention was paid to strengthening the concept of alternative development, consisting in the eradication of crops used to produce drugs and their replacement with other commercially viable crops. The Czech Republic is actively involved in a number of the CND mechanisms for international cooperation in the fight against the international trade in drugs.

In 2008, the Czech Republic once again made a voluntary contribution of CZK 2.7 million to the *UN Drug Control Programme (UNDCP)* for the *Central Asian Regional Information and Coordination Centre (CARICC)*, whose purpose is to promote and coordinate police cooperation and information exchange between the countries of Central Asia, Russia and Azerbaijan. CARICC has the status of an international organisation based in Kazakhstan and with liaison offices in individual member states. CARICC closely cooperates with *Interpol*, *Europol*, and the *World Customs Organisation (WCO)*. Besides this project, the Czech Republic contributed CZK 1.8 million to the *General Purpose Fund* to support the UNODC budget.

UN Commission for Crime Prevention and Criminal Justice (CCPCJ)

A session of the *UN Commission for Crime Prevention and Criminal Justice*, of which the Czech Republic was a member up until the end of 2006, took place on 10 – 18 April 2008. The substantive part of the session focused on evaluating the work, financing, and management of the *UN Office on Crime and Drugs (UNODC)*, implementation of the *Vienna Declaration*, and strengthening technical assistance and development cooperation in the area of the fight against corruption, organised crime and terrorism.

UN Office on Drugs and Crime (UNODC)

In 2008, the priorities of the UNODC continued to be the ratification and implementation of legal instruments, implementation of the conclusions of the *Bangkok Declaration*, technical and expert assistance, international cooperation in the area of crime prevention and the fight against trafficking in human beings and drugs, development aid with a view to eradicating the cultivation of coca and opium, the fight against money laundering and corruption, and implementation of legal instruments related to the fight against terrorism.

The Czech Republic and International Organisations

The Czech Republic and the World Economy (OECD, WTO, MMF, SB, EBRD, CEB, MBHS, MIB)

Organisation for Economic Cooperation and Development (OECD)

The Czech Republic's participation in the work of the OECD in 2008 encompassed a broad range of areas and themes and involved the majority of ministries and a number of other institutions as well. The Czech Republic attended the sessions of a number of conferences, committees and working bodies and took part in preparing documents and materials and resolving topical questions concerning the economic development of member countries and the world as a whole.

In its standing as an intergovernmental organisation, the OECD asserted itself into the position of expert consultant to the G8 and the *Heiligendamm process*; it deepened specific cooperation with the UN and its components, with the *World Bank*, the MMF, WTO, IAEA and others. Top representatives of the OECD appeared at practically all important world forums on global issues of growth, on economic reforms, innovations, climate change and development cooperation.

In 2008, practical steps were set into motion to expand the OECD. The majority of candidate countries submitted the initial documents in the first half of the year. Multilateral dialogue continued with "strengthened cooperation" countries as part of their perspective closer association with the organisation. Candidate countries as well as strengthened cooperation partners belong among the important economies with significant weight and responsibility in the world economy.

The OECD long monitored and evaluated the growing symptoms of the world financial and economic crisis. Even before it was full-blown the organisation and its member countries began to prepare a strategic response in the form of analyses of the fundamental causes of the crisis and a series of measures to dampen its effects. The document was provided to member governments for individual use in the form of an *Action Plan*.

In 2008, the Czech Republic heightened its cooperation with the OECD. Coordination by the Czech Ministry of Foreign Affairs as the administrator of the Czech Republic's membership in the OECD took place within the *Working Group for Cooperation with the*

OECD, the members of which are all the central state administration bodies involved in the activities of the OECD. Over the course of 2008, the working group focused on preparing for important OECD sessions and for processing materials for the government on instruments recommended by OECD in 2007 and their use in the Czech Republic.

A significant event of the year was the official presentation of the *Economic Survey of the Czech Republic* in Prague. The Secretary-General of the OECD himself, A. Gurría, presented it on 24 April 2008, attended by Prime Minister of the Czech Republic M. Topolánek and the government ministers. Over his several-day visit to Prague A. Gurría was also received by the President of the Republic and other representatives. A. Gurría also gave lecture to students of the Faculty of Social Sciences at Charles University, a lecture for representatives of government ministries, associations, business associations and the academic sphere and gave a number of interviews for print, radio and television.

Another important event from the point of view of the OECD was the *Ministerial Council Meeting of the Organisation for Economic Cooperation and Development (MCM)*, which took place on 4 – 5 June 2008. The delegation of the Czech Republic was led by Czech Deputy Minister for Industry and Trade M. Tlapa. Also in the delegation were representatives of the ministries of foreign affairs, finance and the environment, as well as the *Permanent Delegation of the Czech Republic to the OECD*. The profiled topics for the meeting were the world economic situation, external relations, economic reform and the economic impact of climate change. The conference adopted a *Declaration on Policy Coherence for Development* and a *Declaration on Sovereign Wealth Funds and Recipient Country Policies*.

Running in parallel on 3 – 4 June 2008 was the *OECD Forum with representatives of non-governmental organisations*, where consultations with the *Business and Industry Advisory Committee (BIAC)* and the *Trade Union Advisory Committee (TUAC)* took place. Within the structured panels, the Forum provided the opportunity for discussion between the wide professional public and politicians and experts. The key topic, *Climate change, Growth and Stability* corresponded to the thematic focus of the MCM in 2008. In separately organised blocks, discussion took place among the participants – representatives of the professional public and panellists – on the individual topics. Among the speakers invited was Professor J. Frait from the Czech National Bank, who presented in the block on *Financial Market Turbulence*.

The spring *OECD Executive Committee in Special Session (ECSS)* on 5 – 6 May 2008 was dedicated to preparations of the programme for the MCM in 2008. The biannual ECSS meetings, spring and autumn, allowed the Czech Republic's delegation, led by representatives of the Ministry of Foreign Affairs, to express their opinion on the fulfilment of OECD strategic and operative goals, as well as on other necessary topics, such as current economic issues, OECD expansion, the political economy of reforms, state investment funds, the issue of trade, OECD ties to the G8 and matters of the internal operation and financing of the organisation. At the autumn ECSS meeting, special attention was also paid to the prices of food and energy, and likewise to preparing the *OECD Strategic Response to the Financial and Economic Crisis*.

On 23 – 25 April 2008, a joint conference of the OECD and UNEP was organised in Paris on the issue of resource efficiency. The Czech delegation was led by Deputy Environment Minister R. Bízková, who presented the experiences of the Czech Republic with using economic instruments in the field of waste management on the panel dedicated to government policies.

On 28 – 29 April 2008, a session of the *OECD Environment Policy Committee (EPOC)* took place in Paris at the ministerial level; representing the Czech Republic was a delegation led by First Deputy Environment Minister J. Dusík. The main theme of the talks was the relationship between the environment and competition in the conditions of globalisation. Participants of the session discussed current environmental development trends and their outlook to 2030; they called for updating EPOC's current strategic vision and to draw up an *OECD Environmental Strategy for the 2nd Decade of the 21st Century*. The ministers welcomed the *Council Recommendation on Resource Productivity* and *Council Recommendation on the Implementation of the Strategic Approach to International Chemicals Management*.

The EPOC ministerial session was preceded by a *Round Table on Sustainable Development*, which took place attended by a number of ministers on 27 – 28 April 2008 on the topic of mobilising investments in low carbon energy technologies.

A session of the Development Assistance Committee High-Level Meeting (DAC HLM) took place on 20 – 21 May 2008 in Paris. The Czech delegation was led by Deputy Foreign Minister J. Kohout. The primary topic was preparation for the High Level Forum 3 in

Accra and discussions on the approach of governments to the food crisis and climate change from the standpoint of development policy. During the HLM the DAC countries welcomed the announcement of the *Statement of Progress on Integrating Climate Change Adaptation into Development Co-operation*, which was presented at the G8 summit in Hokkaido Toyako in July 2008.

In terms of both organisation and staffing, the HLM session was tied in to a plenary session of the *Global Forum on Development*, which took place 20 May 2008 on the topic *Strengthening Country Ownership*.

A significant event was the session of the *Information, Computer and Communications Policy Committee (ICCP)* at the ministerial level, which took place on 17 – 18 June 2008 in Seoul (Republic of Korea). The Czech delegation was led by Deputy Minister of Foreign Affairs H. Bambasová. The theme of the meeting was *The Future of the Internet Economy*. Discussion was focused on maximising the benefit of convergence, on supporting creativity as an instrument of innovation and growth and on increasing confidence in the internet as a solid technology and infrastructure. At the conclusion the ministers of the participating countries adopted the *Seoul Declaration for the Future of the Internet Economy*.

On 2 – 4 September 2008, the *High Level Forum 3* took place in Accra. One of the main organisers was the Development Assistance Committee (DAC). At the head of the Czech Republic's delegation was Deputy Minister of Foreign Affairs J. Kohout. The ministerial session discussed, at the highest political level, the status of implementation of the *Paris Declaration on Aid Effectiveness* and approved a recommendation for further action, the "*Accra Agenda for Action*".

On the occasion of the 50th anniversary of the founding of the *Nuclear Energy Agency (NEA)*, a historical first meeting of ministers responsible for nuclear energy took place on 16 October 2008. The meeting was chaired by OECD Secretary-General A. Gurría and R. Stratford, Chair of the NEA Steering Committee. The Czech Republic was represented by Deputy Industry and Trade Minister T. Hüner. The meeting confirmed a growing interest in nuclear energy and the important role that the NEA plays in technically and legally supporting governments in the field of nuclear energy policy. On this occasion the NEA issued its first ever *Nuclear Energy Outlook*.

Within the scope of relations between the Czech Republic and the OECD, the Czech Ministry of the Environment organised, in cooperation with the OECD and Ministry of Foreign Affairs, an interdepartmental seminar on 13 March 2008 to present the publication *OECD Environment Outlook 2030*. Participating on behalf of the OECD was R. Visser, Deputy Director of the *OECD Environment Directorate*.

On 11 June 2008, the *Committee on Competition Law and Policy* discussed the *In-Depth Review of the Czech Republic*, which evaluates in detail competition law and practice in the Czech Republic. The review was put together by the OECD on the basis of a request from the *Office for the Protection of Competition* and was financed by a voluntary contribution from the Czech Republic. Negotiations for the Czech side were led by Chairman of the Office for the Protection of Competition M. Pecina.

On 31 October 2008, a seminar by the Czech Environment Ministry and the OECD took place in Prague, entitled *Creation of an Effective Agricultural Policy – Challenges, Experiences and Information from the perspective of the OECD*, and conceived of in the context of preparing for the Czech Republic's presidency of the Council of the EU with an emphasis on changes to the Common Agricultural Policy of the EC beyond 2013. On 3 December 2008, a joint expert workshop by the OECD, European Commission, WHO and Health Ministry took place in Prague on the issue of financial sustainability of healthcare systems.

In 2008, the Czech Republic also provided voluntary contributions for specific OECD projects in accordance with its priorities. In line with tradition, the greatest part of these contributions came from the budget of the Ministry of Foreign Affairs, focused primarily on supporting OECD cooperation with non-member countries (e.g. the OECD programme *Investment Compact for South-East Europe*, the OECD programme *Eurasia Competitiveness Programme* and for supporting the water management system in Moldova). Other voluntary contributions from the Foreign Ministry were focused on specific cooperation projects between the Czech Republic and OECD. Other traditional providers of voluntary contributions are the Ministries of Education, Youth and Sports, Regional Development, the Environment, and in 2008 also the Office of the Government and the Nuclear Research Institute. Altogether, the Czech Republic made voluntary contributions of over CZK 11,550,000 for 2008.

World Trade Organisation (WTO)

In 2008, the Czech Republic continued to promote its interests in the WTO and across the spectrum of trade policy primarily through the European Commission. That was the case because of the European Community's exclusive competence in this area. As in the preparation of the EU's common positions, the Czech Republic primarily made use of Committee 133 and other bodies of the Council of the EU and European Commission or coordination meetings of the WTO's working bodies in Geneva. The Czech Republic is still viewed country that strongly promotes progress in accelerating the liberalisation of trade and in this spirit it participates actively in the work of the relevant bodies.

Multilateral trade talks on the *Doha Development Agenda (DDA)* remained the most important area of the WTO's work. However, in 2008 there was again no significant progress on the definition and adoption of modalities (specific technical procedures) for trade liberalisation in individual areas of the DDA (agriculture, non-agricultural products, services). Over the course of July texts were published for completing negotiations on modalities in the areas of agriculture and non-agricultural products and both texts were discussed at the ministerial level in Geneva. In the end no agreement on the two texts was come to. Both texts were accepted as the basis for further negotiations with the condition that they would be updated on the basis of further negotiations by the end of 2008. Despite the strong political signal that was sent out at the November G20 talks, once again the revised texts were not approved by the end of the year.

The Czech Republic supported the efforts to complete talks on the DDA as quickly as possible and welcomed all activities of the European Commission toward this goal. It actively supported the Commission's cooperative and flexible approach, with the understanding that a final agreement should not come at the expense of the interests of EU Member states or certain areas of the DDA. In the talks on the DDA, the Czech Republic promoted the equitable involvement of developing countries in world trade. In the WTO's general affairs, the Czech Republic was active in the spirit of its general positions advocating liberalisation and the strengthening of the rules governing the international trade system.

International Monetary Fund (IMF)

The Czech Republic's voting power in the IMF (0.38 %) is determined by its current membership quota. After extensive discussions on membership quota reform, the goal of

which was to achieve a fairer reflection of the relative weights of individual countries, especially the fast-growing economies of Asia, on 28 April 2008 the IMF Board of Governors adopted Resolution No 63-2 on the Reform of Quota and Voice, on the basis of which 54 member states will see their membership quotas increased. The Czech Republic's current quota of 819.3 million SDRs increases to 1,002.2 million SDRs. In relative terms, the share of the Czech quota and voting power increases from 0.38 % to 0.42 %.

At present, cooperation between the Czech Republic and IMF takes place primarily in the form of regular annual IMF missions to the Czech Republic, undertaken in accordance with Article IV of the *IMF's Articles of Agreement*. These missions result in recommendations for the government's economic policy and assessments of developments in the fiscal and monetary area, financial sector developments and progress in structural changes in the preceding period. The last IMF mission to the Czech Republic was concluded on 24 November 2008 and its preliminary report (called the *Concluding Statement*) is published on the Czech Ministry of Finance's web site. The complete official report of the IMF mission to the Czech Republic will be made available once it has been discussed by the *IMF Executive Board* (it will be published during 2009).

On 13 October 2008, the annual meeting of the *International Monetary Fund and World Bank Group* was held. The most important topic was the financial crisis and its impact on the world economy. The main emphasis was on stopping the lack of confidence and renewing activity on financial markets. Consensus reigned primarily on the fact that fundamental political action is need in order to turn around negative development. Also an important point were the talks on the impact of the financial crisis on developing countries.

World Bank Group (WB)

Within the *World Bank (WB)*, the Czech Republic is a member of the "Austro-Belgian constituency", consisting of Austria, Belarus, Belgium, Czech Republic, Hungary, Kazakhstan, Luxembourg, Slovak Republic, Slovenia and Turkey. Cooperation within the constituency is governed by a constituency agreement, in force from 1 November 2004 until 31 October 2004. Since November 2008, K. Huber of Austria is at the head of the Czech Republic's constituency, having replaced G. Alzetta of Belgium in the function.

At the October joint annual meeting of the WB and IMF, the WB expressed its readiness to help developing countries at this time of economic crisis. Thereafter, in

December 2008, the *International Development Association (IDA)* approved a *Financial Crisis Response Fast-Track Facility* in the amount of USD 2 billion for quick financing of social security networks, infrastructure, education and healthcare in the world's poorest countries. At the annual meeting, a reform for increasing the voice of developing countries in the WB group was also presented.

The Czech Republic graduated from World Bank operations in 2005 and for a further three years it had, as part of its post-graduation period, the right to limited technical assistance free of charge (until June 2008). As a graduated member country, the Czech Republic is no longer eligible to draw loans from the WB; on the contrary, it is expected to gradually increase its participation in development aid, both multilateral and bilateral.

The Czech Republic has made considerable use of WB technical assistance (advice provided by the WB's own and external experts), even in recent years; in 2008 technical assistance took place in the following areas:

- *Improving Employment Chances of the Roma*

On the basis of a request by the Czech Republic, the WB put together an analytical report dealing with the specific barriers and problems that the Roma population in the Czech Republic in attaining employment opportunities. The report was presented at the Office of the Government in October 2008, attended by Minister D. Stehlíková and WB Country Director O. Kalantzopoulos.

- *Merging Tax and Customs Administration*

This project came from the initiative of the Czech Ministry of Finance on the basis of a government task to merge tax and customs administration by 1 January 2010. The Czech Republic asked the WB for an independent assessment of the proposed concept for merging tax and customs administration. The WB drew up an analysis, which was submitted to the Finance Ministry in June 2008.

- *Creating an Integrated Revenue Agency*

On the basis of good experience working with the WB on the *Merging Tax and Customs Administration* project, in October 2008, the Czech Finance Ministry signed a contract with the WB on technical cooperation on a project to create a modern

integrated revenue institution in line with the best international practice. This is the first project of its kind by the WB after the Czech Republic's graduation, where the Czech Republic will fully pay for the technical assistance. The project was launched in November 2008 and will be completed in July 2010. The WB will take part in creating a framework for a new central tax office and preparing a strategy for its implementation.

- *Remittances*

The WB drew up a study focused on the effectiveness of monitoring the flow of remittances in the Czech Republic. The study was presented in Prague in July 2008 and the final report was submitted to the Ministry of Finance in September 2008. The report identified many shortcomings in the process of monitoring remittances and at the same time offered a number of measures for increasing the effectiveness of the remittance market in the Czech Republic.

Aside from paid technical cooperation, the WB will also expect a more active approach from the Czech Republic in its role as partner in development cooperation. First and foremost, of course, will be active financial participation in various WB initiatives. In 2008, the Czech Republic provided a contribution of EUR 500,000 for the social and economic development of Kosovo through a trust fund set up by the WB. As part of its long-term commitments within the WB in 2008, the Czech Republic provided contributions to the *International Development Association (IDA)* in the amount of CZK 82.8 million and to the *Multilateral Debt Relief Initiative (MDRI)* in the amount of CZK 5.55 million.

European Bank for Reconstruction and Development (EBRD)

After the completion of the Czech Republic's graduation from the EBRD at the end of 2007, the EBRD no longer invests in new projects in the Czech Republic, even in the context of regional projects. Existing projects will run their course in line with the contractual commitments, so the EBRD will continue to have active investments in the Czech Republic for a number of years; these investments are both direct and indirect, e.g. through investment funds in which the bank has invested.

By graduating from EBRD operations, the Czech Republic joined the ranks of states with developed economies that no longer require the EBRD's services. The recognition of

a member country as a developed state by such an international financial institution as the EBRD is regarded as an important signal for foreign investors.

The EBRD is prepared to continue to support Czech firms' investments in countries that receive the bank's assistance, meaning in attractive emerging markets in transforming countries of central and Eastern Europe and Central Asia. That is why the Czech Ministry of Finance works closely with other institutions within the Czech Republic (*CzechInvest*, *Czech Chamber of Commerce*, *Confederation of Industry*) in identifying mechanisms to support the export of Czech subjects to these territories.

Upon completing the graduation process, the Czech Republic became an EBRD donor country; during its two years as a donor, the Czech Republic has built up an excellent, respected position and has acquired the reputation of an active partner. The Czech Republic is engaged in EBRD donor activities under the *Western Balkans Fund*, which it helped to found. The Fund's mission is the transformation of the market economy in the region (Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, Kosovo) by strengthening investment possibilities with an emphasis on the private sector, expansion of infrastructure, lowering employment and improving access to basic services. The goal is to reduce the differences between the countries of the Western Balkans and their more developed neighbours and to contribute to stability in the region and their inclusion in European structures

Since the Fund's creation in 2006, the Czech Republic has contributed a total amount of EUR 2 million, while Czech subjects are also able to compete for the Fund's resources. The reason for the Czech Republic's involvement is that the Western Balkans is one of the Czech Republic's foreign policy and economic priorities.

Besides the support that the Czech Republic has already provided to the Western Balkans Fund, Czech Government Resolution No 1448/2007 also approved the establishment of *Czech Republic – ODA Technical Cooperation Fund*. The Czech Republic's total contribution is EUR 3 million, however use of the finances is restricted solely to Czech firms. The point of a bound fund is to strengthen and solidify trade relations of Czech businesses with partner countries with the fact that projects arouse investment and export activity to the transforming countries and thus contribute to their conversion to a market economy. The fund is focused on the Balkans and the transforming countries of Europe and Central Asia; it is not limited by sector. Aid is provided in the form of technical assistance and consulting.

Council of Europe Development Bank (CEB)

The CEB, until 1 November 1999, called the Council of Europe Social Development Fund, was established in 1956. It currently has 40 shareholders – most of the member states of the Council of Europe (CoE). It is attached to the CoE and placed under the CoE's authority. The CEB is legally and financially autonomous and constitutes the principal tool of the solidarity policy pursued by the CoE. The CEB's management bodies are the *Governing Board*, the *Administrative Council* (each member country has one representative on these two bodies), the *Executive Committee*, the *Governor* and the *Auditing Board*. The Czech Republic has been a member of the CEB since 12 February 1999.

The CEB's priority objective is to help resolve social problems in member countries, primarily in aiding refugees, immigrants and victims of natural or environmental disasters. The CEB also provides credit, chiefly for projects to create and preserve jobs in small and medium-sized enterprises, to build social housing, for social infrastructure, for environmental protection projects, to promote education and health, to improve the quality of the environment in disadvantaged urban and rural areas, and to protect cultural heritage (including the restoration of historical monuments). To date, the Czech Republic has not applied to the CEB for a loan to cover the needs of the state. The CEB has provided two private sector loans worth a total of EUR 40 million.

International Bank for Economic Cooperation (IBEC)

The IBEC was established by the governments of the COMECON in 1963. Currently, the bank has nine owners: the Russian Federation, the Czech Republic, Poland, Bulgaria, Romania, Slovakia, Cuba, Mongolia and Vietnam.

The primary reason this bank was created was to provide multilateral accounting of mutual deliveries of goods and services for member states. However, in light of the fact that since 1991 the COMECON states moved to a market form of trading, multilateral bartering was essentially terminated and IBEC thereby lost the core of its activity. Member states decided to maintain the IBEC with the understanding that it is necessary to fundamentally change its basic goals and transfer its activities to a strict commercial basis.

The bank was paralysed without further activity by the critical situation it got into at the beginning of the 1990s. The inability of certain members to pay off loans taken from the

IBEC caused the bank to be unable to fulfil its commitments to western creditors and it found itself in insolvency. Most debtor countries repaid their commitments in recent years, though Cuba's debt remains outstanding.

Russia dealt with its debt at the end of 2007. This step was significant for the restoring the bank's financial situation to health, although its ability to fundamentally expand its commercial activities depends on the degree to which the Cuban debt is settled. At present, member countries are striving to restructure and transform the IBEC and IIB into a single *International Development Bank*.

International Investment Bank (IIB)

The IIB was founded by the governments of the COMECON member states in 1970. Currently it is owned by eight states – the Russian Federation, Czech Republic, Bulgaria, Romania, Slovakia, Cuba, Mongolia and Vietnam.

IIB's primary activity was providing long-term loans for the construction of large investment projects generally carried out by multiple member states. After the COMECON was disbanded and the principle of foreign trade among member states changed, the transformation of the bank into a financial institution whose activity corresponds to the interests of its owners under new conditions began.

At the beginning of the 1990s, the bank got into financial difficulties in the 1990s; the debts owed by member countries have however been gradually settled, with the exception of Cuba. In 2004, the IIB's financial relations with the Russian Federation were settled completely and the bank was thus able to restore its financial equilibrium, also managing to increase fundamentally the volume of its revenue-generating assets.

The positive changes in the IIB's financial situation created the base for full revitalisation and gradual expansion of its activities. At present the IIB is expanding its loan activities, has transferred to international reporting and accounting standards and is striving to raise its entire banking business to a level comparable with international practice. At the same time, a process focused on restructuring and transforming the IBEC and IIB into a single *International Development Bank* been put in motion.

The Czech Republic's Membership of Certain other International Organisations

European Laboratory for Particle Physics (CERN)

In 2008, CERN began testing the biggest and most complex scientific instruments ever built – the Large Hadron Collider (LHC) and the detectors in the ATLAS, ALICE, CMS, LHCb and TOTEM experiments, which represent a new generation of experiments in particle physics. On 21 October 2008, the grand inauguration of the LHC took place, in which 42 government delegations took part, led by presidents, prime ministers and ministers. These delegations came not only from the eleven European CERN member countries, but also from a further twenty-one countries and institutions with the status of observers or member candidates. Even before the inauguration started, a technical fault occurred, caused by poor quality work from one of the suppliers, which meant costly repairs (according to estimates CHF 30 – 40 million) and postponement of putting the LHC into full operation until the second half of 2009.

In 2008, more than 400 staff and students from 15 institutions of the Czech Academy of Sciences and universities cooperated on CERN. They took part in 118 professional publications and 88 papers at international conferences.

The budget for CERN totalled over CHF 1 billion in 2008. The contribution of the Czech Republic represented perhaps 1 %. Companies in the Czech Republic on the other hand received not insignificant amounts from CERN for industrial supplies, services and for the parts of the detectors manufactured in the Czech Republic for CERN. The Czech Republic also partook in the development and use of eight of the 34 cutting-edge technologies in CERN, and these have significant application elsewhere, particularly in diagnosing and treating tumours and in creating the GRID computer and information network, which allows access to almost all sources of information in the world and to available computing capacity on a network of connected computers.

Joint Institute for Nuclear Research (JINR)

In 2008, as part of fulfilling the science-and-research tasks connected with the Czech Republic's membership in JINR, a total of 86 short-term and five three-month residences at JINR were realised for employees of four institutes of the Academy of Sciences of the Czech Republic (ASCR) and four university workplaces from the Czech Republic. In the other

direction more than twenty short-term residences were realised for employees from JINR Dubna and from the Russian Federation (in connection with cooperation between the Czech Republic and JINR) in ASCR institutes and in science-and-research workplaces at Czech universities.

As in previous years, the Czech Republic's cooperation with the JINR continues to focus on joint long-term target projects (in 2008 there were 45 such projects), subject to defence both when being issued and during the annual assessment of results. In 2008, the results of cooperation with JINR were compiled into over 33 joint works published in international magazines, and more than 25 papers at international conferences, symposia, working meetings, etc.

As part of cooperation with the JINR, Czech scientists continue to take part in a number of experiments together with other international research centres (in Germany, France, Italy, the USA etc.), as well as processing the results of various experiments. Four international conferences, symposia or schools and two working meetings took place in the Czech Republic in cooperation with JINR, in which altogether 45 employees from JINR or JINR member states took part.

Long-term cooperation between universities in the Czech Republic and JINR Dubna in the field of teaching continued; summer internships at JINR focused on low and medium energy physics and physical application in the natural sciences were taken part in by 20 students from the Czech University of Technology.

European Civil Aviation Conference (ECAC)

In 2007, the *European Civil Aviation Conference (ECAC)* concentrated mainly on this pan-European governmental organisation's cooperation with European wide activities and other global-impact organisations in the area of air transport. The ECAC's main goal was to remain a support for the sustainable, safe and efficient expansion of the European aviation system with the help of harmonising policies and procedures in ECAC member states.

Special attention was paid to concluding the activities of the *Joint Aviation Authorities (JAA)*. It was decided that this authority, associated with the ECAC, would end its activities as of 30 June 2009 due to the expanding jurisdiction and power of the *European Aviation Safety Agency*.

With the Czech Republic's active participation, the ECAC continued to operate in the sphere of protecting civil aviation against illegal acts, primarily in order to prevent serious discrepancies between the regulatory frameworks of EU member states and those ECAC countries that are not in the EU. In 2008, the ECAC continued in dialogue with the US aviation authorities about further convergence of harmonising measures in the area of aviation (in cooperation with the EU). Significant ECAC activities were also in the field of environmental protection, the facilitation of air transport and promoting the reform of the *International Civil Aviation Organisation (ICAO)*.

European Organisation for the Safety of Air Navigation (EUROCONTROL)

This international organisation with 38 member states has as its primary objective the development of a seamless, pan-European air traffic management system.

In 2008, EUROCONTROL developed, coordinated and planned for implementation of all proposed air traffic management strategies in European airspace and their associated action plans. These activities took place in close cooperation with the member state national authorities responsible for civil aviation, air navigation service providers, civil and military airspace users, industry and relevant European institutions.

In 2008, in cooperation with EU authorities EUROCONTROL also concentrated on preparing implementing regulations for the legislative framework of the Single European Sky and also deepened its activities aimed at harmonising the regulatory bases in the area of airspace safety and organisation.

In relation to the Czech Republic, significant was activity in the area of cooperation in creating a functional airspace block in Central Europe (FAB CE) which would replace CEATS (*Agreement relating to the provision and operation of air traffic services and facilities by EUROCONTROL at the Central European Air Traffic Services Upper Area Control Centre*).

International Transport Forum (ITF)

On 28-30 May 2008 in Leipzig, the 1st session of the *International Transport Forum* took place. This forum is the successor of the European Conference of Ministers of Transport (ECMT). The Forum was dedicated to the theme *Transport and Energy: The Challenge of*

Climate Change, and one component was a ministerial session dealing with the theme *Prospects for an Energy-efficient, Low Carbon Future for Transport*. The Czech delegation was led by Deputy Transport Minister E. Šíp.

International Exhibitions Bureau (BIE)

The BIE is governed by the Convention relating to International Exhibitions (Paris, 22 November 1928). The Convention generally treats the organisation of international exhibitions, regulating their frequency and setting guarantees and facilities that the organising country must provide participants. The BIE is by nature an international government organisation. Exhibitions approved by the BIE are not commercial in nature.

The dominant activity of the BIE are the EXPO world exhibitions. Currently, preparations are continuing for Czech participation in EXPO Shanghai 2010. Further EXPOs will take place in 2012 in Yeosu (Republic of Korea) and in 2015 in Milan (Italy).

International Whaling Commission

The 60th Annual Meeting of the *International Whaling Commission* was held in Santiago de Chile, on 29 May-27 June 2008. The Czech Republic delegation was led by P. Hýčová, Commissioner for the Czech Republic from the Ministry of the Environment. The session carried on from the *Intersessional Meeting* in London which took place in March 2008. The delegations behaved with an attempt to resolve conflicts through negotiation and agreement. The only exception was the voting on Denmark's proposal to allow hunting of humpbacks in Greenland. The proposal was rejected.

Framework Convention on the Protection and Sustainable Development of the Carpathians

On 17 – 19 June 2008, the 2nd Meeting of the Conference of the Parties to the *Framework Convention on the Protection and Sustainable Development of the Carpathians* was held in Bucharest. The Czech Republic's delegation was led by Deputy Environment Minister F. Pelc. At the meeting the Convention's first protocol was concluded, the *Protocol on Conservation and Sustainable Use of Biological and Landscape Diversity*. The protocol

was to help cooperation within the *Carpathian Network of Protected Areas (CNPA)* and support sustainable management outside these areas as well.

Convention on Wetlands of International Importance especially as Waterfowl Habitat, amended by a protocol (Ramsar Convention)

On 28 October – 4 November 2008, the 10th Meeting of the *Conference of the Parties to the Ramsar Convention* took place in Changwon (Republic of Korea). The delegation of the Czech Republic was led by L. Vlasáková, a division head from the Czech Ministry of the Environment. Discussed at the meeting was preparation of an action plan for water and wetland ecosystems and a check on the fulfilment of the task for parties to include at least one wetland on the *List of Wetlands of International Importance*.

6. Non-proliferation, Arms Control and Disarmament

International talks on non-proliferation of weapons of mass destruction (WMD), arms control and disarmament were at the focus of the work of the UN Security Council, the 1st Committee (for disarmament and international security) of the UN General Assembly, the UN Disarmament Commission (UNDC) in New York, the Conference on Disarmament (CD) in Geneva, the Resolution 1540 (2004) Committee on Non-proliferation of WMDs and other international organisations and international control regimes and initiatives in which the Czech Republic is a participant. In 2008, the Czech Republic's activities in this field were governed by Goals of the Government of the Czech Republic and also the *EU Strategy against Proliferation of Weapons of Mass Destruction*.

Nuclear weapons

Nuclear Non-proliferation Treaty

On 28 April - 9 May 2008, Geneva hosted a meeting of the *2nd Preparatory Committee (PrepCom) for the 8th Review Conference (RC) of the Nuclear Non-proliferation Treaty (NPT)*, scheduled for 2010. Its aim was to assess the state of implementation of the articles of the NPT and to enable signatory states to discuss recommendations for strengthening the NPT regime that should be established by the 8th NPT RC. Issues that featured in the discussion on the promotion of nuclear non-proliferation included the implementation of International Atomic Energy Agency (IAEA) safeguards agreements and export controls and the consequences of non-implementation of the NPT (Iran), the mechanism for implementing NPT and the conditions for a state withdrawing from it (DPRK) and the implementation of UN SC resolutions in the Middle East. The Czech Republic actively got involved in the preparation of this meeting by drafting positions, particularly on export controls, and by getting co-sponsors for the working document of the Zangger Committee member states on minimum requirements for export control.

Comprehensive Nuclear-Test-Ban Treaty

The *Comprehensive Test-Ban Treaty (CTBT)* represents a significant tool for nuclear non-proliferation. The Czech Republic actively supports efforts for it to be brought into force as quickly as possible. For that reason on 24 September 2008 during a meeting organised at the sidelines of the 63rd UN GA, Minister of Foreign Affairs K. Schwarzenberg joined a ministerial declaration in support of the treaty (see above). Within the cooperation between three consecutive EU presidencies (France, Czech Republic, Sweden), the activities of the EU in support of the CTBT's quick enactment were significantly intensified.

International Atomic Energy Agency

The *General Conference of the International Atomic Energy Agency (IAEA)* took place in Vienna from 29 September to 4 October 2008. Among the main topics for discussion were the North Korean nuclear programme, safeguards resolutions of the *General Conference on the Middle East* and the expected expansion of nuclear energy in connection with the necessity for non-proliferation of sensitive parts of the nuclear fuel cycle. The Board of Governors, the IAEA's political body, met a total of five times in 2008.

Despite intensive multi-year verification activities by the IAEA, doubts still remain on the aim of the Iranian nuclear programme. Iran still has not fulfilled the resolution of the IAEA Board of Governors, nor of the UN Security Council, and in violation of them continues with enrichment in Natanz and the construction of a heavy water reactor in Arak. UN SC Resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1825 (2008) contain binding sanctions against Iran that limit international cooperation in the area of enriching and transporting nuclear materials and on the development of ballistic missiles. The IAEA report of 19 November 2008 states that negotiations with Iran did not achieve any significant progress and that Iran continues to reject the demands of the international community to suspend its nuclear programme.

A number of developments took place in 2008 regarding the nuclear programme in North Korea (DPRK). After positive steps in 2007, in August of 2008 DPRK informed the IAEA that it has decided to restart its closed and sealed facility in Yongbyon. In autumn 2008, the USA officially removed DPRK from the list of countries supporting terrorism, which led to the renewal of six-party talks. These however have not yet brought any significant progress. Due to the fact that the costs for IAEA's verification and monitoring activities could not be included in the agency's regular budget for 2008, it was necessary to finance these activities outside budget, in particular from voluntary contributions (USA, Japan, the EU). IAEA member countries stress the need to continue dialogue with the goal of achieving a peaceful and comprehensive resolution to the North Korean nuclear programme and the quick denuclearisation of the Korean Peninsula. Generally in all steps of the whole process stress is placed on the importance and benefit of the IAEA as the only authority that can confirm the realisation and implementation of the agreed upon steps.

In 2008, discussions continued on the issue of multilateral nuclear approaches to the nuclear fuel cycle (MNA) and the related questions of guaranteed supplies of nuclear fuel,

which could become the Achilles' heel of the non-proliferation regime. It is therefore integral that uranium enrichment and plutonium separation be put under international control. At the close of 2008, the EU approved a contribution of up to EUR 25 million on a project for a fuel bank under IAEA control. This bank would offer an alternative to the expansion of national programmes for enriching nuclear fuel and is a specific contribution of the EU to non-proliferation policy.

During its participation in the *IAEA Technical Cooperation Programme*, the Czech Republic continues in building up a position as a "*net donor*". In 2008, the Czech Republic provided contributions to various IAEA activities worth a total of CZK 18.6 million from the budget heading of the Ministry of Foreign Affairs and CZK 7 million from finances of the State Office for Nuclear Safety, under whose authority a considerable part of the IAEA's activities fall.

Nuclear Suppliers Group

The regular plenary session of the *Nuclear Suppliers Group (NSG)* took place on 22 – 23 May 2008 in Berlin. The main theme was continuing intensive negotiations on tightening the conditions for the export of sensitive parts of the nuclear fuel cycle. The chair of the Zangger Committee became an observer of the NSG. The Czech Republic continues to actively participate in the work of the NSG, which it considers an important tool for strengthening the NPT regime. For the second year now, the *Licensing and Enforcement Experts Meeting (LEEM)* was chaired by the Czech Republic.

On 21 – 22 August and 4 – 6 June 2008, two extraordinary NSG plenary sessions took place, the result of which was the adoption of an exception for the export of nuclear items to India for exclusively peaceful use in the Indian civilian nuclear sector.

Zangger Committee

The regular annual meeting of the *Zangger Committee (ZC)* took place in Vienna on 18 November 2008 under the chairmanship of Czech Foreign Ministry representative P. Klucký. Kazakhstan became a new member of the ZC there. An expanded programme for the ZC's relations with non-member countries was adopted. In connection with the 3rd NPT PrepCom it was decided for the first time in the history of the ZC to ask all NPT parties in writing to co-sponsor a ZC working paper on control of exports of nuclear materials presented

at the 2nd NPT PrepCom. In 2008, exchange of information with the UN SC continued according to resolution 1540.

Chemical and biological weapons

Chemical weapons

On 7-18 April 2008, the 2nd review conference of the *Organisation for the Prohibition of Chemical Weapons (OPCW)* was held in the Hague. On 2 – 5 December 2008, the 13th *Conference of the States Parties of the OPCW* took place, which dealt with the implementation of the *Action plan for the universality of the CWC* (the number of CWC signatories increased to 185) and the gradual elimination of chemical weapons. The conference decided on national implementation of the *Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons (CWC)*. The Czech delegation was led by Permanent Representative to OPCW, Ambassador P. Mareš.

In 2008, the Czech Republic's membership in the OPCW Executive Council continued (May 2007 – May 2009 term). The Czech Republic provided a voluntary contribution to the Voluntary Trust Fund for Assistance against Chemical Weapons under Article X of the CWC, as well as to a project for the destruction of chemical weapons stockpiles in the Shchuchye facility (Russia).

Biological weapons

On 1 – 5 December 2008, the annual Meeting of States Parties to the *Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BTWC)* took place in Geneva. The meeting discussed measures for improving biological safety and security of laboratories with an emphasis on safe handling of pathogens and toxins. Also dealt with were codes of conduct with the aim of preventing misuse of advances in bio-science and bio-technology research for purposes banned by the Convention. The universalisation of the Convention was also dealt with, as were measures for building confidence and the activities of the *Implementation Support Units*. The Czech delegation was led by Permanent Representative to the UN in Geneva, Ambassador T. Husák.

Australia Group

A plenary meeting of the *Australia Group*, an international control regime designed to prevent the spread of chemical and biological substances and dual-use technologies, was held in Paris on 15-18 April 2007. Particular attention was paid to the attempts of problematic states and terrorist groups to develop and attain chemical and biological weapons. At the same time, several proposals leading to strengthening the activities of the Australia Group members were approved, including voluntary measures for controlling the transfer of intangible technologies. The delegation of the Czech Republic was led by J. Svoboda, representing the Ministry of Foreign Affairs.

Ballistic missiles and WMD means of delivery

The 23rd plenary meeting of the *Missile Technology Control Regime (MTCR)* took place in Australia on 5-7 November 2008. The plenary adopted several decisions focusing on regional non-proliferation of ballistic technologies, the implementation of UN SC resolution 1540, the question of the notification of denied exports, membership of the MTCR and outreach activities. Consensus was not reached on the issue of membership and none of the applicants were admitted. Other important questions included the strategies for obtaining materials and technologies, brokering, transportation, new technologies, the financing of proliferation, the proliferation of intangible and knowledge technologies and the use of unmanned aerial vehicles. The Czech delegation was led by D. Mašek from the Ministry of Foreign Affairs.

The Czech Republic and other international arrangements concerning non-proliferation of WMD

In line with its foreign policy priorities and security interests, the Czech Republic is an active participant in informal initiatives of the international community designed to strengthen the fight against WMD proliferation and terrorism. The key platforms are listed below.

Hague Code of Conduct against Ballistic Missile Proliferation

On 29-30 May 2008 in Vienna, was the 7th Regular Meeting of the *Hague Code of Conduct against Ballistic Missile Proliferation (HCOC)*, the aim of which is to prevent the proliferation of ballistic missiles by exchanging annual declarations and notifications on planned Space Launch Vehicles launches. The Czech Republic, in cooperation with the other countries of the EU, strives to achieve universality for the HCOC and for thorough

observance of the aforementioned political commitments. The Czech delegation was led by J. Svoboda of the Ministry of Foreign Affairs.

Krakow Initiative

The *Krakow Initiative (Proliferation Security Initiative, PSI)* came into being in 2003 and its main objective is to contribute to the fight against efforts to acquire WMDs or dual-use materials. As part of this initiative the Czech Republic took part in several PSI exercises in 2008.

G-8 Global Partnership Against the Spread of WMD

The Czech Republic joined this initiative, announced at the G-8 summit on Sea Island, in 2004 and in 2008 it provided a voluntary contribution of CZK 2 million to a British project to destroy chemical weapons in the Russian Federation. Part of the project financed by the Czech Republic was successfully completed in 2008.

Global Threat Reduction Initiative

As part of supporting the *Global Threat Reduction Initiative (GTRI)*, the Czech government adopted resolution no 1181 of 17 September 2008 on the provision of a voluntary contribution for repatriation of highly enriched nuclear fuel from a research reactor in Vinča, Serbia. The first part of the contribution in the amount of CZK 6 million was realised in 2008.

Conventional weapons

Anti-personnel mines

On 24 – 28 November 2008, the ninth meeting of the states parties to the *Convention on the Prohibition of the Use, Stockpiling, Production, and Transfer of Anti-personnel Mines and on their Destruction (known as the Ottawa Convention - OC)* took place in Geneva. The meeting approved the *Geneva Progress Report*, which evaluates the progress thus far in implementing the *Nairobi Action Plan* implementing the OC in the years 2004-2009. The meeting approved the request of 15 parties to extend the deadline for cleaning up mined territories and discussed the delayed destruction of land mine stockpiles by third parties. The Czech delegation was led by Permanent Representative to the UN in Geneva, Ambassador T. Husák. In 2008, the Czech Republic contributed to humanitarian demining and aid to

victims of land mines through international organisations as well as through bilateral cooperation.

Restrictions on the use of some conventional weapons

In Oslo on 3 December 2008, Minister of Foreign Affairs K. Schwarzenberg was among the first signatories to sign the *Convention on Cluster Munitions (CCM)*, approved 30 May 2008 in Dublin.

In Geneva on 13-14 November 2008, a meeting of the States Parties to the *Convention on Prohibition or Restriction on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects (CCW)* was held. The main theme of the meeting were talks on the *Protocol to the CCW limiting the use of cluster munitions*. Over the course of 2008, five sessions of a government expert group were devoted to negotiations on this protocol, which is meant to be complementary to the CCM. In keeping with tradition, the meeting of states parties also dealt with observance of the Convention and questions of participation at sessions and expanding the number of signatories. The parties assessed the *Action Plan on Universalisation of the CCW* and agreed to renew talks on mines other than anti-personnel mines (MOTAMP). The Czech delegation at the meeting was led by Permanent Representative of the Czech Republic to the United Nations Office in Geneva, Ambassador T. Husák.

As part of the conference of the CCW parties on the *Amended Protocol II on Prohibitions or Restrictions on the Use of Mines, Booby Traps and Other Devices* and on *Protocol V on Explosive Remnants of War*, held 10-12 November 2008 in Geneva, groups of government experts were activated on universalisation of protocols, the issue of explosive booby-trap devices, decontamination of areas affected by explosive remnants of war and their destruction.

Small arms and light weapons

In 2008, the Czech Republic supported the implementation of the *UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Forms, adopted in 2001 (UN Programme of Action)*. The Czech Republic presented a report on implementation of the UN Programme of Action and contributed financially with a voluntary contribution to the *UN Trust Fund for the Consolidation of Peace through Practical Disarmament Measures* in the area of small arms and light weapons.

Wassenaar Arrangement

In Vienna on 2-3 December 2008, the 14th plenary meeting took place of the *Wassenaar Arrangement (WA)*, which is a regime of export controls for conventional weapons and dual-use goods and technologies. The meeting expanded the permanent programme of talks, adding the destabilising accumulation of weapons in conflict zones, approved changes to the list of controlled goods and continued preparing a directive on re-export and a directive for controlling the transport of conventional weapons in the interest of preventing illicit transport. The WA continued in contact activities with non-member states. The delegation of the Czech Republic was led by K.Pažourek, representative of the Ministry of Foreign Affairs.

7. The Czech Republic in the Fight against International Terrorism

The fight against international terrorism was one of the priorities of Czech foreign policy. In 2008, the Czech Republic was again an active member of the international anti-terrorist coalition and was involved in international efforts to combat terrorism both as an expression of solidarity with states affected by terrorism and as a response to a security threat that affects international peace and stability and thus concerns the security situation in the Czech Republic.

In 2008, the fight against terrorism was an important theme of Czech bilateral and international relations and it was often discussed by representatives of the Czech Republic during foreign visits.

The main objective of these conversations was the exchange of information and to narrow the divide between what are often different views of terrorism.

At the start of the year, the Czech government approved the fourth update to the *National Action Plan to Combat Terrorism for the period 2007–2009*. This strategic document contains a set of tasks, the fulfilment of which increases the ability of the Czech Republic to deal with terrorist threats. The plan includes improving communication and cooperation between security components, protecting the population and infrastructure, preventative measures against radicalisation and the direction of foreign policy in the fight against terrorism.

The Czech Republic continued in the mutual exchange of intelligence information on terrorism with the other members of NATO and deepened its cooperation in counterterrorism operations and in building its abilities to combat terrorism. The Czech Republic concentrated on terrorism both as part of NATO operations (KFOR, ISAF) and within the context of its actions and contributions to develop NATO's Multinational CBRN Battalion, and continued its participation in *Operation Enduring Freedom (OEF)* in Afghanistan.

In the EU, the Czech Republic continued in implementing the *European Security Strategy* and was involved in forming the EU Common Foreign and Security Policy. It contributed to analyses of the *EU Joint Situation Centre on the security situation and terrorism*, and took part in discussions on political, legal and technical documents related to the fight against terrorism.

Within the UN, the Czech Republic took part in the ongoing negotiations on a draft *Comprehensive Convention on International Terrorism* and along with the other EU states supported its quick adoption. It also took part in evaluating the *UN Global Counter-Terrorism Strategy*.

In 2008, the Czech Republic also contributed to the fight against financial terrorism with its involvement in cooperation as part of the *Moneyval* committee, which is an associated member of the *Financial Action Task Force on Money Laundering (FATF)*.

8. Foreign Development, Humanitarian Aid and Transformation Cooperation

Foreign development cooperation

In 2008, transformation of the foreign development cooperation (FDC) system continued in accordance with the draft *Transformation of the Czech Foreign Development Cooperation System* that was approved by Government Resolution No 1070 of 19 September 2007. In accordance with the above government resolution, the interdepartmental *Council for Development Cooperation* began its activity in 2008. Aside from ministerial representatives, representatives from non-governmental organisations and the private sector are also members of the Council. The Council serves as an advisory and coordinating body for discussion on FDC issues. On 31 December 2007, the *Development Centre at the Institute of International Relations* was abolished and from 1 January 2008 it was replaced by the *Czech Development Agency (CDA)* with ten staff members. The main role of the new CDA is to implement bilateral development cooperation including identification and monitoring of development projects. With its Resolution No 856 of 9 July 2008 the government approved the proposed staffing of the CDA starting from 2009, with the number of positions to be increased to twelve starting 1 January 2009.

At the end of 2008, on the basis of the government legislative plan, the Czech Ministry of Foreign Affairs, in cooperation with other ministries and representatives of the non-governmental sector, completed preparation of a law on foreign development cooperation and humanitarian aid and submitted it for consideration by the government.

The main themes in FDC for the presidency of the Council of the European Union were identified as the eastern dimension in development policy, democratic administration of public affairs, and access to sustainable energy sources at a local level. The second half of 2008 was dedicated to intensive consultations with EU partner countries in preparing to undertake the function of the Council of the European Union presidency.

As a member of the EU and the international community of democratically and economically developed countries, the Czech Republic respects the principle of solidarity and accepts its share of responsibility in dealing with global problems. This position is reflected in the FDC, an integral part of Czech foreign policy. The Czech Republic performs and provides

FDC on both a bilateral and multilateral basis, in line with international principles and its own interests.

The provision of FDC is governed by the principles of partnership, effectiveness and transparency and their primary objective is to contribute to the reduction of poverty in less developed parts of the world through sustainable economic-social development. The Czech Republic fully supports the *Millennium Development Goals (MDGs)* that came out of the UN conferences in the 1990s and were confirmed by UN summits in 2000 and 2005.

The provision of foreign development cooperation and humanitarian aid is governed by the *Principles of Foreign Development Cooperation after the Czech Republic's Accession to the EU*, approved by Government Resolution No. 302 of 31 March 2004 and amended by Government Resolution No. 1070 of 19 September 2007. The Principles defined cooperation programmes with priority countries as the core of Czech FDC, in order to strengthen the predictability and effectiveness of Czech FDC.

Czech bilateral FDC is primarily directed toward the following priority countries: Angola, Zambia, Vietnam, Mongolia, Yemen, Moldova, Bosnia and Herzegovina, Serbia and Montenegro. Of the FDC funds that went to the listed countries in 2008, a total of 17.8 % was used in Mongolia, 17.7 % in Serbia, 12.2 % in Vietnam, 10.9 % in Bosnia and Herzegovina and 9.4 % in Moldova.

Included among the project countries were Iraq and Afghanistan, Kosovo, Cambodia, Ethiopia and the Occupied Palestinian Territories. In 2008, the government approved a three-year programme for development assistance to Georgia. Aside from these programmes, development projects in other countries and other forms of development activities are also taking place to a limited extent (including the provision of post-secondary scholarships for students from development countries, aid for refugees in the Czech Republic, debt relief and restructuring, and the like). In 2008, a total of 322 bilateral FDC projects took place. Of the total bilateral FDC, 22 % was applied in Southeast Europe, 22 % in South, Southeast and East Asia and 12 % in Eastern Europe and Central Asia.

In 2008, emphasis continued to be placed on involving the non-governmental sector and the public in development cooperation. Altogether, non-profit organisations contributed 53.5 % to the realisation of bilateral FDC and for-profits 42.1 %. The Czech Ministry of Foreign Affairs organised a study on public opinion toward FDC. Among the main sources of

information about FDC are the Ministry's web site at www.mzv.cz/Zahranicni_vztahy/Ceska_republika_pomaha, in its English version at www.mfa.cz/Foreign_Relations/Development_Cooperation_and_Humanitarian_Aid. In cooperation with Palacký University in Olomouc, the fifth year of *Summer School of Development Aid and Cooperation* took place in 2008.

Aside from bilateral development cooperation, in 2008 the Czech Republic also provided humanitarian aid, transformation aid and multilateral development aid through the EU budget, UN agencies and international financial institutions (the other chapters of this report discuss these forms of FDC). The total volume of these activities that can be recorded as Official Development Assistance according to the methodology of the OECD totalled CZK 3.6 billion in 2008, according to preliminary data.

Every year, the government approves a plan for bilateral foreign development cooperation for the following year and assesses foreign development cooperation for the preceding year. In 2008, by Government Resolution No 690 of 25 July 2008, the foreign development cooperation plan for 2009 was approved, as was the medium-term outlook for its financing through 2011.

Humanitarian aid

A sum of CZK 75 million was earmarked in the Treasury Administration heading of the Czech Republic's state budget for the provision of foreign humanitarian aid in 2008.

Aside from that, Czech Government Resolution No 1063 of 20 August 2008 approved the freeing up of extraordinary financial resources for reconstruction and development aid to Georgia in a total amount of CZK 150 million, of which CZK 20 million was earmarked for the humanitarian and development needs of Georgia in 2008.

The provision of aid is governed by the fundamental international humanitarian principles of humanity, impartiality, neutrality and independence. The goal of humanitarian aid is to prevent the loss of life and alleviate human suffering in a population affected by a natural or man-made disaster or armed conflict. It is also about aid provided to countries and

regions that find themselves in a complex and long-term humanitarian crisis. In recent years, the emphasis has also grown on prevention of extraordinary situations and their consequences.

All these aspects were reflected in the foreign humanitarian aid provided by the Czech Republic in 2008. At the beginning of the year and in the summer, *ad hoc* aid to countries affected by natural disasters predominated (extreme cold in China and Tajikistan, floods in Southeast Europe, drought in Ethiopia, cyclone in Burma, hurricane in the Caribbean), sometimes partially including an aspect of prevention (Ukraine, Moldova). In the spring and autumn aid dominated that was directed at complex and long-term humanitarian crises with a focus on reducing the impact of the food crisis, particularly in Africa (Senegal, Zimbabwe, Democratic Republic of Congo).

Aid directed to Kenya, Sudan, Democratic Republic of Congo and Georgia helped reduce the immediate effects of violent conflicts. Some of the complex crises that Czech humanitarian aid went to help manage also included aspects of armed conflict (Afghanistan, Iraq, the countries of the Horn of Africa).

Altogether CZK 24.9 million was put toward natural disasters, CZK 42 million for long-term crises, for reducing the impact of armed conflicts CZK 8.1 million came from the general humanitarian budget and a further CZK 9 million from special funds went to Georgia.

Humanitarian aid is provided in the form of financial, material or rescue aid, in some cases a combination of those. Rescue and material aid consist of sending out professionals and healthcare, sanitary and other material resources to the affected areas. In 2008, the Czech Republic provided this form of humanitarian aid to Tajikistan, Albania, China, Georgia and three countries hit by floods, Ukraine, Moldova and Romania, for a total of CZK 9.9 million.

Financial aid is provided either as a contribution to international humanitarian organisations (most often UN agencies and the International Red Cross), or in the form of subsidies for projects of Czech or foreign non-governmental organisations. In 2008, the Czech Republic provided a total of CZK 37 million in financial humanitarian aid via the UN (in particular WFP, UNHCR and UNICEF) and CZK 2.5 million through the ICRC, both for long-term humanitarian crises and for acute assistance. CZK 20 million was divided up for projects by non-governmental organisations, of which 11.5 million went to Czech NGOs (People in Need, Caritas, Adra) and 8.5 million to foreign NGOs (in Iraq, Afghanistan, Malaysia).

Humanitarian aid should be provided according to need, not on the basis of political or other preferences. The territorial distribution of Czech humanitarian aid in 2008 corresponds to the above mentioned aspect: CZK 28.5 million was donated to aid countries in Africa (chiefly long-term complex crises and financial aid), likewise CZK 28.5 million to Asia (of which 10.5 million to help Burma and Burmese refugees in Malaysia). In Europe, Czech humanitarian aid reached CZK 12.5 million; of that 5 million was donated to Georgia immediately after the end of the conflict (and another 9 million from extraordinary budget resources later). In the Middle East, the Czech Republic financed two humanitarian projects for Palestinian refugees in Lebanon through UNRWA (total CZK 3.5 million). In the Caribbean, the Czech Republic offered aid to hurricane victims – Cuba rejected the aid, Haiti accepted (CZK 2.5 million via UNICEF).

Aside from the Czech Ministry of Foreign Affairs, in 2008 the following institutions shared in implementing humanitarian aid: the Ministry of the Interior – General Directorate of Fire Rescue Service, the Administration of State Material Reserves, the Ministry of Health and the Ministry of Agriculture. Aid was financed through the budget of a diplomatic office for Tajikistan (through the Embassy of the Czech Republic in Tashkent) and Afghanistan (Embassy of the Czech Republic in Kabul).

With the amount and manner of its humanitarian aid in 2008, the Czech Republic maintained a prominent position among the "small and new donors" and within its means it contributed to reducing the effect of both sudden and long-term humanitarian crises.

Transformation cooperation

The transformation cooperation programme complements the Czech Republic's foreign development cooperation system. At the same time, it is a separately defined component of government policy towards transforming countries, as well as countries with undemocratic regimes. The aim of this cooperation is to help ensure that ongoing or possible future changes in these countries lead to democracy and the rule of law, and not to chaos, conflict and destabilisation. Transformation cooperation concentrates on creating and strengthening democratic institutions, the rule of law, civil society, and the principles of good governance. It is implemented primarily through projects targeting education and the dissemination of information, opinions and experiences, and in particular experiences with non-violent resistance to totalitarian systems and the subsequent social transformation

process, which the Czech Republic underwent in the 1990s. It is characterised by systematic cooperation with and support for civil society groups and non-governmental organisations – contact with state authorities in the beneficiary countries may be deliberately ruled out.

In 2008, the transformation cooperation programme continued to focus on countries of priority interest to Czech foreign policy where at the same time there is a tradition of mutual contacts and a certain assumption that Czech experiences can be applied (Belarus, Bosnia and Herzegovina, Georgia, Iraq, Cuba, Moldova, Myanmar/Burma, Serbia and Ukraine).

In 2008, the transformation cooperation programme funded a total of 50 projects of cooperation between Czech non-governmental organisations and institutions and their counterparts in the target countries, as well as independent activities of the Czech Ministry of Foreign Affairs, which were also realised in other countries of Asia and the Middle East, predominantly through Czech embassies. A number of the projects involving Czech organisations are multilateral or international in nature; the *Transformation Cooperation Programme* stresses coordination with other governmental and non-governmental providers of support and reflects the trends in EU policy towards the countries concerned. Total expenditure on transformation cooperation projects, scholarships and activities in 2008 amounted to approximately CZK 44.2 million.

9. Transformation policy

Transformation policy is an integral part of Czech foreign policy, bringing together the foreign policy tools that may be used to influence the state of human rights and democracy in the world. Transformation policy is designed to motivate political processes leading towards long-term stability and prosperity and to help support human rights defenders and emancipate civil society as a key actor in sustainable democratic change. The corresponding financial instrument, available to the Ministry of Foreign Affairs since 2004, is the transformation cooperation programme. The experiences gained from cooperation with civil society in target countries are then factored into the decision-making process. The Czech Republic's purposeful work in this field also helps enhance the country's image abroad as an active support of observance of human rights and support for democracy.

Belarus

International Association Civic Belarus

Support for "European Radio for Belarus"

European Radio for Belarus is an international radio station based in Warsaw with a network of associates throughout Belarus. Since February 2006, it has been providing news, commentary and entertainment features. In light of its target group, young listeners, emphasis is placed particularly on VHF/FM and internet (*www.euroradio.fm*). ERB is the most listened to station broadcasting from abroad, and the station's web site has also recorded growing traffic over 2007.

Support for the Belarusian non-governmental sector and Belarusian scholarship beneficiaries (information exchange, study stays, consultation services, development of Human Rights House in Vilnius)

Under the project, group and individual study visits to the Czech Republic were organised for representatives of the Belarusian non-governmental sector, as well as visits to the *Human Rights School* in Vilnius for Czech instructors. The project implementer also provided consultation and legal assistance to Belarusian students and organisations. The *Human Rights House* in Vilnius provides Belarusian non-governmental organisations with safe premises for their work and educational projects (seminars, conferences, training). The Czech Republic is one of this project's international partners.

Association for International Affairs

A European Alternative for Belarus

Support for the work of independent school "*Euroclubs*" to enable them better to promote European values and integration and inform about developments in Central European countries following their accession to the EU. In them, information on European values, European integration and development in Central European countries following their accession to the EU can be provided, in particular to primary and secondary school teachers in Belarus.

People in Need

Today's investment in the future of Belarus – contacts, image, analytical potential of a democratic Belarus

This complex project, picking up on previous activity by *People in Need* in Belarus, included: material and moral support for politically persecuted persons, increasing the capacities of small non-governmental organisations through micro-grants, a study internship in the Czech Republic and activities concentrating on increasing awareness about the situation in Belarus.

Archdiocesan Charity Prague

Education of Belarusian students at selected Czech universities I and II

A long-term project under which ten young Belarusians study at selected universities in the Czech Republic.

Georgia

Organisation for Aid to Refugees

Support for the work of non-governmental organisations working with refugees and internally displaced persons in Georgia II

This project picked up on previous cooperation with the non-governmental organisation Tskhinvali House, a confederation of fifteen smaller organisations working with refugees from Tskhinvali in South Ossetia. After training workers from non-governmental organisations, in 2008 the project focused primarily on providing computer courses, instruction in English for NGO workers and establishing a pilot healthcare fund for particularly endangered groups of refugees.

Agora Central Europe

Support for development of cooperation at the local level in Georgia

This joint project between four organisers (Agora CE, People in Need, Association for International Affairs and the Educational Centre for Public Administration) is focused on civil participation, primarily among young people from minorities, in decision-making processes and life in their communities, in education and in increasing the professional qualifications of representatives of local authorities.

Iraq

People in Need

Support for the transformation of Iraqi society – non-governmental organisations, civil society, journalists, local government

A long-term project launched in 2004; through a wide range of activities – study visits, courses, training, direct support – it contributes to the development of civil society and its effective role in transformation and democratisation in southern Iraq. In 2008, emphasis was placed on training representatives of local and regional administration and strengthening the ability of local non-profit organisations to realise their own projects. A web portal for non-profit organisations was also put into operation.

University of Hradec Králové, Faculty of Informatics and Management
Courses for a group of students from Iraq

Four students completed a course in *Information Management and Applied Informatics* at the University of Hradec Králové in June 2008.

Cuba

People in Need

Support for democratic opposition in Cuba

Direct support for civil society, independent journalists, doctors, teachers, activists in independent trade unions, church representatives, and civic activists. Another part of the project is the provision of information to the Czech, European and global public about the situation in Cuba and coordinating the activities of pro-democracy institutions and personalities.

Libri Prohibiti

Support for the movement of Independent Libraries in Cuba

Project focused on supporting "*independent libraries*" in Cuba by establishing direct contact between them and libraries in the Czech Republic. Also part of the project was a literary competition for banned/unofficial Cuban authors.

Serbia

VIA Foundation

Transformation cooperation with the Balkan Community Initiatives Fund (BCIF) – phase III

This long-term project helped develop a culture of private donorship and fundraising possibilities for non-profit organisations.

Support for development and viability of Serbian non-profit organisations

This project picks up on previous activities of the organiser in the field of developing donorship and sustainable financing for the non-profit sector in Serbia. Aside from systematic work with non-governmental non-profit organisations the project is focused on passing on experience with corporate social responsibility to company managers and to more intensive cooperation between the non-profit, private and public sector.

South Moravia Region

Utilisation of experiences with the transformation of public administration in the Šumadija region

Study visits and seminars focusing on the development and improvement of the performance of the *Regional Economic Development Agency for the Šumadija and Pomoravlje Regions*, which participates in drawing up development projects for local government; some projects receive financial support from the Czech Republic.

Bosnia and Herzegovina, Serbia

Transitions Online

Law school for journalists and journalism school for judges

This project is conceived of as training for journalists and judges. Thematically it is focused on better orientation for journalists in court procedures and mutual communication between media and judges. It is made up of a one-month online distance learning course, ongoing professional management of the journalists, a two-day briefing in both countries and a three-day seminar in Prague for both target groups.

Agora Central Europe

Increasing citizen influence on local decision-making

Strengthening democracy and development of civil society at the local level through effective public involvement in decision-making processes. The project familiarises representatives of local authorities with the possibilities and methods of "*civic participation*" and offers assistance in dealing with specific problems.

Belarus, Serbia, Bosnia and Herzegovina

Transitions Online

Reporting EU – Improving reporting on EU integration and reform

This educational cycle for journalists (from Belarus also for journalism students and those who are not permitted to study) contained a one-month internet distance learning course and a five-day course in Prague. Participants were provided with the knowledge needed to deliver accurate and unbiased reports. Emphasis was placed on internet journalism and *blogging*. The study materials were prepared in cooperation with the BBC.

Bosnia and Herzegovina, Serbia, Moldova

Transitions Online

Improving reporting on EU integration and reform

A continuation and expansion of a short-term project supported by the Czech Ministry of Foreign Affairs in 2006 and 2007, this is an educational programme intended for a total of 18 journalists and focused on improving their orientation in EU issues and on improving the quality level of information on European integration and reforms in the target countries.

Moldova

People in Need

Increasing the capacity of Transnistrian non-governmental organisations

Development of civic life and activities in the Transnistrian region; training in project management; practical cooperation in the form of *micro-grants*, with the emphasis on establishing contacts and cooperation between organisations under the jurisdiction of

Chisinau and Tiraspol. Part of the project is the training of local authorities and sharing of experiences with providing municipal services.

Myanmar/Burma

People in Need

Burma projects of People in Need

This project focused on direct support for the Burmese democratic movement and on initiatives that aid international support for the movement. As part of the project an expert group was created to pass on experiences with transformation, a number of Burmese activists travelled to the Czech Republic, plus other activities.

FAMU – Moving Image Centre and Burmese projects of FAMU

The project comprises one-year study at FAMU in Prague for one scholarship beneficiary whose opportunities for study in Myanmar/Burma are restricted for political reasons. It also includes a workshop designed to bring closer together independent artists, expelled students, former political prisoners and people cooperating with the dissent movement who are interested in cinematography and video and want to enhance the creative skills they already possess.

In addition to the aforementioned subsidies, the activities of the Yangon Film School and independent press were supported in Myanmar/Burma last year by the Ministry of Foreign Affairs directly.

Ukraine

Europeum Institute for European Policy

Transfer of experiences with the process of European integration from Czech non-governmental organisations to their Ukrainian counterparts II.

This project carried on with last year's activities and concentrated on passing on experiences with the process of European and Euro-Atlantic integration and the deepening of direct contacts between Czech and Ukrainian non-governmental non-profit organisations.

People in Need

Contribution to alleviating the conflict in Crimea and improving the quality of investigation in Eastern and Southern Ukraine

This project was focused on regulating ethnic tension in Crimea and bringing more depth to investigative journalism. A further round of reports was announced on the themes of corruption, the Russian-speaking majority in Crimea, etc.

Association for International Affairs

A European Alternative for Eastern Ukraine

This project was focused on regional journalists and teachers from Eastern Ukraine. A part of the project was a series of seminars for teachers and journalists, a competition for secondary school students and a study trip to the Czech Republic for selected teachers and journalists.

Democracy and Culture Studies Centre

Strengthening democracy and the structures of civil society in Eastern Ukraine

A continuation and expansion of a project realised in 2006. The target group were representatives of local citizens' organisations and democratic parties and representatives of state and local administration. In the project a ten-day lecture cycle was held and a publication was issued *Civic publication – bases and growth* in Russian and Ukrainian.

CERGE

Doctoral studies for students from target countries

As part of its transformation cooperation in the years 2005 – 2009, the Ministry of Foreign Affairs supports a programme of post-graduate studies of macroeconomics and economic transformation at the CERGE Economics Institute of the Czech Academy of Sciences and Charles University for several dozen students from the countries of Eastern Europe, Central Asia, the Balkans and South Caucasus.

II. THE CZECH REPUBLIC'S BILATERAL RELATIONS

1. The Czech Republic's relations with Central European countries

AUSTRIA

(Republic of Austria)

Visits by representatives of the Czech Republic:

- 7 January 2008 – official visit by Prime Minister M. Topolánek;
- 25 March 2008 – working visit by President V. Klaus;
- 25 April 2008 – meeting of foreign affairs ministers K. Schwarzenberg and U. Plassnik on the occasion of a meeting between representatives of Regional Partnership countries and the UN Secretary General in Vienna;
- 29 June 2008 – working visit by Prime Minister M. Topolánek;
- 1 September 2008 – Minister of Foreign Affairs K. Schwarzenberg attended a meeting of Austrian ambassadors;
- 17 September 2008 – working visit to Retz by President of the Senate of Parliament P. Sobotka, meeting with President of the Federal Council J. Weiss;
- 21 November 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg.

Visits by representatives of Austria:

- 20 August 2008 – meeting between President V. Klaus and Federal President H. Fischer in Mikulov;
- 26-27 September 2008 – President of the Federal Council J. Weiss attended the Summit of Presidents of Parliament of European Union Member States from Central and Eastern Europe.

Economic relations

Trade and economic relations have traditionally been very intensive and above average in quality. In that light, however, the rate of growth of both exports and imports has been below average compared to the overall development of trade and Austria's relative

importance as a trading partner is still falling. Whereas as recently as in 2004 Austria was the Czech Republic's third biggest trading partner with a share of 5.0% of total trade turnover, in 2008 it was eighth with a 4.2% share.

Active perfecting operations and re-exports play a major role in mutual trade, so a number of items feature among the principal commodities on the part of both exports and imports.

The Czech Republic's principal export commodities: automobiles and automobile parts, electric conductors, coal and coke, computer equipment, electrical circuit breakers and distribution systems, oil derivatives, timber, metallurgical products, electricity, tyres *et al.*

The Czech Republic's principal import commodities: oil derivatives, automatic gambling machines, electrical components and apparatus, pork, metallurgical products, electric conductors, paper, plastic products, pharmaceuticals, lorries and trailers, automobile parts, *et al.*

Bilateral agreements concluded in 2008

- Arrangement between the Government of the Czech Republic and the Government of the Republic of Austria Pursuant to Article 2 (4) of the Agreement between the Czech and Slovak Federative Republic and the Republic of Austria on the Relaxation of Border Controls in Rail, Road and Water Transport of 17 June 1991, Vienna, 31 March 2008;
- Agreement between the Government of the Czech Republic and the Government of the Republic of Austria on Cooperation in the Field of Culture, Education, Science, Sport and Youth (the "Culture Agreement"), Vienna, 21 November 2008.

Cultural relations

2008 was again an exceptionally rich year in Czech-Austrian cultural relations. The Czech embassy in Vienna prepared a whole series of cultural events on topical socio-political questions of Czech-Austrian relations. In addition to the commemoration of the 40th anniversary of the 1968 Prague Spring, other significant anniversaries in Czech history were marked. The most significant and also the most visible event of this kind was a concert

entitled *Thanks for Your Help in 1968*, organised by the Czech embassy in Vienna and held in the historic building of the Vienna town hall.

The Czech Centre in Vienna was also active in the field of culture. Besides organising literary readings, exhibitions and concerts, it played a role in a number of local cultural festivals: among the most important cultural events of 2008 were the *Children's Film Festival* in Baden, *Cultural Heritage Day*, the *Buch Messe Wien* book fair, and the festival of films on human rights *This Human World*.

Part of the Czech community associated in the *Cultural Club of Czechs and Slovaks in Austria* has traditionally played a role in developing cultural cooperation. The Cultural Club publishes a monthly periodical called *Club*. Last but not least, the *Diplomatic Academy* in Vienna, which has been headed since 2005 by writer and the Czech Republic's former ambassador to Austria J. Gruša, has been involved in supporting joint Czech-Austrian cultural activities. In 2008 the *Diplomatic Academy* hosted a whole series of conferences to mark the 40th anniversary of the 1968 Prague Spring.

Austrian culture is promoted in Prague and the Czech Republic by the Austrian Cultural Forum, which has operated in Prague for thirteen years. In November 2008, the foreign affairs ministers of the Czech Republic and Austria signed a *Culture Agreement*, which superseded the now outdated *Agreement on Cooperation in the Field of Culture, Education and Science Concluded between the CSSR and Republic of Austria in 1997*. Among other things, the agreement will create a clear framework of rules for the Austrian Grammar School in Prague and the Comenius School in Vienna.

GERMANY

(Federal Republic of Germany)

Visits by representatives of the Czech Republic:

- 17-18 January 2008 – visit to Kronberg by Minister of Foreign Affairs K. Schwarzenberg;
- 18 January 2008 – visit to Düsseldorf by President V. Klaus;
- 9-10 February 2008 – Minister of Foreign Affairs K. Schwarzenberg attended a security conference in Munich;

- 11-12 February 2008 – visit to Berlin by Deputy Prime Minister for European Affairs A. Vondra;
- 9-11 April 2008 – visit to Berlin by Deputy Prime Minister and Minister of the Environment M. Bursík;
- 14 April 2008 – visit to Dresden by Minister of Foreign Affairs K. Schwarzenberg;
- 23-24 April 2008 – visit to Berlin by President V. Klaus;
- 30 May 2008 – visit to Bielefeld by Deputy Prime Minister for European Affairs A. Vondra;
- 17 June 2008 – visit to Berlin by Deputy Prime Minister for European Affairs A. Vondra and Minister of Foreign Affairs K. Schwarzenberg;
- 23-25 June 2008 – visit to Berlin by Minister of Foreign Affairs K. Schwarzenberg;
- 25 June 2008 – visit to Berlin by Prime Minister M. Topolánek;
- 15 September 2008 – meeting between Deputy Prime Minister and Minister of the Environment M. Bursík and Bavarian State Minister of the Environment, Public Health and Consumer Protection O. Bernhard;
- 23 October 2008 – visit to Dresden by President V. Klaus;
- 10 November 2008 – visit to Berlin by Deputy Prime Minister and Minister of the Environment M. Bursík;
- 2-3 December 2008 – visit to Berlin by Deputy Prime Minister for European Affairs A. Vondra;
- 15 December – visit to Berlin by Minister of Foreign Affairs K. Schwarzenberg.

Visits by representatives of Germany:

- 17-18 May 2008 – visit to Lány by G. Milbradt, Minister President of the Free State of Saxony;
- 20 October 2008 – visit to Prague by Federal Chancellor A. Merkel.

Economic relations

Trade relations with Germany have been very good for many years. Even though the proportion of the Czech Republic's foreign trade accounted for by Germany is falling as that of other European countries increases, with a roughly two-thirds share Germany remains the Czech Republic's biggest trading partner. Along with the Netherlands, Germany is also the

biggest investor in the Czech Republic. A significant portion of Czech exports to Germany is therefore accounted for by firms with German capital.

The commodity structure of trade exchange between the two countries again remained unchanged in 2008. Czech exports are dominated by road vehicles, electrical apparatus and industrial machinery. Taken as a whole, machinery and transport equipment makes up over half of exports to Germany.

The commodity structure of imports from Germany is very similar to that of Czech exports. Just under half is accounted for by machinery and transport equipment, with road vehicles and electrical apparatus again the key categories.

Bilateral agreements concluded in 2008

- Protocol between the Ministry of Education, Youth and Sports of the Czech Republic and the State Ministry of Culture of the Free State of Saxony on an Amendment of the Annex to the Arrangement between the Ministry of Education, Youth and Sports of the Czech Republic and the State Ministry of Culture of the Free State of Saxony on Cooperation in the Implementation of the Dual-nationality Bilingual Czech-German Educational Cycle at the Friedrich Schiller Grammar School in Pirna, Dresden, 20 June 2008.

Cultural relations

The main development in the cultural arena was that the Czech side stepped up its activities in Germany. The Czech embassy used the year's significant historical anniversaries to put on a unique thematic series designed to acquaint the German public with modern Czech history of the 20th century. With a uniform invitation design and logo and the slogan *Die Macht der Acht (The Power of Eights)*, over twenty events dealing with the years 1918, 1938, 1948 and 1968 were held in Berlin and elsewhere.

The series of events was opened by an evening called *Achtung: Acht!* on the theme of February 1948. The newly established *Institute for the Study of Totalitarian Regimes* was presented at this evening. In March the first in a series of events marking the 1968 Prague Spring was organised in collaboration with the *Office of the Federal Commissioner Preserving the Records of the Ministry for State Security of the German Democratic Republic*.

The series culminated in a ceremony to commemorate the 40th anniversary of the Prague Spring at the level of heads of government of the Czech Republic, Slovakia and Germany organised by the Czech and Slovak embassies, which took place in Berlin on 25 June 2008. At this ceremony, the prime ministers of the Czech Republic and Slovakia M. Topolánek and R. Fico and the president of the Federal Assembly N. Lammert jointly opened an extensive exhibition of photographs called *Faces of the Prague Spring* installed in the German parliament. The climax of the event was a concert of the Czech National Symphony Orchestra with soloists G. Beňačková and E. Urbanová at Berlin's *Concert House*.

The autumn was devoted to the anniversary of the signing of the *Munich Agreement* and the founding of the independent Czechoslovak Republic. These events included an exhibition entitled *Admit We're Living in Interesting Times*, devoted to eminent Czechoslovak diplomat K. Hoffmann and held in Berlin, and an exhibition dealing with the founding of Czechoslovakia that opened on 28 October 2008 to coincide with the celebration of Czech National Day. Towards the end of November an exhibition of *Forgotten Heroes* was presented to the German public. This exhibition, devoted to the subject of German anti-fascists, was part of a goodwill gesture by the Czech government from 2005.

A whole series of other Czech-German cultural projects also took place. Events deserving a mention include the 17th year of *Festival Mitte Europa*, which comprised over 90 concerts in locations by the Czech-Bavarian-Saxony border; the traditional *Prague-Berlin Festival of Czech Art and Culture*, which was also the biggest presentation of Czech culture in Germany; and the traditional autumn *Days of Czech and German Culture* in Dresden and the Elbe/Labe Euroregion. The activities of several dozen cultural associations of various kinds that cooperate intensively with partners on the Czech side also help shape the Czech Republic's cultural image. Their initiatives are made possible partly by financial support from the *Czech-German Fund for the Future*.

HUNGARY

(Republic of Hungary)

Visits by representatives of the Czech Republic:

- 6 May 2008 – working visit by President V. Klaus.

Visits by representatives of Hungary:

- 23 April 2008 – working visit by Minister for Foreign Affairs K. Göncz;
- 20-21 November 2008 – official visit by Prime Minister F. Gyurcsány.

Economic relations

Czech-Hungarian economic relations can be described as balanced, bilaterally active and positively perceived. Hungary has for long been one of the Czech Republic's most important trading partners. In 2008, it was the 9th biggest partner with a 2.8% share of the Czech Republic's foreign trade.

However, the dynamic growth in trade exchange that had characterised previous years slowed down in 2008. A particularly sharp fall in the pace of growth was registered in the fourth quarter of 2008; this can be regarded as a consequence of the global financial and economic crisis. Imports from Hungary grew more strongly than Czech exports. The Czech Republic retained its balance of trade surplus, however.

The Czech Republic's principal export commodities: machinery and transport equipment, industrial goods and various finished products account for two-thirds of exports. These are primarily passenger cars, computer equipment and parts, tractors, parts and spares for tractors, passenger cars and lorries, television screens, electronic components and parts for the assembly of electronic instruments. Other exports commodities are chipboard, aniline, rolled material and coal.

The Czech Republic's principal import commodities: compression ignition and spark ignition engines for Škoda passenger cars, brakes, bunched cables for the automobile industry, medicines, mobile telephones, consumer electronics parts and components, computer peripheries, televisions, electric motors and parts, light bulbs, paper and cardboard, composite leather, aluminium semi-finished products, meat, smoked meats and meat products.

Cultural relations

Czech-Hungarian cultural relations have a long tradition. Hungarians' interest in Czech culture is not only strong, it is also stable. In 2008, Czech culture was again presented through a number of events, most of them organised by the Czech embassy or the Czech Centre in Budapest. Events worth mentioning include the following:

- *Theatre and Memory 1968-2008* – this series of cultural events included an exhibition *Václav Havel – Dramatist and World Citizen*; a discussion entitled *Sixty-eight Today*; and a presentation by the National Theatre in Prague called *Tom Stoppard: Rock 'n' Roll*;
- *Film and Memory 1968-2008* – screenings of Czech and Slovak films of the Czechoslovak “new wave” and contemporary cinema, attended by Czech and Slovak directors and actors;
- *'68 in 68 Pictures* – a series of exhibitions, concerts and discussions to mark the 40th anniversary of the occupation of the CSSR by Warsaw Pact forces;
- *History and Memory 1968-2008* – exhibition of photographs about the Prague Spring by J. Kratochvíl;
- *Prague Days in Budapest* – a series of cultural events and presentations;
- concert performed by the City of Brno Quartet to mark Czech National Day and Christmas concert by singer J. Kosinová accompanied on the organ by D. Valtová in the Matthias Church in Buda.

Exhibitions, concerts and film screenings staged in the regions of Hungary and organised by the Czech embassy (*Czech Days in Veszprém City and County*, *Czech Days in Debrecen and Hajdú-Bihar County*, *Czech Days in Tatabánya and Komárom-Esztergom County*, *Czech Days in Békés County*, and *Czech Days in Szolnok and Jász-Nagykun-Szolnok County*) were another significant aspect of the cultural presentation of the Czech Republic.

POLAND

(Republic of Poland)

Visits by representatives of the Czech Republic:

- 11 March 2008 – working visit by President V. Klaus;
- 12-13 October 2008 – working visit by President V. Klaus;
- 23 October 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra.

Visits by representatives of Poland:

- 10 January 2008 – official visit by Prime Minister D. Tusk;

- 24 July 2008 – working visit by President L. Kaczyński;
- 13-14 November 2008 – official visit by Minister of Foreign Affairs R. Sikorski.

Economic relations

Poland was the Czech Republic's third biggest trading partner in 2008 with 6.2% of its total foreign trade. Trade relations continue to develop dynamically and Czech exports still exceed imports. In 2008, the Czech Republic invested more in Poland than in any other country.

The Czech Republic's principal export commodities: equipment (passenger cars, tractors, machine tools), plastic and rubber products, chemicals, mineral products.

The Czech Republic's principal import commodities: copper wire, coke, chemicals, mineral fuels and lubricants, coal, electricity, furniture, food products, textiles, footwear, live animals, beverages, tobacco.

Bilateral agreements concluded in 2008

- Arrangement between the Government of the Czech Republic and the Government of the Republic of Poland on an Amendment to Annex 1 of the Agreement between the Government of the Czech Republic and the Government of the Republic of Poland on Border Crossings, Crossings on Tourist Footpaths Cutting Across State Borders and the Principles of Crossing State Borders Outside Border Crossings, signed in Warsaw on 22 November 1996, concluded by an exchange of notes (Glucholazy-Mikulovice), Warsaw, 13 May 2008;
- Programme of Cooperation between the Ministry of Culture of the Czech Republic and the Ministry of Culture of the Republic of Poland for the Years 2008-2010, Warsaw, 29 September 2008;
- Treaty between the Czech Republic and the Republic of Poland on the Performance of Geological Work in the Area of the Common State Borders, Warsaw, 19 August 2008;;
- The ministries of foreign affairs also signed a Memorandum of Understanding Regarding the Establishment of a Czech-Polish Forum, Prague, 14 November 2008.

Cultural relations

A *Programme of Cooperation between the Ministry of Culture of the Czech Republic and the Ministry of Culture of the Republic of Poland for the Years 2008-2010* was signed in September 2008.

The key organisations arranging cultural presentations in 2008 were the Czech Centre in Warsaw and the Polish Institute in Prague. Additionally, partner cultural institutions, commercial agencies and private subjects also participated in cultural cooperation. A number of activities was undertaken on the basis of cooperation between partner towns.

As well as cultural activities that have become established traditions (the *Without Borders* theatre festival held in Český Těšín and Polish Cieszyn, *Czech-Polish Days of Christian Culture*), other events in 2008 included *Czech Day in Warsaw*, a series of weekend concerts devoted to the Czech folk scene called *Czech Steamboat*, a film festival in Paczkow, an exhibition entitled *Stage Design for the Plays of Václav Havel* and *Czech Culture Days* in the Polish town of Zelow. In November, the Ateneum Theatre in Warsaw staged V. Havel's play *Leaving*. Writer P. Kohout visited Poland. The Polish film academy conferred its *Golden Tape* award on director J. Menzel for his life's work.

Cooperation in education was based on the *Programme of Cooperation between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Science and Higher Education of the Republic of Poland for the Years 2006-2009* and focused mainly on direct cooperation between universities, scholarships for students of Polish and Czech studies and exchanges of academic staff on study, research and scientific stays. Czech language and literature teachers continued to work in Polish universities and *vice versa*. The traditional *Bohemian Studies Days* took place in Poznań. A cooperation agreement on student exchanges was signed between the *Warsaw Film School* and the *Miroslav Ondříček Film Academy* in Písek.

SLOVAKIA

(Slovak Republic)

Visits by representatives of the Czech Republic:

- 10-11 January 2008 – official visit by President V. Klaus;
- 10 March 2008 – working visit by President V. Klaus;
- 24 June 2008 – visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 16 August 2008 – working visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 21 August 2008 – working visit by President V. Klaus;
- 29 October 2008 – working visit by President of the Senate of Parliament P. Sobotka;
- 29-30 October 2008 – working visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 28 November 2008 – official visit by Minister of Foreign Affairs K. Schwarzenberg;
- 10 December 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 17 December 2008 – working visit by Prime Minister M. Topolánek.

Visits by representatives of Slovakia:

- 21 August 2008 – official visit by Prime Minister R. Fico;
- 27 October 2008 – working visit by President I. Gašparovič;
- 27 October 2008 – working visit by Speaker of the National Council P. Paška;
- 22 December 2008 – working visit by Minister of Foreign Affairs J. Kubiš.

Economic relations

Slovakia has for long been the Czech Republic's second biggest trading partner (behind Germany). Slovakia accounted for 7.5% of the Czech Republic's total foreign trade in 2008. The growth trend in trade was maintained despite the emerging financial and economic crisis in the 2nd half of the year.

The Czech Republic's principal export commodities: road vehicles, machinery and plant equipment, chemicals, industrial products, electricity, food products, raw materials.

The Czech Republic's principal import commodities: crude oil, petroleum products and related materials, machinery and plant equipment, chemicals, industrial products, food products.

Bilateral agreements concluded in 2008

- Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on an Amendment to the Agreement between the Government of the Czech Republic and the Government of the Slovak Republic on Mutual Protection of Official Secrets, Brunovce, 25 June 2008;
- Addendum to the Protocol between the Ministry of Defence of the Czech Republic and the Ministry of Defence of the Slovak Republic on Cooperation in the Field of Education and Training of Professional Soldiers and Civilian Employees of the Defence Ministries, Bratislava, 25 September 2008;
- Annex No. 1 to the Agreement between the Ministry of Defence of the Czech Republic and the Ministry of Defence of the Slovak Republic on the Division and Use of Documents Created before the Dissolution of the Czech and Slovak Federative Republic, Bratislava, 25 September 2008;
- Memorandum of Understanding on Cooperation in the Field of Electrical Energy between the Czech Republic and the Slovak Republic, Bratislava, 17 December 2008.

Cultural relations

Czech-Slovak cultural relations have for long been very intensive. Many Czech theatre ensembles were engaged as guest performers in Slovakia again in 2008; Czech artists exhibited there and Czech films were screened.

The largest number of cultural events have traditionally been staged during *Czech and Slovak Cultural Cooperation Month*, which has taken place every October since 2001. During this month, there were presentations of Czech culture in Bratislava, Košice and Nitra. The extensive list of cultural events included two exhibitions, *The Magic World of Czech Illustrators for Children* and *Floods in Central Europe*, and a song recital by M. Kožená.

The Czech Centre in Bratislava, the Czech Centre in Košice and the Czech embassy in Bratislava all contributed to the presentation of Czech culture, participating in the preparation and running of cultural events such as exhibitions of works by the painter J. Zrzavý and the Tvrdohlaví group, an exhibition of *Czech Art of the First Half of the 20th Century*, an exhibition of paintings by I. Hüttnerová, an exhibition of cartoons by M. Barták, a chamber concert *Mozartissimo* performed by musicians from the *Estates Theatre* in Prague, a gala

concert to mark Czech National Day featuring the *Bohuslav Martinů Chamber Orchestra* and a St. Wenceslas' Day concert by the *City of Brno Quartet*.

SLOVENIA

(Republic of Slovenia)

Visits by representatives of the Czech Republic:

- 27 March 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 8 May 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 30 August – 1 September 2008 – official visit by Prime Minister M. Topolánek.

Visits by representatives of Slovenia:

- 8-9 December 2008 – state visit by President D. Türk.

Economic relations

Economic cooperation between the Czech Republic and Slovenia is very good. Slovenia is one of the Czech Republic's important economic partners. With 0.5% of the total foreign trade, Slovenia was the Czech Republic's 25th biggest trading partner (20th in exports and 28th in imports).

There was, however, a slight fall in the rate of growth of trade exchange in 2008. Czech exports grew and the Czech Republic ended the year with a balance of trade surplus.

The Czech Republic's principal export commodities: passenger cars, machine engineering products, tyres, steel industry products and tubes, cattle, cereals, paper, pulp, chemicals, unroasted malt, glass, timber, food products, aluminium products, *et al.*

The Czech Republic's principal import commodities: pharmaceuticals, paper, motor vehicles, household technology, automatic gambling machines, aluminium products, household electrical and heating appliances, electricity generator motor parts, chemical products, electrical engineering products, machine engineering products, consumer products.

Bilateral agreements concluded in 2008

- Treaty between the Czech Republic and the Republic of Slovenia on the Exchange and Mutual Protection of Official Secrets, Ljubljana, 21 October 2008.

Cultural relations

Czech-Slovene cultural relations were again characterised by high intensity in 2008, supported by the implementation of a cultural cooperation programme between the two countries' culture ministries.

Of the numerous events that took place during the year it is worth mentioning the *LIFFE*, *ANIMATEKA* and *Grossman 08* film festivals and the *EUROTEKA* retrospective of European cinema; a piano recital by T. Víšek; authors' readings by writers R. Denemarková and P. Brycz during *The Slavic Bridge Festival*, an event designed to present younger Slavic authors that formed part of the *Forum Slavic Cultures*; cooperation between the Brno Municipal Theatre and the Ljubljana Municipal Theatre; an exhibition of stage designs by J. Svoboda; the summer violin school under the tutorship of Professor T. Tuláček; an exhibition entitled *Litomyšl and Contemporary Architecture* in Maribor intended to present a group of young Czech architects; and an organ concert by J. Tůma on the occasion of Czech National Day in the Church of St. Francis in Ljubljana.

SWITZERLAND

(Swiss Confederation)

Visits by representatives of the Czech Republic:

- 7 June 2008 – in Basel President of the Chamber of Deputies of Parliament M. Vlček and Deputy Prime Minister for European Affairs A. Vondra attended the opening football match of the European Championships between the Czech Republic and Switzerland, as part of which they held a number of informal talks with Swiss and other European representatives;
- 9 October 2008 – President V. Klaus attended an international climate conference in Thun, during which he met with Swiss Minister for Economic Affairs D. Leuthard.

Visits by representatives of Switzerland:

- 16 December 2008 – working visit by Head of the Federal Department of Foreign Affairs M. Calmy-Rey.

Economic relations

Trade and economic relations have traditionally been very good and 2008 was the most successful year since 1993 in terms of the volume of mutual trade, for example. Trade exchange registers yearly growth, both in overall turnover and in Czech exports. The high standard of processing of products on both sides is a very positive aspect of mutual trade. The highly developed commodity structure on both sides is also favourable.

The Czech Republic's principal export commodities: machinery and transport equipment (passenger cars, electrical appliances, office machinery), market products (primarily metal products), industrial consumer goods and related products.

The Czech Republic's principal import commodities: medicaments and pharmaceutical products, electrical apparatus, devices, appliances and machinery.

Cultural relations

Cultural relations are not governed by any treaties; cultural exchange takes place primarily on a commercial basis. Czech art has traditionally had a good reputation in Switzerland, above all in the field of classical music (not only do Czech students study at a number of Swiss conservatories, Czech professors also teach there; the Prague Philharmonic Orchestra is currently headed by a Swiss conductor etc.). The *Bohuslav Martinů Festival* held every autumn in Basel plays an important role in artistic contacts. In May, a festival of Czech films from the 1960s screened in cinemas in Zurich and Basel attracted considerable attention.

The Czech Republic was strongly presented Switzerland in connection with the anniversaries linking the two countries, above all the commemoration held in Geneva of the creation of the Czechoslovak state in 1918, negotiations on which were conducted in Switzerland, and the commemoration of the 1968 Prague Spring and subsequent military occupation of Czechoslovakia in August that year, which was marked by a number of exhibitions and concerts as well as podium discussions, the most prominent of which took place at the *Dürrenmatt Centre* on 13 September 2008.

The large Czech community associated in the *Union of Czech and Slovak Associations in Switzerland* (an umbrella organisation of eighteen Czech community associations, most of

them focused on the Sokol sports movement) participated in many of these events. The Union also organised a ceremony to mark the 40th anniversary of exile in Wettingen, near Zurich, on 4 October 2008. In the Francophone part of Switzerland, the *Beseda Slovan* association in Geneva was particularly active in connection with the commemorations of the year's important anniversaries.

2. The Czech Republic's Relations with Northern and Eastern European Countries

ARMENIA

(Republic of Armenia)

Visits by representatives of the Czech Republic:

- 8-9 April 2008 – visit by President of the Senate of Parliament P. Sobotka on the occasion of the inauguration of the new president;
- 5-7 July 2008 – visit by Minister of Foreign Affairs K. Schwarzenberg; meeting with President S. Sargsian, Prime Minister T. Sargsian, Minister of Foreign Affairs E. Nalbandian and opposition leader T. Petrosian;
- 11-13 September 2008 – visit by President of the Senate of Parliament P. Sobotka in connection with the launch of the Czech-Armenian Business Forum;
- 6-11 October 2008 – visit by a delegation of the Committee on Constitutional and Legal Affairs of the Chamber of Deputies of Parliament led by J. Kasal.

Economic relations

The Czech Republic's trade turnover with Armenia grew by more than 30% in 2008 to CZK 633 million from CZK 474 million in 2007. Most of this growth came from Czech exports, which increased from CZK 343 million in 2007 to CZK 530 million in 2008. Conversely, Armenian exports to the Czech Republic fell from CZK 131 million in 2007 to CZK 102 million.

The Czech Republic's principal export commodities: machinery and transport equipment, glassware and crockery, chemicals, food products and beer.

The Czech Republic's principal import commodities: ferrous alloys, synthetic rubber, spirits and tobacco.

Transformation and development cooperation

In 2008, the Czech Republic provided CZK 2.8 million towards a project to prevent illegal migration.

AZERBAIJAN

(Republic of Azerbaijan)

Visits by representatives of the Czech Republic:

- 2-4 March 2008 – official visit by a delegation of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament led by its chairman J. Hamáček;
- 26-30 May 2008 – visit by a delegation of the Committee on Science, Education, Culture, Youth and Sport of the Chamber of Deputies of Parliament, led by the chairman of the Subcommittee on Culture and Media Legislation P. Pleva;
- 18-20 June 2008 – a parliamentary delegation attended the celebrations of the 90th anniversary of the founding of the Azerbaijani parliament (V. Filip, Vice-chairman of the Chamber of Deputies; T. Jirsa, Vice-chairman of the Committee on Foreign Affairs, Defence and Security of the Senate);
- 3-5 July 2007 – official visit by Minister of Foreign Affairs K. Schwarzenberg;
- 25-26 September 2008 – working visit by the Minister of the Environment, undertaken by 1st Deputy Minister of the Environment J. Dušík.

Visits by representatives of Azerbaijan:

- 23 May 2008 – consultations by First Deputy Minister of Foreign Affairs A. Azimov;
- 9-11 December 2008 – official visit by Minister of Foreign Affairs E. Mammadyarov.

Economic relations

Azerbaijan is the Czech Republic's most important trading partner in the South Caucasus and the Azerbaijani market also possesses the greatest potential for increased Czech exports to the region. Trade turnover in 2008 was up 26% on 2007 at a total of CZK 27,617 million; Czech exports grew by 30.5% to CZK 1,547 million and imports by 25.7% to CZK 26,070 million. The large deficit of CZK -24,523 million is caused by the fact that Azerbaijani oil covers a significant fraction (as much as a quarter) of the Czech Republic's total oil consumption.

The Czech Republic's principal export commodities: building machinery, lorries, construction parts, glass products.

The Czech Republic's principal import commodities: mineral fuels, lubricants and related materials.

Bilateral agreements concluded in 2008:

- Memorandum of Understanding on Consultations between the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Foreign Affairs of the Republic of Azerbaijan, Baku, 4 July 2008;
- Memorandum of Understanding on Cooperation in the Field of Environmental Protection between the Ministry of the Environment of the Czech Republic and the Ministry of Ecology and Natural Resources of the Republic of Azerbaijan, Baku, 25 September 2008.

Cultural relations

The Czech Republic offered Azerbaijan one government scholarship for study at a Czech university in the 2008/2009 academic year. In September 2008, a Centre of Azerbaijani and Caspian Studies was opened at the International Institute of Political Science of Masaryk University in Brno.

BELARUS

(Republic of Belarus)

Visits by representatives of the Czech Republic:

- 24 October 2008 – visit by First Deputy Minister of Foreign Affairs T. Pojar.

Visits by representatives of Belarus:

- 4-7 February 2008 – visit by First Deputy Minister of Industry and Trade I. I. Demidovich.

Economic relations

The Czech-Belarus trade balance for 2008 equalled CZK 7,375,935,000 (USD 434.2 million/EUR 296.9 million), an increase of CZK 1,435,755,000 over 2007. During the same period, exports grew by CZK 1,529,696,000 (up 42.6% to CZK 5,120,141,000). Imports fell by CZK 93,941,000 (-4%) from 2007. The Czech Republic ended 2008 with a balance of trade surplus of CZK 2,864,347,000.

The Czech Republic's principal export commodities: reactors, boilers, mechanical devices and instruments, electrical recording equipment, plastics and plastic products, iron and steel and products of such, paper and paper products.

The Czech Republic's principal import commodities: iron and steel and products of such, fertilisers, motor vehicles, artificial silk, plastics and plastic products.

Transformation cooperation

Under the *Programme of Transformation Cooperation*, the work and development of local non-governmental organisations and independent media is supported in Belarus. Projects include *European Radio for Belarus* (an international project of foreign broadcasting to Belarus that the Czech Republic has supported since 2005), *Human Rights House for Belarus* in Vilnius, and the *European Humanitarian University (EHU)* in Vilnius.

Cultural relations

In education, the Czech Republic concentrated on supporting Czech language teaching at the Belarusian State University in Minsk. Under the state programme seven scholarships

for study at Czech universities were provided to Belarus for the 2008/2009 academic year. The Czech Republic also supports the development of independent culture in Belarus.

The Czech embassy in Minsk maintained contacts with a number of Belarusian cultural institutions and actively contributed to the promotion of Czech culture.

DENMARK

(Kingdom of Denmark)

Visits by representatives of the Czech Republic:

- 6-7 March 2008 – consultation by Deputy Minister of Foreign Affairs J. Kohout on the question of foreign development cooperation;
- 31 March – 3 April 2008 – working visit by a delegation of the Committee on Social Policy of the Chamber of Deputies of Parliament.

Visits by representatives of Denmark:

- 16-17 June 2008 – official visit by Minister for Education B. Haarder;
- 31 October 2008 – Minister for Climate and Energy C. Hedegaard attended the *Climate Change Conference*;
- 10-11 November 2008 – working visit by the European Affairs Committee of Parliament;
- 4 December 2008 – official visit by the Minister for Refugees, Immigrants and Integration Affairs B. R. Hornbech;
- 9 December 2008 – working visit by Prime Minister A. F. Rasmussen.

Economic relations

Denmark has for long been one of the Czech Republic's significant economic partners. Trade exchange fell by 13.8% in 2008, largely owing to a fall in imports. The Czech Republic has a balance of trade surplus with Denmark.

The Czech Republic's principal export commodities: road motor vehicles, consumer electronics, iron and steel products, plastics and plastic products, furniture and prefabricated

buildings, toys and sports equipment, paper products, pharmaceutical products, clothing and accessories, aluminium and aluminium products, optical instruments, footwear and textile products.

The Czech Republic's principal import commodities: toys and mechanical assembly sets (Lego), electrical audio and video reproduction and recording devices, pharmaceutical products, plastics and plastic products, aluminium and aluminium products, optical instruments, paper and paper products, iron and steel products, pork, fish, food preparations.

Cultural relations

A series of events took place from 1 February to 30 March 2008 under the title *Czechia In Focus*, organised by the Czech embassy and various institutions in Denmark. The programme included a retrospective of the works of film director J. Menzel, Czech photography at the *Czech Press Photo 2007* exhibition, Czech beer at a tasting of Czech and Danish beer, and Czech graphic art in an exhibition of screen prints by B. Ovčáková and lithography by P. Poš. The Copenhagen Opera House staged the Danish premiere of the opera *Rusalka*. A workshop entitled *Macroeconomy of the Czech Republic, Prognoses and Financial Markets* took place in cooperation with Nordea Bank and a *Week of Czech Cuisine* was organised in cooperation with the Radisson SAS Royal hotel in Copenhagen. *Czech Days in Greenland* took place in Nuuk, the administrative centre of Greenland, from 1 to 7 September 2008, in cooperation between the Czech embassy and the Katuaq Cultural Centre. The Danish Film Institute put on a retrospective of the films of J. Švankmajer from 7 to 31 October 2008.

ESTONIA

(Republic of Estonia)

Visits by representatives of the Czech Republic:

- 6 May 2008 – official visit by Prime Minister M. Topolánek;

- 26 June 2008 – Minister of Health T. Julínek attended the World Health Organisation's *Health Systems for Health and Wealth* conference in Tallinn;
- 12-13 November 2008 – working visit to Tallinn by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda.

Visits by representatives of Estonia:

- 26 March 2008 – informal meeting of the Czech and Estonian prime ministers during A. Ansip's unplanned several-hour stay in Prague;
- 23 May 2008 – working visit by Prime Minister A. Ansip on the occasion of a meeting of the European Nuclear Energy Forum.

Economic relations

There were considerably changes in economic relations with Estonia compared to previous years. Trade turnover grew from 2007 to 2008 by a few percent, which is a significant reduction in the previous pace of growth, whereby turnover tripled from 2002 to 2007. The reason for this was the global financial and economic crisis: Czech exports to Estonia fell slightly in 2008 (by a few percent), while Estonian exports to the Czech Republic grew palpably by tens of percent. The Estonian kroon's strength against the euro was another strong influence on trade exchange.

The Czech Republic's principal export commodities: machinery and transport equipment, market products classified by type of material, industrial consumer goods, passenger cars and other passenger vehicles, glass, automatic data processing equipment.

The Czech Republic's principal import commodities: market products classified by type of material, industrial consumer goods, machinery and transport equipment, flat rolled iron products, simply worked timber, floor coverings.

Cultural relations

A number of cultural events were staged in Estonia in 2008 with significant support from the Czech embassy in Tallinn, among them an exhibition entitled *Václav Havel in the Europe's Metamorphoses* in the Museum of Occupations in Tallinn and *Czech Press Photo 2007* in the hall of Tallinn University. At the start of 2008, there was a tour by the Talich

Quartet, whose outstanding performances received unprecedented ovations and praise from critics in the Estonian press.

Tomáš Kočko & Orchester took part in the annual folk music festival held in the southern Estonian town of Viljandi on 23 to 26 July. With the organisational assistance of the Czech embassy, this group also performed an open-air concert on the main square in the historical centre of Tallinn during the *Summer Music Days in Tallinn* festival.

FINLAND

(Republic of Finland)

Visits by representatives of the Czech Republic:

- 7-10 April 2008 – working visit by a delegation of the Committee on Budgetary Control of the Chamber of Deputies of Parliament, led by its vice-chairman L. Ježek;
- 18-20 May 2008 – working visit by a delegation of the Committee on Economic Affairs of the Chamber of Deputies of Parliament, led by its vice-chairman A. Rádl;
- 19 November 2008 – visit to the Finnish Environment Ministry by 1st Deputy Minister of the Environment J. Dusík;
- 3-5 December 2008 – Minister of Foreign Affairs K. Schwarzenberg attended a session of the OSCE Ministerial Council.

Visits by representatives of Finland:

- 31 March 2008 – working visit by Minister of Migration and European Affairs
- A. Thors;
- 13 May 2008 – working visit by Minister of Foreign Affairs A. Stubb;
- 29 October 2008 – working visit by Minister of Economic Affairs M. Pekkarinen;
- 4 November 2008 – official visit by Prime Minister M. Vanhanen.

Economic relations

In terms of trade turnover, Finland was the Czech Republic's 24th biggest trading partner in 2008. Trade turnover grew by 10% from the previous year, with Czech exports up

25% and imports from Finland down by 6%. The total turnover for the exchange of goods was CZK 26.5 billion in 2008.

The Czech Republic's principal export commodities: passenger cars, television sets, audio recording and reproduction devices, automatic data processing machinery.

The Czech Republic's principal import commodities: paper and cardboard, audio recording and reproduction devices, rolled steel products, tyres and inner tubes, medicaments.

Cultural relations

The lively cultural exchange between the two countries continued in 2008. There was an exhibition of photographs in Turku and Mikkeli, an event to promote Czech animated film and two concerts by eminent pianist T. Víšek. In June, a seminar on the 40th anniversary of the Prague Spring was held, as well as a meeting between members of the *Amfora* club and the Czech community in Finland and a concert by the *Collegium Marianum* ensemble. In addition, there were two commemorative events to mark the 40th anniversary of 21 August 1968 (a performance of Janáček's opera *From the House of the Dead* at the Helsinki Festival and screenings of Czech documentaries – *Images of Memory, Prague, 1968*); an exhibition of works by artists V. Jonášová and M. Bauer, accompanied by a musical performance by the Jeseník elementary art school; a book signing of *Mika Waltari the Finn* translated by M. Hejkalová; a performance by ensembles from the Frýdek-Místek elementary art school; and another piano concert by T. Víšek on the occasion of a ceremonial reception marking Czech National Day and commemorating the 90th anniversary of the founding of the Czechoslovak Republic.

GEORGIA

Visits by representatives of the Czech Republic:

- 20 January 2008 – visit by President of the Senate of Parliament P. Sobotka on the occasion of the inauguration of the new president;
- 1-3 July 2008 – visit by Minister of Foreign Affairs K. Schwarzenberg; talks with President M. Saakashvili, Minister of Foreign Affairs E. Tkeshelashvili and other constitutional officials; participation in the V4-GUAM summit and launch of the Czech-Georgian Business Forum;

- 29-30 September 2008 – visit by a delegation of the Committee on Foreign Affairs and the Committee on Defence of the Chamber of Deputies of Parliament, led by the vice-chairman of the Committee on Foreign Affairs T. Dub.

Visits by representatives of Georgia:

- 27 November 2008 – visit by Minister of Foreign Affairs E. Tkeshelashvili; talks with Deputy Prime Minister for European Affairs A. Vondra, Minister of Foreign Affairs K. Schwarzenberg, Chairman of the Chamber of Deputies of Parliament M. Vlček and Chairman of the Senate of Parliament P. Sobotka.

Economic relations

The Czech Republic's trade turnover with Georgia grew by almost 30% in 2008 to CZK 1.29 billion from CZK 1.01 billion in 2007. Most of this growth came from Czech exports, which increased from CZK 0.89 billion in 2007 to CZK 1.12 billion in 2008. However, in consequence of the armed conflict in August, Georgian exports to the Czech Republic fell from CZK 0.206 billion in 2007 to CZK 0.18 billion in 2008.

The Czech Republic's principal export commodities: passenger cars, motor goods vehicles, iron and steel products, electrical apparatus up to 1000 V, computer and typewriter components.

The Czech Republic's principal import commodities: walnuts and other dried fruits, wine and grapes, alcoholic beverages.

Humanitarian aid

As a result of the Czech Republic's highly sensitive perception of the military conflict in Georgia, it immediately provided humanitarian aid worth CZK 5 million after the conflict to people whose life and health was endangered by the events. Three tonnes of humanitarian aid worth CZK 2 million were provided directly, and CZK 3 million was provided to the Office of the UN High Commissioner for Refugees to help provide shelter for internal displaced persons.

Transformation and development cooperation

Georgia is one of the ten priority countries of the Czech Republic's *Programme of Transformation Cooperation*. Two projects were implemented under this programme in 2008. The projects supported the development of cooperation at local level in Georgia and English language teaching for the staff of Georgian non-governmental organisations working with refugees from separatist regions. The total support provided to Georgia under the transformation cooperation programme in 2008 was CZK 3.15 million.

On 20 October 2008, the Czech government decided to release a further CZK 150 million for reconstruction in Georgia and development aid. CZK 20 million of that amount was used as rapid post-conflict aid for the internally displaced, to destroy unexploded munitions and to launch selected development projects. The remaining CZK 130 million will be used in 2009 and 2010 for the comprehensive development and renewal of the conflict-affected areas, which will be implemented primarily in the form of development projects.

Cultural relations

In 2008, the *Golden Prague* club was allocated a total of CZK 80,000 from the funds of the Ministry of Foreign Affairs. This sum was earmarked for the following projects: Czech language teaching (CZK 15,000), the publication of a Czech community magazine (CZK 32,600), and rent for a club room (CZK 32,400). All the money was used up. Georgian citizens are offered the chance of two-term study in the Czech Republic. Two individuals took up this option in 2008.

In 2008, the *Golden Prague* club organised several social events, to which representatives of the Czech embassy in Tbilisi were also invited. The events were favourably received and received coverage in the Georgian media. Members of the Czech community also attended events organised by the Czech embassy.

The publication of the Russian-language *Golden Prague* magazine was launched in the second half of 2008.

GREAT BRITAIN

(United Kingdom of Great Britain and Northern Ireland)

Visits by representatives of the Czech Republic:

- 16-18 January 2008 – working visit by Deputy Prime Minister and Minister of the Environment M. Bursík;
- 19-20 May 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 22-23 May 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg – participation at the *Club of Three* in London (*Weidenfeld Institute for Strategic Studies*);
- 2-5 June 2006 – working visit by a delegation of the Committee on Foreign Affairs, Defence and Security of the Senate of Parliament;
- 23 June 2008 – working visit by Minister of Defence V. Parkanová;
- 7 November 2008 – working visit by Deputy Prime Minister and Minister of the Environment M. Bursík;
- 16 December 2008 – working visit by Minister of Justice J. Pospíšil;
- 18 December 2008 – working visit by Prime Minister M. Topolánek.

Visits by representatives of the United Kingdom:

- 14 May 2008 – working visit by Minister of State for Europe J. Murphy – participation at the *Better Regulation* seminar;
- 28 July 2008 – working visit by Secretary of State for Health A. Johnson;
- 29 October 2008 – working visit by Minister for State for Europe C. Flint;
- 4 December 2008 – visit by Permanent Under-Secretary and Head of the Diplomatic Service P. Ricketts.

Economic relations

After Germany and Slovakia, Great Britain is a country with which the Czech Republic has its third largest balance of trade surplus. The surplus has doubled in the last five years to attain CZK 60.23 billion in 2008.

Czech exports worth CZK 118.2 billion ranks the United Kingdom as the 5th biggest destination for Czech exports (behind Germany, Slovakia, Poland and France). The total turnover for the exchange of goods in 2008 was CZK 176.16 billion. Business ties based on hi-tech items and on scientific and technical cooperation are experiencing dynamic growth.

The Czech Republic's principal export commodities: data processing machines; the second biggest commodity is passenger cars (approx. 18%), followed by colour television sets, automobile parts, telecommunications equipment, hospital beds including parts, data processing machine parts and accessories, electrical lighting and signalling apparatus, tyres, alternate current generators, steel rods and bars, car radios.

The Czech Republic's principal import commodities: medicaments, parts and accessories for telecommunications equipment, passenger cars, data processing machinery parts and accessories, front-end overhead loaders and earth excavators, television videogames and coin-operated games, electric condensers, automobile parts, electronic integrated circuits, organic detergents.

Cultural relations

The Czech Republic's cultural presentation is mainly organised by the Czech Centre in London. The Embassy of the Czech Republic organised a concert by British band *British Sea Power* on embassy premises. In connection with the year's significant anniversaries the 40th anniversary of the suppression of the Prague Spring in 1968 was commemorated. Two receptions were held to mark the 90th anniversary of the founding of the Czechoslovak Republic; one of these receptions included a brief cultural programme. To mark the same anniversary the Czech embassy also helped organise an exhibition of Czechoslovak postage stamps.

As part of cooperation between the embassies of France, the Czech Republic and Sweden, the Czech side organised a historians' seminar on the idea of European integration over the centuries. Preparations for the ceremonial inauguration of the Czech Republic's presidency in the European Council also took place in 2008, featuring a gala concert by the BBC Symphony Orchestra led by conductor-in-chief J. Bělohlávek and with soloists D. Pecková and I. Ženatý.

ICELAND

(Republic of Iceland)

Visits by representatives of the Czech Republic:

- 14-18 April 2008 – visit by a delegation of the Committee on Public Administration and Regional Development of the Chamber of Deputies of Parliament.

Economic relations

In terms of each country's overall foreign trade, the Czech Republic's share of Iceland's foreign trade is as marginal as Iceland's share of the Czech Republic's. Nevertheless, mutual trade had been increasing in the past few years. In 2008, though, there was another decline in the exchange of goods. The total turnover for the exchange of goods in 2008 was CZK 1.36 billion.

The Czech Republic's principal export commodities: passenger cars and other passenger vehicles, office machinery and automatic data processing machinery, prefabricated buildings, taps, valves and other fittings, clothing products and accessories, wood and metal furniture, structures of iron, steel and aluminium.

The Czech Republic's principal import commodities: market products (aluminium and its alloys, iron, ferrous alloys and steel), accounting for almost 90% of total imports from Iceland.

Cultural relations

Cultural relations between Iceland and the Czech Republic are founded on a bilateral cultural agreement from 1979. Student exchanges and the provision of scholarships between the Czech Republic and Iceland continued in 2008.

In April, J. Ernest presented his photographic works at the *Photography Museum* in Reykjavik. There was limited presentation of Czech culture in Iceland, mainly because of the geographical distance between the two countries.

IRELAND

Visits by representatives of the Czech Republic:

- 14-15 April 2008 – working visit by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda;
- 15-18 April 2008 – visit by a delegation of the Committee on Petitions of the Chamber of Deputies of Parliament led by Deputy S. Křeček;
- 2-3 October 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 6 November 2008 – visit to the Department of the Environment, Heritage and Local Government by First Deputy Minister of the Environment J. Dusík;
- 10-12 November 2008 – state visit by President V. Klaus (stays in Dublin and Cork).

Visits by representatives of Ireland:

- 12-16 March 2008 – working visit by Minister for Health and Children M. Harney on the occasion of the worldwide celebrations of St. Patrick's Day;
- 30 April and 25 November 2008 – working visits by Minister of State for European Affairs D. Roche;
- 22-23 June 2008 – Minister of State with responsibility for the Office of Public Works and the Arts M. Mansergh gives opening speech at the conference on *The Czech Road to the Euro*;
- 22-26 June 2008 – working visit by a delegation of the Committee on Procedure and Privileges of Dáil Éireann led by vice-chairman of Dáil Éireann B. Howlin.

Economic relations

The volume of Czech-Irish trade exchange remained around the same level as in 2007, as the emerging financial and credit crisis hindered growth. The most important protagonists in trade and other forms of economic cooperation between the two countries were transnational corporations, which account for more than 80% of the trade balance. There are several dozen firms with Irish capital in the Czech Republic doing business in the fields of building materials, telecommunications, logistical and transport centres, in the food industry, chemicals, the pharmaceuticals industry, aviation, electronics, accommodation services, personnel consulting and real estate.

The Czech Republic's principal export commodities: passenger cars, tractors, building materials, software, components of automatic data processing machinery, units and scanners, pumps, valves, boilers, compressors, wires and cables, furniture, glass and glass products, small consumer goods.

The Czech Republic's principal import commodities: financial services, agricultural products, medicaments and chemicals, PC components, switchboards, medical and veterinarian instruments, components for the electronic protection of circuits and networks, tubes, hoses and accessories, printing products, transformers and accessories of such.

Cultural relations

A project of Sunday screenings of Czech and Czechoslovak films in the Czech-Slovak club *The Living Room* in the centre of Dublin ran from February to October 2008. On 16 February 2008, *The First Czech Ball in Ireland* was held in the historical town of Trim; the ball was accompanied by an exhibition of *Slivovitz and its Soul. Václav Havel in Europe's Metamorphoses*, an exhibition of photographs by O. Škácha, took place in February and March in Ireland. From 1 to 13 May 2008, the Czech embassy and the School of Film of University College Dublin co-organised a retrospective of Czechoslovak and Czech films. An international conference called *70 Years After: The Impact of Munich 1938 on Central and Eastern Europe* took place in Dublin on 9-10 May 2008. After several years of informal cooperation, a twinning agreement between the municipality of Otročiněves in the Beroun district and the Glendalough region was signed in Laragh on 2 June 2008. This is the first Czech-Irish partnership of its kind.

LATVIA

(Republic of Latvia)

Visits by representatives of the Czech Republic:

- 31 October – 1 November 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 5-8 October 2008 – visit by a delegation of the Committee on EU Affairs of the Senate of Parliament;

- 26-28 May 2008 – visit by a delegation of the Mandate and Immunity Committee of the Chamber of Deputies of Parliament.

Visits by representatives of Latvia:

- 23 May 2008 – working visit by Prime Minister I. Godmanis on the occasion of a meeting of the European Nuclear Energy Forum.

Economic relations

In trade exchange between the two countries, Czech exports to Latvia have for long exceeded imports. Despite the fast pace of growth in mutual trade at the start of this decade, Latvia – in view of the size of its economy – is only around the Czech Republic's 50th biggest trading partner. By contrast, the Czech Republic accounts for roughly 1.8% of Latvian imports: it is the 15th biggest source of imports to Latvia and its ranking is constantly rising. 2008 brought the end of a period of exceptionally fast economic growth in Latvia, whose economy entered a deep crisis. As a result, the volume of mutual trade fell slightly in 2008.

The Czech Republic's principal export commodities: transport equipment, machinery and plant equipment.

The Czech Republic's principal import commodities: metals and metal products, timber and wood products, machinery and plant equipment, food products.

Cultural relations

Despite the economic difficulties, cultural relations between the two countries continued to develop in 2008. The principal events were exhibitions (e.g. an exhibition on Czech-Latvian literary ties, *The Beauties of Czech Baroque Architecture*, *The Czechoslovak Crisis in 1968-69 in International Context*, *Responses to the Prague Spring and Charter 77 in Latvia and the Baltic Region*, *Czech Press Photo*, *Jews in Bohemia and Moravia, 1968 – the Year that Shook the World*, et al.); art competitions (*Lidice 2008* international children's art competition); visits by Czech musicians (mezzo-soprano E. Adlerová, the *Collegium Marianum* duo, et al.); and the premiere of Smetana's *Rusalka* at the Latvian National Opera. There is great appreciation for the fact that cultural events are not confined to the Latvian capital but are spread throughout the country.

LITHUANIA

(Republic of Lithuania)

Visits by representatives of the Czech Republic:

- 17-18 January 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 7-8 February 2008 – working visit by Minister of Defence V. Parkanová;
- 22 April 2008 – political consultations by First Deputy Minister of Foreign Affairs T. Pojar;
- 25-28 June 2008 – visit by President of the Supreme Audit Office F. Dohnal.

Visits by representatives of Lithuania:

- 24-25 January 2008 – official visit by Minister of Foreign Affairs P. Vaitiekunas;
- 18-19 March 2008 – official visit by Prime Minister G. Kirkilas;
- 20 March 2008 – consultations by State Secretary of the Ministry of Foreign Affairs D. Matulionis;
- 21-23 April 2008 – working visit to by a delegation of the Committee on Audit of the Seimas;
- 19-22 May 2008 – visit by a delegation of the Committee on State Administration and Local Authorities of the Seimas;
- 22-23 May 2008 – working visit by Prime Minister G. Kirkilas on the occasion of a meeting of the European Nuclear Energy Forum.

Economic relations

The Czech Republic has for long had a pronounced balance of trade surplus with Lithuania. The total value of Czech exports to Lithuania in 2008 was CZK 8.064 billion, while the total value of imports from Lithuania was CZK 2.367 billion. The biggest exporters included Aerosol, Barum Continental, Euromopos Olomouc, Glaverbel Czech, Chemopetrol Litvínov, Jäkl, Laufen CZ, OKZ Holding, Procter&Gamble, Schwarzmüller Žebrák, Škoda Auto, Škoda JS and Zentiva.

The Czech Republic's principal export commodities: machine engineering equipment and structures, passenger motor vehicles, chemical products, electrotechnical industry

products and household appliances, iron and steel products, medicaments, glass and household fittings.

The Czech Republic's principal import commodities: raw materials and semi-finished products for the chemicals industry including synthetic fibres, wooden furniture and products, machine engineering equipment, electrotechnical industry products and household appliances, iron and steel products.

Cultural relations

Cultural cooperation between the Czech Republic and Lithuania develops on the basis of historical traditions and mutual interest. Work by the *A. Dvořák Society* and the *Lithuanian-Czech Society* significantly contributed to the promotion and development of mutual relations in the field of culture.

The overarching theme of 2008 was the commemoration of the important events in Czech history associated with the “years of fateful eights”. Successful cultural events in this regard included an exhibition of photographs called *1968/1989* and a concert to mark the 40th anniversary of the Prague Spring at which A. Dvořák's *Stabat Mater* was performed. In keeping with tradition, concerts by Czech classical music performers were positively received: there were solo concerts of organ music by P. Kohout and M. Matyska at the *Organ Summer* international festival and a piano concert by Professor R. Kvapil at the organ music festival at Rokishkis. The youth ensemble *Šuba-Duba Band* and the jazz group *Behind the Door* from the Frýdek-Místek performing arts school and the chamber orchestra and soloists from the Prague elementary arts school performed at the youth festival *Around Europe with Music: Lithuania-Czech Republic*. There was also a very positive response to poet J. Červenka's participation at the *Poetry Spring 2008* festival.

MOLDOVA

(Republic of Moldova)

Visits by representatives of the Czech Republic:

- 15-17 April 2008 – working visit by a delegation of the Chamber of Deputies of Parliament, led by Vice-chairman of the Chamber of Deputies V. Filip;
- 18-20 May 2008 – working visit by the Minister of Agriculture, undertaken by 1st Deputy Minister K. Tureček; meeting with the Minister of Agriculture and Food Industry A. Gorodenco;
- 18-20 June 2008 – working visit by the Minister of the Environment, undertaken by 1st Deputy Minister J. Dusík; talks with the Minister of Ecology and Natural Resources V. Ivanov and with representatives of the Office of the Prime Minister; visit to places where Czech foreign development aid projects are being implemented;
- 9-12 November 2008 – working visit by a delegation of the Committee on Human Rights of the Chamber of Deputies of Parliament, led by Deputy Z. Bebarová-Rujbrová.

Visits by representatives of Moldova:

- 12-13 May 2008 – first session of the joint Czech and Moldovan working group for economic and science and technology cooperation, the head of the Czech Ministry of Industry and Trade delegation M. Hovorka and Moldovan Deputy Minister of Economics and Trade T. Copac;
- 2-3 September 2008 – working visit by Prime Minister Z. Greceanii.

Economic relations

In 2008, the volume of trade between the Czech Republic and Moldova grew by 15%; although the trend from 2007, when turnover grew by 30.1%, was not repeated, the result can still be considered good. Moldova's balance of trade deficit with the Czech Republic increased again as Czech exports to Moldova maintained their growth and increased by 12%.

The Czech Republic's principal export commodities: industrial machinery and plant equipment, transport equipment, industrial goods, food products, malt, alcoholic beverages, chemicals, unwoven textiles, sheet glass, steel rods and bars.

The Czech Republic's principal import commodities: iron and steel, food products and live animals, beverages and tobacco, wine from fresh grapes, fruit including dried fruit, fruit juice, clothing and footwear.

Humanitarian aid

The Czech Republic was one of the first countries to respond to the call issued by the Moldovan leadership in connection with the floods that affected several regions of Moldova in 2008. The Czech Republic mediated immediate humanitarian aid worth CZK 1 million.

Transformation and development cooperation

In 2008, fifteen projects went ahead in the fields of improving the quality of the environment, migration management, the development of the Moldovan rural areas and assisting the state administration reform. In addition, three “small-scale local development projects with immediate effect” were implemented.

Cultural relations

The renovation of the *Jaroslav Hašek School* in the village in Holuboie, financed by a donation of the Czech Republic, went ahead in 2008. The *Novohrad* Czech community club, whose activities are partly financed through contributions provided by the Czech Republic, operates in this village, where some of the inhabitants have Czech roots. A small development project of the Czech embassy financed additional equipment of the local brass band.

Members of the Czech community again welcomed the opportunity to improve their Czech at Dobruška and in Prague in 2008. The Embassy of the Czech Republic helped establish an information link between the Czech communities in Chisinau and Holuboie.

The Czech Republic provided Moldova with twenty university scholarships in 2008. There is considerable interest in studying in the Czech Republic among Moldovan students and the number of applicants substantially exceeds the offered quota.

THE NETHERLANDS

(Kingdom of the Netherlands)

Visits by representatives of the Czech Republic:

- 26 March 2008 – working visit by Minister of Health T. Julínek;
- 21 April 2008 – working visit by President V. Klaus;

- 13-15 May 2008 – working visit by a delegation of the Committee on Security of the Chamber of Deputies of Parliament;
- 22-23 May 2008 – working visit by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda;
- 15-18 June 2008 – working visit by a delegation of the Committee on Health and Social Policy of the Senate of Parliament;
- 17 September 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 18 November 2008 – visit to the Ministry of Housing, Spatial Planning and the Environment by First Deputy Minister of the Environment J. Dusík.

Visits by representatives of the Netherlands:

- 12 November 2008 – working visit by Prime Minister J. P. Balkenende.

Economic relations

The Netherlands is one of the Czech Republic's ten most significant economic partners in terms of trade turnover. 2008 bucked the trend of the previous years and the Czech Republic ended the year with a balance of trade surplus instead of the slight deficits of previous years. That came about as a result of the fall in imports from the Netherlands to the Czech Republic, while Czech exports remained at the previous year's level. The Netherlands was the 4th biggest partner in terms of direct foreign investments in the Czech Republic in 2008 (CZK 12.5 billion for the first to the third quarter). The Netherlands is also a significant beneficiary of direct investments from the Czech Republic (worth CZK 1.68 billion). To some extent, this statistic reflects the fact that transnational companies realise their investments in third countries through branches registered in the Netherlands.

The Czech Republic's principal export commodities: machinery and components of such (primarily computer circuits, office machinery and road vehicles), market products classified by type of material (mainly metal and steel products) and industrial consumer goods, including medical instruments, toys and sports equipment and also musical instruments.

The Czech Republic's principal import commodities: machinery and components of such (electrical equipment, apparatus and appliances and also motor vehicles), chemicals

(primary plastics, medicaments and organic chemicals products), market products classified by type of material (iron and steel products, metal products, textiles and paper, and fruit and vegetables).

Cultural relations

As in previous years, the Czech Republic contributed CZK 216,000 to the operation of the Jan Amos Comenius museum and mausoleum in Naarden. The traditional wreath-laying ceremony marking the 416th anniversary of the birth of Comenius took place on 28 March 2008. A series of events related to the 40th anniversary of the events of 1968 in Czechoslovakia was organised: there was a lecture by Professor H. Renner from the University of Groningen and a street performance by the *Kvelb* theatre company. The Netherlands Institute of Foreign Affairs Clingendael hosted a conference on the subject of *The Czechoslovak Crisis: Lessons Learned. Commemorating 40 Years from the Prague Spring (1968)*; and a week-long festival of famous films from the Czech New Wave in the 1960s was held in The Hague, along with a screening of the film *Citizen Havel*. Former president of the Czech Republic V. Havel attended the *Erasmus Festival* in the town of Den Bosch. There were readings from V. Havel's latest play *Leaving* at the festival.

NORWAY

(Kingdom of Norway)

Visits by representatives of the Czech Republic:

- 26-30 May 2008 – working visit by a delegation of the Committee on Health and Social Policy of the Senate of Parliament;
- 8-9 September 2008 – working visit by Minister of the Environment M. Bursík;
- 3 December 2008 – Minister of Foreign Affairs K. Schwarzenberg attended the signing of the Convention on Cluster Munitions.

Visits by representatives of Norway:

- 3 March 2008 – consultations by State Secretary of the Ministry of Foreign Affairs E. Walaas with First Deputy Minister of Foreign Affairs T. Pojar;
- 24 November 2008 – working visit by the Foreign Affairs Committee of Parliament;
- 18 December 2008 – working visit by Minister of Foreign Affairs J. G. Støre.

Economic relations

In the last months of 2008, trade exchange between the Czech Republic and Norway began to be affected by the increasing supplies of Norwegian gas. Although in the context of the recurring stoppages of supplies of Russian gas to Europe diversifying the sources of supplies of natural gas by focusing more on Norway is necessary, this has a fundamental impact on the mutual balance of trade to the detriment of the Czech Republic. The total turnover for the exchange of goods in 2008 was CZK 25.03 billion.

The Czech Republic's principal export commodities: machine engineering products, mostly machinery and transport equipment (Škoda cars), followed by market products classified by type of material. These commodities accounted for more than 3/4 of total exports to Norway. The key export items to Norway include passenger cars and other passenger vehicles, pipes, tubes, hollow profiles, iron and steel fittings, automatic data processing machinery, mechanical handling equipment and parts of such, products of base metals, especially iron and steel.

The Czech Republic's principal import commodities: mineral fuels, lubricants and related materials – natural gas (accounting for almost 3/4 of total imports from Norway); followed by market products classified by type of material (aluminium, aluminium alloys, ferromanganese, ferrous alloys, pig iron, spiegel iron, nickel and nickel alloys).

Bilateral agreements concluded in 2008

- Treaty on the Mutual Exchange and Protection of Official Secrets between the Kingdom of Norway and the Czech Republic, Prague 27 June 2008.

Cultural relations

In 2008, Norway unilaterally changed the conditions for admitting Czech exchange students to Norwegian universities defined in the *Programme of Cultural, Educational and*

Scientific Cooperation from 1997, and in future students will be directly chosen by the Norwegian side on the basis of submitted projects.

The March event entitled *Easter Traditions at the Embassy* was mainly targeted at the Czech community in Norway, as was an evening to commemorate the events of 1968 that culminated with a film about J. Palach.

An event called *Škoda Superb Evening*, at which the new models of the Škoda Superb car were first officially presented in Norway, took place at the Embassy of the Czech Republic in Oslo.

One of the most important cultural events of 2008 was the ceremonial opening of the Professor J. Hlinka Piano Academy in Bergen, attended by the Minister of Defence of Norway and the city's Mayor, in September. A private view of the exhibition of *Czech UNESCO Heritage Sites* was held in the foyer of the Bergen town hall.

On the occasion of the celebration of the 90th anniversary of the founding of Czechoslovakia, the Embassy of the Czech Republic in Oslo hosted a ceremonial evening in the Oslo Concert Hall, attended by around 300 guests. The guest of honour was President of the Norwegian parliament T. Jagland.

RUSSIA

(Russian Federation)

Visits by representatives of the Czech Republic:

- 21 May 2008 – talks held by First Deputy Minister of Foreign Affairs T. Pojar with Deputy Ministers of Foreign Affairs S. Kislyak and G. Titov and Chairman of the Foreign Affairs Committee of the State Duma K. Kosachov;
- 16-20 June 2008 – talks held by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament and combined delegations of the Ministry of Finance and the Ministry of Industry and Trade on the occasion of the

Czech Republic's national exhibition in Bashkortostan and subsequently in the Federation Council of Russia in Moscow;

- 15-19 September 2008 – talks held by a delegation of the Budget Committee of the Chamber of Deputies of Parliament with partners in the State Duma and Ministry of Finance;
- 31 October 2008 – 4th session of the Czech-Russian Intergovernmental Commission for Economic, Industrial and Scientific and Technical Cooperation (Minister of Industry and Trade M. Říman) in Moscow;
- 4-7 November 2008 – talks held by a delegation of the Committee on Security of the Chamber of Deputies of Parliament, led by the committee's chairman F. Bublan, in Moscow;
- 13-14 November 2008 – President of the Senate of Parliament P. Sobotka attended a ceremonial meeting of presidents of upper houses of European parliaments to mark fifteen years since the founding of the Federation Council of Russia in St. Petersburg;
- 16-20 November 2008 - official visit to Yekaterinburg and Moscow by a delegation of Chairman of the Chamber of Deputies of Parliament M. Vlček.

Visits by representatives of the Russian Federation:

- 16 April 2008 – consultations by State Secretary and Deputy Minister of Foreign Affairs G. Karasin with First Deputy Minister of Foreign Affairs T. Pojar.

Economic relations

The Russian Federation remains one of the Czech Republic's key trading partners. In 2008, it moved up from 10th to 7th place in the order of the Czech Republic's biggest foreign trade partners with 4.6% of the Czech Republic's total foreign trade turnover. This was driven by increases in both Czech exports (10th biggest destination for Czech exports in 2008 from 12th place in 2007) with 2.8% and imports (from 6th place in 2006 with a 4.7% share to 3rd place in 2008 with a share of 6.4%). The dynamic growth in trade exchange that has characterised the previous years continued in 2008, as the Czech Republic's preliminary statistical data for the past year reveal. In dollar terms trade turnover grew by 54.9% year-on-year. Czech exports were up by 41.6% and imports by 61.7%. In the koruna equivalent trade turnover grew by 29.2%, with Czech exports up by 18% and imports up 34.9%.

The Czech Republic's principal export commodities: motor vehicle parts and accessories, automatic data processing machinery, passenger cars, industrial machinery and plant equipment, electrical instruments, heating and cooling equipment, medicaments, telecommunications equipment and accessories, pumps, milling machines, taps, valves, boilers etc., paper and paperboard products, plastic pipes, tubes and hoses, table glassware etc.

The Czech Republic's principal import commodities: crude oil, natural gas, iron and steel semi-finished products, iron ore, hydrazine, synthetic rubber, unprocessed nickel, pig iron, fuel cells for nuclear power stations, mineral fertilisers, ferrous alloys, coal, crude aluminium.

Development cooperation

Two multi-year development cooperation projects undertaken by Czech non-governmental organisations in the Chechen Republic went ahead in 2008.

Cultural relations

The presentation of Czech culture in the Russian Federation is organised by the Czech Centre attached to the Embassy of the Czech Republic in Moscow. For its key projects the Czech Centre cooperates with sound Russian partners (not only in Moscow), which allows Czech culture to be presented to a broad Russian audience. In St. Petersburg and Yekaterinburg, the promotion of Czech culture is also organised by consulates general, who partly draw on the cultural services offered by the Czech Centre.

The most demanding Czech cultural presentation project in Russia in 2008 was a retrospective of Czech cinema under the title *The Golden Sixties*, which presented 38 feature films and an exhibition of period film posters with the participation of Czech film experts. In theatre, the most significant event was the *Prague Theatre Season* project in St. Petersburg comprising five performances by four Prague theatre companies.

The key theme of the presentation of Czech culture in the Russian Federation throughout the year was the year's historical anniversaries, thematically linked to significant anniversaries in modern Czech history. The anniversary of the Prague Spring and August 1968 were commemorated on 21 August 2008 at a commemorative afternoon of events, featuring the presentation of an exhibition of photographs called *From the Prague Spring to the Velvet Revolution* and the documentary film *Confusion* and culminating with an extensive

international project entitled *Zhelaniye Svobody* at the A. Sakharov Museum and Public Centre. The anniversary of the foundation of the independent Czechoslovak state was commemorated in August by an exhibition devoted to the Czechoslovak Legions and in October by a project devoted to the Czechoslovak Legions and T. G. Masaryk entitled *They Helped Found the State*.

SWEDEN

(Kingdom of Sweden)

Visits by representatives of the Czech Republic:

- 31 January 2008 – working visit by Minister of Defence V. Parkanová;
- 3-4 March 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 22-25 April 2004 – working visit by a delegation of the Committee on Foreign Affairs, Defence and Security of the Senate of Parliament;
- 1-3 May 2008 – visit by a delegation of the Standing Senate Commission on Compatriots Living Abroad;
- 14-16 May 2008 – working visit by First Deputy Chairwoman of the Chamber of Deputies of Parliament M. Němcová and the head of the Chamber of Deputies Permanent Delegation to the Parliamentary Assembly of the Council of Europe A. Čurdová – participation at a session of the Political Affairs Committee of the Council of Europe;
- 20-23 May 2008 – working visit by a delegation of the Committee on Economic Affairs of the Chamber of Deputies of Parliament;
- 29-30 May 2008 – working visit by the head of the Chamber of Deputies Permanent Delegation to the Parliamentary Assembly of the Council of Europe A. Čurdová – participation at a session Standing Committee of the Parliamentary Assembly of the Council of Europe;
- 17 July 2008 – working visit by Deputy Vice Prime Minister for European Affairs M. Mora;

- 8-9 September 2008 – working visit by Minister for Human Rights and Minorities D. Stehlíková – participation at a Council of Europe conference on the rights of the child;
- 29 September – 3 October 2008 – working visit by a delegation of the Committee on Agriculture of the Chamber of Deputies of Parliament;
- 12-13 November 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 17-18 November 2008 – working visit by Deputy Prime Minister and Minister of the Environment M. Bursík.

Visits by representatives of Sweden:

- 15 January 2008 – working visit by Minister for Employment O. Littorin;
- 4 March 2008 – working visit to the Brno agriculture fair by Minister for Agriculture E. Erlandsson;
- 26-27 May 2008 – joint meeting of foreign affairs ministers and the members of the governments of the Czech Republic, France and Sweden responsible for the EU agenda, attended by ministers C. Bildt and C. Malmström;
- 9 July 2008 – working visit by Minister for the Environment A. Carlgren;
- 1 October 2008 - working visit by Minister for the Environment A. Carlgren – participation at a climate change conference;
- 6-8 October 2008 – visit by a delegation of the Committee on European Union Affairs of Parliament;
- 23 October 2008 – working visit by State Secretary to the Minister of Foreign Affairs F. Belfrage;
- 3 November 2008 – working visit by Minister for Communications A. Torstensson;
- 6-7 November 2008 – official visit by Prime Minister F. Reinfeldt.

Economic relations

The development of trade exchange between the Czech Republic and Sweden was influenced during 2008 by the gradual worsening of Sweden's economic situation stemming from the global economic crisis. In the first half of the year the previous year's growth trend in Czech exports continued, but the decline in the last months of the year caused a slight reduction in exports for the year as a whole.

There was a pronounced trend of declining Czech imports from Sweden throughout the year. As the overall volume of trade turnover fell, the Czech Republic's balance of trade surplus with Sweden grew further. The structure of the main Czech export commodities was unchanged last year.

The Czech Republic's principal export commodities: passenger cars and parts (the dominant export item), office machinery and peripheries (IT), consumer electronics (television sets etc.), various metal products, pumps and air-conditioning equipment, rolled iron and steel products, musical instruments, furniture.

The Czech Republic's principal import commodities: paper and paperboard, iron and steel products (tubes and pipes, rolled steel etc.), passenger cars and buses, telecommunications equipment (mobile and other).

A *CzechTourism* agency was opened in Stockholm on 20 October 2008.

Cultural relations

The main event of 2008 was the commemoration of the 40th anniversary of the occupation of Czechoslovakia by Warsaw Pact forces. An entire series of cultural and social events were held on this theme under the title *The Czechoslovakia 1968 Project*. The culmination was the ceremonial inauguration of an exhibition of photographs from the August occupation in Prague and Bratislava and on the themes of 1968 and 1989 at Stockholm's *Royal Army Museum*, at which Minister of Foreign Affairs C. Bildt delivered the keynote speech. *Invasion Night* was held on 20 August 2008 in the Czech Centre, mainly for members of the Czech and Slovak communities and those who remembered the events of August 1968. The event coincided with the opening of an exhibition of period newspapers, photographs, pamphlets and other printed materials.

Throughout the year 2008, the *War Booty* exhibition continued at the Royal Armoury in Stockholm; it is the biggest-ever presentation of European weapons, books and paintings – one section of the exhibition is devoted to works of art from Bohemia and Moravia.

UKRAINE

Visits by representatives of the Czech Republic:

- 8-9 April 2008 – visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 8-9 June 2008 – visit by Deputy Prime Minister for European Affairs A. Vondra;
- 15-17 September 2008 – visit by Prime Minister M. Topolánek;
- 22 November 2008 – visit by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda on the occasion of the 75th anniversary of the Ukrainian famine of 1932-1933.

Visits by representatives of Ukraine:

- 23 April 2008 – visit by Minister for Foreign Affairs V. Okryzek for talks held between the foreign affairs ministers of V4 countries;
- 16-17 June 2008 – visit by Minister for Industrial Policy V. Novitsky, who led a Ukrainian delegation to the 2nd session of the Mixed Czech-Ukrainian Commission for Economic, Industrial and Scientific and Technical Cooperation;
- 11 November 2008 – visit by a delegation of the parliamentary group for cooperation with the Czech Republic of the Verkhovna Rada of Ukraine.

Economic relations

Trade turnover between the Czech Republic and Ukraine grew by nearly 33% from 2007 to attain a value of almost CZK 43.6 million.

The Czech Republic's principal export commodities: bodywork and parts for automobile assembly, nuclear reactor parts, integrated electrical circuits, telecommunications systems and equipment. Passenger automobiles and components for their manufacture account for roughly a quarter of Czech exports to Ukraine. Pharmaceutical products and medical preparations, aides and apparatus are another significant export item.

The Czech Republic's principal import commodities: these are dominated by raw materials: iron ores, agglomerated and non-agglomerated concentrates, tar, benzol and ferrous alloys. Other significant commodities are fuels, organic chemicals products, aluminium and aluminium products, timber, charcoal and wood products.

Humanitarian aid

The Czech Republic provided approx. CZK 1 million in humanitarian aid to Ukraine in response to the devastating floods that affected mainly the Ivano-Frankivsk region in July 2008.

Transformation and development cooperation

The Czech Republic's development cooperation projects with an economic theme also help develop economic relations with Ukraine; these include a project to modernise nuclear power stations and train and re-train experts, and environmental protection projects.

Cultural relations

The Czech Centre in Kiev, whose role is to support Czech cultural activities in Ukraine, is part of the Embassy of the Czech Republic in Kiev.

Most of the Czech Centre's events took place in Kiev, but many were also staged outside the capital – particularly in Lvov, Odessa, Kharkov, Dnepropetrovsk and other cities. A number of these events were organised in cooperation with local partners, Czech community associations and certain foreign cultural institutions operating in Ukraine.

The Czech Centre is registering constantly growing interest in Czech language studies. Czech humanitarian aid to the Czech community based on a special-purpose subsidy of the Ministry of Foreign Affairs has traditionally organised month-long Czech language tuition in cooperation with students from Masaryk University and Charles University during the summer holidays, or possibly in September and October if so requested by a particular locality.

3. The Czech Republic's Relations with South and Southeast European Countries

ALBANIA

(Republic of Albania)

Visits by representatives of the Czech Republic:

- 8-12 April 2008 – visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament;
- 18 April 2008 – official visit by Prime Minister M. Topolánek;
- 6-7 October 2008 – official visit by President of the Senate of Parliament P. Sobotka;
- 30-31 October 2008 – official visit by Minister of Foreign Affairs K. Schwarzenberg.

Visits by representatives of Albania:

- 4-6 March 2008 – working visit by Minister of Agriculture J. Gjana;
- 12-13 March 2008 – working visit by Chief of General Staff of the Armed Forces L. Hoxha;
- 12-14 September 2008 – visit by a delegation of the Legal Issues, Public Administration and Human Rights Committee of Parliament.

Economic relations

Mutual trade and economic relations focus on deepening cooperation between small and medium-sized enterprises and institutions in the two countries. Bar some exceptions (exports of passenger cars and chemicals products), however, most of the business done to date does not constitute long-term cooperation between Czech and Albanian firms. Mutual trade exchange still does not correspond to the potential that the Czech and Albanian markets would be able to absorb. The Czech Republic maintains a high balance of trade surplus with Albania. In 2008, Czech exports to Albania were worth EUR 20.07 million, imports from Albania EUR 1.43 million and turnover EUR 21.50 million. This left the Czech Republic with a balance of trade surplus of EUR 18.56 million.

The Czech Republic's principal export commodities: chemicals industry products (cleansing preparations, lubricating and cleaning waxes, polyethylene), automatic gambling

machines, transport equipment (Škoda cars), machinery and apparatus, textile industry products, rubber and rubber products (tyres for buses and lorries).

The Czech Republic's principal import commodities: footwear, seeds, plants for manufacture of scents and medicaments, iron and steel, ceramic products, ferrochrome, dried fruits and spices.

Bilateral agreements concluded in 2008

- Agreement on Cooperation between the Ministry of Agriculture of the Czech Republic and the Ministry of Agriculture, Food and Consumer Protection of the Republic of Albania, Brno, 5 March 2008;
- Arrangement between the Ministry of Industry and Trade of the Czech Republic and the Ministry of Economy, Trade and Energy of the Republic of Albania, Tirana, 18 April 2008.

Development cooperation

The Czech Republic provides Albania with development cooperation even though Albania was not included among the priority countries for 2006-2010.

In 2008, the Czech government earmarked CZK 1.3 million for a project entitled *Insufficient Care for Long-term Patients (Mainly Oncological, Who Need Palliative Care) in Albania*.

A seminar entitled *Measuring Apparatus Directive – Access of the Measuring Apparatus to the Market* was held in Tirana in 2008. The seminar took place under the project of *Technical Assistance of the Czech Republic to the State Administration of Western Balkans Countries in the Field of Testing and Metrology*, to which the Ministry of Foreign Affairs of the Czech Republic contributed CZK 1 million.

The Ministry also provided CZK 1.35 million (EUR 50,000) towards the financing of an Organisation for Security and Cooperation in Europe project *Immovable Property Registration in Priority Coastal Areas of Albania*.

Humanitarian aid

In March 2008, the Czech Republic provided Albania with humanitarian aid worth CZK 2 million in the form of medical supplies for the Mother Teresa Hospital in Tirana in response to the explosion of a munitions warehouse not far from Tirana.

Cultural relations

The first Czech-Albanian co-production, a film called *The Sorrow of Mrs. Schneider* directed by P. Milkani, one of Albania's most famous film directors, a graduate of the Film Faculty of the Academy of Performing Arts and a former Albanian ambassador to the Czech Republic, was without doubt the most important project in the history of Czech-Albanian cultural cooperation. The world premiere took place on 29 February 2008 in Tirana, attended by many eminent persons including Albanian president B. Topi. The film was released in the Czech Republic on 28 May 2008.

The Prague theatre company Divadlo v Dlouhé performed Seneca's play *Phaedra* at the 8th *International Festival of Theatre Butrinti 2000* on 20 July 2008. The staging was judged the best festival production.

On 31 August 2008, the film *I Served the King of England* won first prize at the first *International Film Summerfest Durrës*. Director J. Menzel collected the award in person.

Two concerts, featuring singer J. Veselý and Albanian pianist Professor R. Radoja, were organised by the Embassy of the Czech Republic at the end of October as part of the commemoration of the 90th anniversary of the founding of Czechoslovakia.

In educational cooperation, the Czech Republic renewed the provision of government scholarships to Albania in 2008. The Albanian education ministry was notified of the availability of three scholarships for master's or doctorate study.

BELGIUM

(Kingdom of Belgium)

Visits by representatives of the Czech Republic:

- 4-6 March 2008 – visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament, led by committee chairman I. Adamec;
- 1 September 2008 – working visit by Prime Minister M. Topolánek;
- 18-21 November 2008 – working visit by a delegation of the Committee on Education, Science, Culture, Human Rights and Petitions of the Senate of Parliament, led by committee vice-chairman J. Hálek.

Visits by representatives of Belgium:

- 4-7 June 2008 – working visit by a delegation of the Committee on Environment of the Flemish Parliament;
- 12-15 June 2008 – working visit by a delegation of the Committee on Environment, Mineral Resources, Countryside, Tourism and Agriculture of the Walloon Parliament.

Economic relations

Belgium is one of the Czech Republic's important trading partners. It is the 10th biggest market for Czech exports – roughly 2.7% of all Czech exports head to Belgium. Belgium also shares 13th and 14th place with the USA as the biggest importers to the Czech Republic. Belgian exports account for 2% of the Czech Republic's total imports. The Czech Republic ended 2008 with a balance of trade surplus with Belgium (EUR 752 million).

The Czech Republic's principal export commodities: machinery and transport equipment, including passenger cars and parts of such, industrial consumer goods,

telecommunications equipment, electrical engineering equipment, electrical appliances, furniture, glass.

The Czech Republic's principal import commodities: chemicals (28% of all imports from Belgium), in particular plastics, steel and products made of steel and cast iron, passenger cars, towing vehicles and trailers, parts for power-generating machinery, glassware.

The Czech Republic has had a balance of trade surplus with Belgium since 2001; in 2008 it was over CZK 20 billion.

Belgium is one of the ten biggest foreign investors in the Czech Republic. Most Belgian investments are channelled into financial services and industry.

The principal trading partners and investors include: D'Ieteren (passenger cars), KBC Bank, Fortis Bank, Glaverbel (glassworks), Lhoist (lime), Bekaert (wire works), InBev (breweries).

Bilateral agreements concluded in 2008

- Protocol on Cooperation between Flanders and the Czech Republic for the Years 2008-2010; Brussels, 23 May 2008;
- Agreement on Partner Cooperation between the Towns of Boskovice and Franses-Lez-Anvaing, Franses–Lez-Anvaing, 20 September 2008;
- Intergovernmental Agreement between the Czech Republic and the Kingdom of Belgium on Police Cooperation, Luxembourg, 27 November 2008.

Cultural relations

The Czech Centre in Brussels organised or co-organised a total of 111 events in 2008, among them exhibitions of works by J. Anderle, J. Šerých, J. Chmelař and K. Pacovská, concerts by the R. Balzar Trio, J. Bárta, K. Englichová and V. Veverka, a five-concert tour by O. Havelka and his *Melody Makers*, A. Dvořák's *Requiem*, a Christmas concert by P. Šporcl, a literary marathon on the subject of Franz Kafka, and the premiere of the film *I Served the King of England*.

BOSNIA AND HERZEGOVINA

Visits by representatives of the Czech Republic:

- 1-2 July 2008 – working visit to Sarajavo and Banja Luka by First Deputy Minister of Foreign Affairs T. Pojar.

Visits by representatives of Bosnia and Herzegovina:

- 15 April 2008 – member of the Presidency of Bosnia and Herzegovina Ž. Komšić visited President V. Klaus in Prague;
- 19 May 2008 – working visit to Prague by Deputy Minister of Foreign Affairs A. Trišić-Babić;
- 20-21 October 2008 – official visit to Prague by Minister of Foreign Affairs S. Alkalaj;
- 27 October 2008 – working visit to Prague by UN High Representative and EU Special Representative for Bosnia and Herzegovina M. Lajčák.

The Czech Republic provided financial and personnel contributions to the work of the Office of the High Representative (OHR) and the EU Special Representative (EUSR) in Bosnia and Herzegovina, the EU Police Mission and the EUFOR military mission. Czech diplomat I. Bušniak held the post of Deputy High Representative and head of the OHR regional office in Banja Luka. The Czech Republic had five policemen in EUPM; in June the Czech Republic's engagement in the EUFOR/ALTHEA military mission ended.

Bilateral agreements concluded in 2008

- Memorandum on Cooperation between the Ministry of Foreign Affairs of Bosnia and Herzegovina and the Ministry of Foreign Affairs of the Czech Republic, Prague, 21 October 2008.

Development cooperation

Czech development cooperation with Bosnia and Herzegovina is a significant aspect of bilateral cooperation. Transfer of technologies in waste management, cooperation in the power sector, capacity building and transfer of know-how in agriculture, stabilisation of returnees through the renewal and development of agriculture, and cooperation in rail

transport were identified as the priority sectors of this development cooperation for the 2006-2010 period.

Cultural relations

The Embassy of the Czech Republic organised ten cultural events in 2008, the vast majority of which took place in a few cities in Bosnia and Herzegovina. These included a performance by the *Jolly Jumps* theatre company, concerts by K. Englichová and V. Veverka, the Brikcius duo, and Christmas concerts by soloists from the opera of the Silesian Theatre in Opava. In the visual arts, the embassy organised exhibitions of works by final-year students from the Academy of Arts, Architecture and Design, drawings by children interned in Theresienstadt during the second world war and photographs by R. Bruner Dvořák. Czech cinema was represented by *Czech Children's Film Days*, the fourth year of *Czech Film Week* and the inclusion of *Czech Dream* in *European Film Week*. In literature, an exhibition was devoted to the life's work of D. Karpatský. In addition to the Czech language and literature teaching that has existed at the Faculty of Arts of the University of Banja Luka for two years now, a similar course was launched at the Faculty of Arts and Social Sciences of the University of Sarajevo.

BULGARIA

(Republic of Bulgaria)

Visits by representatives of the Czech Republic:

- 15-18 July 2008 – visit by a delegation of the Committee on European Affairs of the Senate of Parliament;
- 7-8 October 2008 – official visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 17-20 November 2008 – visit by a delegation of the Committee on Social Policy of the Chamber of Deputies of Parliament;
- 9-10 December 2008 – working visit by President V. Klaus.

Visits by representatives of Bulgaria:

- 22-24 May 2008 – official visit by President of the National Assembly G. Pirinski;

- 8-11 June 2008 – working visit by the Foreign Policy and Defence Committee of the National Assembly;
- 31 August – 3 September 2008 – visit by E. E. Toškova, Deputy Prime Minister and Minister for Extraordinary Events.

Economic relations

As in previous years, trade exchange between the two countries continued to grow rapidly in 2008. The imbalance in mutual trade deepened: Czech exports were worth approximately CZK 12 billion and imports CZK 2.9 billion. Czech firms' interest in Bulgaria focused mainly on participation in development and infrastructure modernisation projects, especially in transport, power and the environment.

The Czech Republic's principal export commodities: passenger cars, industrial machinery and plant equipment, combed wool, television sets, automatic data processing machines and memory units, telecommunications equipment, cleansing preparations, medicaments, plastic tubes, tyres, steam-generating boilers, cosmetic preparations, paper, steel sections, metal products.

The Czech Republic's principal import commodities: iron and steel flat rolled products, furniture, radiators, copper, electricity distribution apparatus, aluminium, glassware, electrical apparatus, alcoholic beverages.

Cultural relations

Czech culture is presented in Bulgaria mainly by the Czech Centre but also by the association of students of *Bohemia Club*, several societies of friends of the Czech Republic and the Czech community association. The Sofia Philharmonic Orchestra, conducted by the Czech ambassador to Bulgaria, performed a concert of works by B. Martinů. The Czech Centre significantly stepped up its work, organising weekly jazz evenings featuring Bulgarian and Czech musicians and screenings of, among other things, Czech documentaries followed by a discussion. Some of the most significant events in cinema were the *FAMU Film Fest* with Czech films from the 1960s, the inclusion of the film *Empties* at the *Sofia Film Fest* and the screening of *Citizen Havel*. In the visual arts, the Czech Centre organised exhibitions of

works by V. Stuchelová, J. Stach, J. Vovs and J. Reich. An exhibition of photographs by D. and L. Kyndrych was devoted to the anniversary of the occupation of Czechoslovakia in 1968. In classical music, there were successful concerts by the duo of J. Novák (viola) and P. Popelka (piano). The promotion of Czech language teaching, including cooperation with Czech language students at several universities, continued very positively. There was considerable interest in Czech language courses organised by the Czech Centre and also in the academic lectures it staged (e.g. a lecture on Czech literature by P. Janoušek and another on word formation by I. Bozděchová). A presentation of the Bulgarian edition of D. Fischerová's book *Happy End* aroused an exceptionally high level of interest.

CROATIA

(Republic of Croatia)

Visits by representatives of the Czech Republic:

- 4-5 July 2008 – visit by Deputy Prime Minister A. Vondra, participation at the *Croatia Summit* in Dubrovnik;
- 8-9 September 2008 – official visit by Prime Minister M. Topolánek accompanied by Minister of Trade and Industry M. Říman.

Visits by representatives of Croatia:

- 13 February 2008 – one-day working visit by Prime Minister I. Sanader;
- 13-14 February 2008 – official visit by Minister of Foreign Affairs and European Integration G. Jandroković;
- 5-7 December 2008 – unofficial visit by Prime Minister I. Sanader.

Economic relations

The dynamic growth in trade exchange continued in 2008 (up approx. 12%) to attain a total value of USD 741.5 billion for the first eleven months of the year. Czech exports to Croatia grew faster than imports in 2008 (12.3% and 7.2% respectively), which increased the Czech Republic's already pronounced balance of trade surplus with Croatia (65% of total trade). This imbalance was partially offset by Croatia's active balance in the exchange of

services, with approximately 700,000 Czech tourists visiting the country in 2008 (official Croatian statistics).

The Czech Republic's principal export commodities: passenger cars, hot rolled iron and plain carbon steel sheets, organic cleansing preparations and detergents, electricity, computer equipment, iron and plain carbon steel bars, milk and cream, electrical instruments, seamless tubes and hollow iron sections, steam turbines, extracts, essences and concentrates of coffee and tea, *et al.*

The Czech Republic's principal import commodities: sugar, electric transformers, aluminium products, seats, polyacetylates, polyesters and epoxide resins, pharmaceutical products, leather and artificial leather products, chocolate and food products containing chocolate, crude oil and gas hydrocarbons, cigarettes and tobacco products, electricity, *et al.*

Cultural relations

The *Small Scene Festival* took place in Rijeka in April 2008. The Czech theatre group *Farm in a Cave* gained the main prize for its production of *The Waiting Room*. In April and May, an exhibition of *Architectural Cubism*, prepared jointly by the Jaroslav Fragner Gallery in Prague and the Museum of Architecture in Zagreb, was held in Zagreb. The now traditional *Czech Film Week* took place in October, and President S. Mesić and spouse again attended the opening ceremony. The Brno Philharmonic Orchestra performed a concert in Zagreb on 17 October 2008. Author J. Gruša attended the annual *Book Fair* in Pula in December for the presentation of the Croatian translation of his book *A User's Guide to the Czech Republic*. In December, the traditional Christmas concert was held at the ambassador's residence and was attended by the president's wife M. Mesićová.

CYPRUS

(Republic of Cyprus)

Visits by representatives of the Czech Republic:

- 12-14 April 2008 – official visit by Prime Minister M. Topolánek;
- 2-4 November 2008 – official visit by President of the Chamber of Deputies of Parliament M. Vlček.

Visits by representatives of Cyprus:

- 15-18 June 2008 – visit by a delegation of the Committee on Financial and Budgetary Affairs of the House of Representatives.

Economic relations

Trade turnover between the two countries grew slightly thanks to increased imports from Cyprus to the Czech Republic. After two years of dynamic growth, Czech exports stagnated. There continues to be an imbalance in mutual trade, whereby the Czech Republic's surplus with Cyprus is bigger than total Cypriot exports to the Czech Republic.

The Czech Republic's principal export commodities: motor vehicles, processor and memory units for automatic data processing machines, audio recording devices, television sets, wires, cables, washing powders.

The Czech Republic's principal import commodities: pharmaceutical products, signalling apparatus parts and components, citrus fruit.

Cultural relations

The most significant events included the M. Forman film festival and the joint *One World* exhibition of works by J. David and Cypriot artist N. Panagy. The Black-light Theatre from Prague performed its production *Odysseus* in Limassol on the occasion of *Europe Day*. Czech films were screened at the international festival of documentary and animated film. The traditional *Czech Evening*, an event combining presentation and social functions, featured Czech fashion models displaying Jablonex glass jewellery. The Brno Radio Orchestra of Folk Instruments also performed during the evening, and on subsequent days gave a concert in Paralimni and participated in an event staged by the *Pan-Cypriot Union of Expatriates and Friends of the Czech Republic*.

FRANCE

(French Republic)

Visits by representatives of the Czech Republic:

- 8-10 April 2004 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 13-14 May 2005 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 29 June 2008 – working visit by Prime Minister M. Topolánek;
- 12 July 2008 – working visit by President of the Chamber of Deputies of Parliament M. Vlček;
- 12-13 July 2007 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 28 August 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 17-18 September 2009 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 16 October 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg;
- 31 October 2008 – working visit by Prime Minister M. Topolánek.

Visits by representatives of France:

- 26-27 May 2008 – official visit by Minister of Foreign and European Affairs B. Kouchner;
- 16 June 2008 – official visit by President N. Sarkozy.

Economic relations

France is one of the Czech Republic's most important trading partners. In 2008, the rate of growth of Czech exports to France again outstripped imports from France, and the Czech Republic ended the year with a balance of trade surplus of EUR 1354.87 million with France. Economic relations to date were intensified by events organised as part of the *Czech-French Economic Year* under the auspices of prime ministers M. Topolánek and F. Fillon (a series of seminars in the Czech and French regions, the holding of the *1st Czech-French Technological Forum* aimed at machine engineering and the automobile and aviation industries, and other bilateral trade and economic activities). In terms of total foreign trade turnover, France was the Czech Republic's fourth biggest trading partner in 2008 (data for January to November 2008). In the same period, last year exports grew by 10.7% while imports fell by 0.3%.

The Czech Republic's principal export commodities: machinery and transport equipment, market products classified by type of material, various industrial products, chemicals.

The Czech Republic's principal import commodities: machinery and transport equipment, market products classified by type of material, chemicals, various industrial products.

Bilateral agreements concluded in 2008

- Programme of Bilateral Cooperation between the Government of the Czech Republic and the Government of the French Republic in the Fields of Education and Language Teaching for the Years 2008-2010, Prague, 15 February 2008.

Cultural relations

The central motif of the cultural activities of the Embassy of the Czech Republic in Paris was the year's significant anniversaries in the history of Czechoslovakia and the Czech Republic. During the year, the festival *Czech Republic 1918, 1938, 1948, 1968* took place; its key components were an exhibition of paintings by P. Brázda, an exhibition entitled *France and Czechoslovakia 1914-1945, Years of Hope, Destruction and Common Struggles*, an exhibition on the legions from the stocks of the State District Archive in Pardubice, an exhibition of works by painter V. Nováková-Brázdová and a colloquium on *The Czechoslovak Space, a 20th Century European Seismograph*.

Another theme of 2008 was that of composers L. Janáček and B. Martinů: the anniversaries of their deaths are being commemorated in 2008 and 2009. The Embassy of the Czech Republic in Paris organised an international colloquium *Leoš Janáček – European Culture and Art*; the operas *The Cunning Little Vixen* and *The Bartered Bride* were staged; and the *Martinů Revisited* project was presented.

GREECE

(Hellenic Republic)

Visits by representatives of the Czech Republic:

- 11-12 April 2008 – official visit by Prime Minister M. Topolánek;

- 14-18 April 2008 – working visit by a delegation of the Committee on Science, Education, Culture, Youth and Sport of the Chamber of Deputies of Parliament;
- 12-16 May 2008 – working visit by a delegation of the Committee on Constitutional and Legal Affairs of the Chamber of Deputies of Parliament;
- 2-4 September 2008 – working visit by V. Pícek, Chief of General Staff of the Army of the Czech Republic.

Visits by representatives of Greece:

- 3-5 November 2008 – working visit by a delegation of the Standing Committee on Public Administration, Public Order and Justice of Parliament;
- 26-27 November 2008 – working visit by Deputy Minister of Foreign Affairs Y. G. Valinakis;
- 3-5 December 2008 – working visit by a delegation of the Special Permanent Committee on Technology Assessment of Parliament.

Economic relations

In 2008, there was a fall in mutual trade turnover. In koruna terms trade declined by 3.5%, but given the development of the koruna against the euro it grew in euro terms by 7%. Almost 50% of Czech exports was accounted for by machinery and transport equipment, above all the Škoda and Zetor brands, which bucked the automobile industry's downward trend in the fourth quarter of 2008 and enjoyed considerable popularity on the Greek market. Imports made up just over a quarter of total trade turnover. As a result, the Czech Republic ended the year with a high balance of trade surplus (approx. CZK 5.5 billion), which is offset by the exchange of services (over a quarter of a million Czech tourists travel to Greece every year).

The Czech Republic's principal export commodities: motor vehicles, tractors, children's toys, miscellaneous automatic data processing machines, polyethylene, coniferous wood sawn or chipped, turbine parts, television sets, air-conditioning apparatus, household and office glassware, pipes, tubes and seamless profiles, direct-current motors and generators, telephone accessories.

The Czech Republic's principal import commodities: oranges, other fresh or dried fruit, spirits, tobacco, T-shirts, nuts, cotton.

Cultural relations

Under the *Programme of Cultural and Educational Cooperation*, there were regular exchanges of participants in summer language courses and relatively extensive exchange of academic workers and university students. There continued to be strong interest in university study in the Czech Republic, primarily at Czech medical faculties.

During 2008, the Embassy of the Czech Republic in Athens organised a number of diverse cultural events (mainly in music, the creative arts and literature) that were positively received by the Greek public; many of these events took place outside the Greek capital. The most significant contributions to the presentation of Czech culture in Greece were a retrospective of photographs by J. Koudelka at the prestigious Benaki Museum in Athens (September to November 2008), an exhibition of graphic art by A. Born (September to October 2008), and a performance by the Ballet of the National Theatre in Athens (November 2008). In connection with the J. Koudelka exhibition, books of his photographs entitled *Invasion 68* and *Koudelka* were published in Greek. In spring 2008 J. Svěrák's film *Empties* was released in Greece and H. Třeštková's documentary *Marcela* was presented at the 10th *Thessaloniki Documentary Festival*.

ITALY

(Republic of Italy)

Visits by representatives of the Czech Republic:

- 14-16 May 2008 – Vice-president of the Chamber of Deputies L. Zaorálek attended the 4th *Europe-Russia Economic Forum* in Rome;
- 6-9 October 2008 – working visit to Rome by a delegation of the Permanent Commission on Oversight of the National Security Office of the Chamber of Deputies of Parliament;

- 22 October 2008 – Vice-president of the Senate of Parliament J. Šneberger attended a conference on *The Legacy and Relevance of the Czechoslovak Spring* in Rome;
- 3-6 November 2008 – working visit to Rome by a delegation of the Committee on Health and Social Policy of the Senate of Parliament;
- 11-14 November 2008 – working visit to Rome by Supreme Public Prosecutor R. Vesecká.

Visits by representatives of Italy:

- 3 December 2008 – working visit by Speaker of the Chamber of Deputies of Parliament G. Fini.

Economic relations

Trade exchange between the Czech Republic and Italy developed dynamically in 2008. Italy was the Czech Republic's fifth biggest trading partner in terms of mutual trade turnover (as in 2007). It was the seventh biggest exporter to the Czech Republic (compared to sixth in 2007). Italy was the sixth biggest market for Czech exports (the same as in 2007).

The development of economic relations was boosted by trade exchange between the two countries' small and medium-sized enterprises based on supplies of finished products and manufacturing subcontracts. This type of cooperation is highly significant for Czech-Italian trade, because small and medium-sized enterprises account for a larger proportion of business as a whole in Italy than in any other EU country. The continuing trend by which Czech exports are growing faster than Italian exports was also highly significant. The Czech Republic has had a balance of trade surplus with Italy since 2006.

One favourable aspect of Czech exports was that Czech firms are achieving success on the Italian market for machine engineering products, including precision engineering. Since accession to the EU, the Embassy of the Czech Republic in Rome has continued to cooperate with Czech companies that are seeking not only to export to Italy but also increasingly to open their own branches in Italy. In 2008 the embassy prioritised Czech investments in water treatment and the power industry. During the last two years the Czech embassy in Rome has also continued to implement projects designed to create the right conditions for increasing exports of services to Italy.

Cultural relations

The overarching theme of 2008 was the commemoration of the 40th anniversary of the events of 1968 in Czechoslovakia. Under the auspices of Italian president G. Napolitano *Teatro India* in Rome staged the *Prague Spring* theatre play; an exhibition of *Europe of Images: Images of Europe* opened at the Victor Emmanuel II Monument; there was a series of lectures on the 1968 Prague Spring entitled *Prague – Spring of Freedom 1968-2008*, combined with the inauguration of an exhibition of paintings by Czech artists J. Husárková and Š. Mrázová; the Foundation of the Chamber of Deputies of Italy organised a conference on *The Legacy and Relevance of the Czechoslovak Spring* (at which the Czech Republic was represented by Vice-president of the Senate J. Šneberger, sociologist J. Šiklová and journalist A. J. Liehm); an exhibition called *The Impossible Spring – Prague 1968* was opened in Rovigo; and an amateur theatre company from Udine presented its production *Prague Terrace* as part of a three-day seminar on *Czechoslovak Year '68 – Prague Spring, European Awakening*. The culmination of the events commemorating 1968 was an exhibition entitled *Prague: From One Spring to Another 1968-1969*, held at the Rome Exhibition Centre.

Black-light theatre *Ta Fantastika* successfully performed *Alice in Wonderland* at the Riffredi Theatre in Florence. The Czech Republic also took part in *the European Festival of Intercultural Dialogue* organised by the Children's Museum in Rome under an initiative of the European Commission.

During the year, there were also presentations of several books by Czech and Italian authors on the subject of the Czech Republic: K. Hvižd'ala's *Briefly, Please*, a book of photographs by J. Koudelka *Prague 68 Invasion* and a book by Italian sociologist C. Vivaldi Forti entitled *Truth is Victorious (tales of a 1948 exile). Prague Spring 1968 – the forgotten revolution* by Italian journalist E. Bettiza was presented in the Senate of Italy. In February 2008, author and playwright I. Obermannová represented the Czech Republic at the 4th international conference of European authors *Transeuropaexpress* in Rome.

KOSOVO

(Republic of Kosovo)

Visits by representatives of the Czech Republic:

- 14 January 2008 – working visit by Minister of Foreign Affairs K. Schwarzenberg;

- 15-17 July 2008 – working visit by First Deputy Minister of Foreign Affairs T. Pojar.

Visits by representatives of Kosovo:

- 21-23 August 2008 – working visit by Minister of Foreign Affairs S. Hyseni;
- 9-10 October 2008 – visit by Minister of Environment and Spatial Planning M. Yagcilar.

The Republic of Kosovo declared its independence on 17 February 2008 and simultaneously requested recognition and the establishment of diplomatic relations with the Czech Republic. On 21 May 2008, the government of the Czech Republic agreed to establish diplomatic relations, thus officially recognising the Republic of Kosovo as an independent state. The Embassy of the Czech Republic was opened in Pristina on 1 August 2008; it is provisionally headed by a chargé d'affaires. The embassy was formed out of the Czech Republic's Liaison Office to UNMIK, which had operated there since the end of 2006. The Czech Republic engaged in the work of the *International Steering Committee*, which politically oversees the implementation of *The Comprehensive Proposal for Kosovo Status Settlement* (the *Ahtisaari Plan*).

Economic relations

Economic cooperation with Kosovo is developing gradually. One of the Czech businesses playing an active role in Kosovo is ČEZ, which opened an office in Kosovo back in 2006 because of its interest in the privatisation of mines and power stations. In 2008, it took part in a tender for a project to build a new lignite-fired power station and modernise the energy sector. Other companies involved in Kosovo's power and mining industries are Geolink Praha, a.s., which works on ecological projects to re-cultivate areas where mining has taken place, Moeller Elektrotechnika, Electroprim, Prodeco, M3 Trading (exclusive representative of Primalex), Auto Games CZ and Škoda Auto.

In autumn 2008, a project to identify trade and economic opportunities for Czech firms in Kosovo was launched and representatives of the Kosovo chamber of commerce undertook a visit to the Czech Republic, during which there was a joint seminar for Kosovan and Czech businesses on the opportunities for developing trade between the two countries.

The Czech Republic's principal export commodities: cleansing and washing preparations, dyes, chipboard, mineral oils, beer, frozen semi-finished products, gambling machines, passenger cars.

The Czech Republic's principal import commodities: rolled steel products, gambling machines.

Development cooperation

Development cooperation with Kosovo in 2008 took place within the framework of the project priorities of Czech foreign development cooperation. The sectoral priorities of this cooperation target economic and industrial development, environmental protection, transport, healthcare and the field of labour and social affairs. Attention was devoted primarily to social development, with the emphasis on healthcare and environmental protection.

The biggest project launched in 2008 was the project of the Ministry of Health of the Czech Republic to assist traumatology in Kosovo; the project's value is CZK 52 million (for 2008-2009). Two "small-scale local projects" worth a total of CZK 500,000 were implemented during the year in Kosovo: one project supported persons with hearing defects, the other supported services for the blind and visually impaired.

In June 2008, a donors' conference of EU member states for Kosovo was held in Brussels, at which the Czech Republic pledged to provide a contribution of EUR 1 million for 2008. Of this amount the greatest single contribution was devoted to the World Bank Trust Fund for development of the social sector (EUR 500,000). The Czech Republic also financed a development project implemented by the UNDP to reconstruct the electricity network in the multiethnic municipality of Berivojce in Kamenica district and an OSCE project to support a duty room for the Kosovo Police Service in Vushtrri/Vucitrn and the acquisition of equipment for investigating crime. Additional finances were devoted to other international funds and institutions and to NATO trust funds for the reform of the security sector and development of the Kosovo Security Force.

Cultural relations

Cultural relations between Kosovo and the Czech Republic are still at any early stage. In August 2008, the Czech film *Citizen Havel* was screened at the *Dokufest* festival of documentaries in Prizren.

Presence of the Czech Republic in international organisations and operations in Kosovo

In 2008, the contingent of the Army of the Czech Republic continued to serve in KFOR, which is part of the Multinational Task Force Centre. There were also 25 Czech policemen in Kosovo, working first in the police part of the UNMIK mission and later in EULEX. Czech experts are also engaged in other components of the ICO (International Civilian Office), EULEX, UNMIK and the OSCE.

LUXEMBOURG

(Grand Duchy of Luxembourg)

Visits by representatives of the Czech Republic:

- 7 November 2008 – working negotiations on bilateral and European affairs between Prime Minister M. Topolánek and Prime Minister J.-C. Juncker in Brussels.

Development cooperation

In 2008, trilateral cooperation between the Czech Republic, Luxembourg and Mali went ahead on a project in Mali focusing on supplies of drinking water in the Barouéli district as part of the EU's development cooperation on the North-North-South axis.

Economic relations

Luxembourg is not one of the Czech Republic's principal trading partners, but it has for long held the position of the 45th biggest partner in terms of trade turnover, accounting for 0.15% of the Czech Republic's total foreign trade. Luxembourg plays a much more significant role in direct foreign investment in the Czech Republic than in trade exchange. The value of these investments as of 31 December 2006 was CZK 39.7 billion, which has been channelled into real estate, retail, sale of machinery and plant, credit operations and insurance, manufacture of electrical machinery and radio, television and communications equipment,

manufacture of machinery and plant, rubber and plastic products, publishing and printing companies *et al.* The following firms are examples of Luxembourg investments: Accumalux, Rotarex, Paul Wurth, ORCO, DELTA bakeries, Jihočeský zemědělský lihovar, Matthey, Astron Buildings, Svoboda Press, Ivensys Appliance Controls, Logit, Wagon Automotive *et al.* Luxembourg's portfolio of investments in the Czech Republic attained a value of CZK 2.8 billion as of 31 December 2006, while the investments of Czech residents in Luxembourg were CZK 51.6 billion as of that date.

The Czech Republic's principal export commodities: synthetic rubber, passenger motor vehicles, special polycarbonate textile products iron and steel products. The principal exporters include: Škoda Auto a.s., Rotarex Praha s.r.o., Karosa a.s., DEZA a.s., Mittal Steel a.s. *et al.*

The Czech Republic's principal import commodities: zinc-coated flat rolled products, parts for taps, valves and tubes, heat-rolled sections, special textile products, paper, impregnated paperboard. The principal importers include: Arcelor Distribution, Good Year Dunlop s.r.o, Akuma a.s., Rotarex a.s., Škoda Auto a.s. *et al.* The commodity structure of trade exchange is fairly stable in terms of both the composition of individual items and their share of the total.

Cultural relations

The main presentations of Czech culture in Luxembourg in 2008 were expositions of Czech art. The Embassy of the Czech Republic organised the following events: an exhibition of M. Síkora, a Czech artist resident in Paris, entitled *Heaven on Earth etc. – images and objects* at the beginning of March; an exhibition of works by P. Pavlík *Pilgrim in a Labyrinth* in May; *Ouvertures*, an exhibition of images and objects by Czech artist working in Luxembourg I. Mrázková in September; an exhibition of pieces by Czech glass artists of international renown S. Libenský, J. Brychtová and R. Roubíček entitled *From Expo 1958 to 2008* in October; and an exhibition of paintings and sculptures by M. Chabera called *Contexts Big and Small* in November. All the exhibitions were installed in the embassy's exhibition rooms and created a lively interest among the Luxembourg and foreign public. The embassy gallery was also the setting for a talk given by writer, translator and literary historian V. Jamek as part of the *European Book Days* project of the Institut Pierre Werner (IPW). Together with IPW and the Institute of International Relations in Prague, the embassy

organised a conference on *Spring 1968 between Prague and Paris*, with contributions by firsthand participants (J. Šiklová, P. Uhl, J-P. Duteuil) and historians (P. Drulák, J. Cuhra, D. Tartakowsky). To accompany the conference, the embassy put on exhibitions of photographs entitled *1968/69 – 1988/89* and *Václav Havel, Jan Palach & Others – an encounter with history*.

The embassy also played a key role in organising events of a social nature, (the second *Czech-Luxembourg Ball* in April), musical events (concert of Baroque music performed by guitarist T. Krotíl, a performance by the world-famous children's choir *Jitro*, J. J. Ryba's Christmas Mass with the Luxembourg Philharmonic Orchestra and Czech soloists), and film-related events (festival of Central European cinema). The Czech Republic continued to develop its cooperation with the Czech community's *ATSL* club, supporting its projects to promote Czech music, culture, theatre, traditions and language through the embassy.

MACEDONIA/FYROM

(Former Yugoslav Republic of Macedonia/FYROM)

Visits by representatives of the Czech Republic:

- 25 March 2008 – official visit to Skopje by Deputy Prime Minister for European Affairs A. Vondra;
- 1-3 May 2008 – President V. Klaus attended the 15th meeting of presidents of central, south and eastern Europe in Ohrid;
- 17-19 July 2008 – working visit by First Deputy Minister of Foreign Affairs T. Pojar.

Visits by representatives of FYROM:

- 4 November 2008 – working visit by Deputy Prime Minister for European Affairs I. Bocevski.

The opening of the Embassy of Macedonia/FYROM in Prague in January 2008 and the taking of office by both countries' resident ambassadors contributed considerably to the development of bilateral relations. The Czech Republic's ambassador J. Braun presented his credentials on 20 March 2008. The ambassador of Macedonia/FYROM I. Ilievski took office on 15 December 2008.

Economic relations

In 2008, there was continued strong growth in trade exchange, and especially in Czech exports. Czech firms were interested in participating in development projects and in investments, primarily in the power sector. Other focuses of interest for Czech firms were environmental protection and the development of transport and communal infrastructure.

The Czech Republic's principal export commodities: motor vehicles, tractors, reactors, boilers, electrical devices, cleansing and washing preparations, glass and glass products, sugar and confectionary, food products of animal origin, paper, cardboard, paperboard.

The Czech Republic's principal import commodities: iron and steel and products of such, beverages, spirit-based liquids, tobacco and tobacco products, clothing and accessories, knitted textiles, transport equipment, vegetables, fruit, zinc and zinc products.

Development cooperation

In foreign development cooperation, the implementation of a three-year project to remediate ecological hotspots at the OHIS firm in Skopje went ahead; and a financial contribution was provided under a small-scale local project to acquire computer equipment for a language laboratory at the Department of Slavonic Languages of the Faculty of Philology of Ss. Cyril and Methodius University in Skopje.

Cultural relations

Cultural relations between the two countries continued to develop. University language teaching has been a traditionally strong area of cooperation. A Czech language teacher has been working at Ss. Cyril and Methodius University in Skopje; Macedonian language teachers taught at Charles University in Prague and Masaryk University in Brno.

The Ministry of Education, Youth and Sports of the Czech Republic provides four places at Czech language summer schools and the same number of students from the Czech Republic are reciprocally accepted on Macedonian courses. Three government scholarships were unilaterally provided to Macedonia/FYROM.

The most significant cultural events in Macedonia/FYROM included an exhibition of photographs by J. Saudek and the *Farm in a Cave* theatre company's participation at the *International Theatre Festival for Amateur, Alternative and Experimental Theatre* in Skopje.

The Embassy of the Czech Republic in Macedonia/FYROM was the main sponsor of the publication of a digest of *Czechoslovak Diplomatic Documents on Macedonia in the Years 1939-1975*, co-organised the *Lidice 2008* international children's art exhibition and participated in several other cultural, artistic and educational projects.

MALTA

(Republic of Malta)

Visits by representatives of the Czech Republic:

- 12 January 2008 – working visit by O. Dědek, national coordinator for the introduction of the euro;
- 10-12 July 2008 – visit by a business mission led by Deputy Minister of Industry and Trade M. Hovorka.

Visits by representatives of Malta:

- 9-10 December 2008 – official visit by Prime Minister L. Gonzi.

Economic relations

The total volume of trade exchange is low – in 2008 the global economic situation resulted in trade exchange more than halving compared to 2007. The Czech Republic had a balance of trade surplus with Malta in 2008. Malta is a traditional market for Czech machine engineering products and Škoda automobiles. Tourism represented a significant aspect of economic cooperation – Malta has become an established destination for Czech tourists.

The Czech Republic's principal export commodities: industrial products, machinery and transport equipment, raw materials, chemicals, food products.

The Czech Republic's principal import commodities: electrical apparatus and plant equipment, artificial fibres, chemicals, knitwear, medicaments.

Bilateral agreements concluded in 2008

- Programme of Cooperation in the Fields of Education, Culture, Science, Youth and Sport for the Years 2009-2011, Prague, 9 December 2008.

Cultural relations

In January 2008, there was an exhibition of *Children's Drawings from Terezín* and a meeting to commemorate the events of the Holocaust in Malta. J. Hřebejk's film *Cosy Dens* was screened at the 10th *European Film Festival*. In July, there was a concert performed by Maltese soprano L. Caruana and Czech pianist P. Kašpar, an exhibition called *Artefacts and Publications on Relations between Malta and the Czech Republic*, and a plaque commemorating the 40th anniversary of the establishment of diplomatic relations and the events of the Prague Spring was unveiled in Valletta. In Balzan, a plaque was unveiled in commemoration of Czech actress A. Mandlová, who lived here from 1967 to 1981.

MONACO

(Principality of Monaco)

The Czech Republic and the Principality of Monaco established diplomatic relations in July 2008. There were many protocol-related events in 2008 and contacts were established in the fields of economic cooperation, cooperation in environmental protection and sustainable development, and cooperation within the framework of the Union for the Mediterranean. Ambassador of the Czech Republic J. Fischer presented his credentials on 16 September 2008. The ambassador of Monaco has not been designated yet.

Economic relations

Since the Czech Republic's accession to the EU, the Principality of Monaco has been included in the overall statistics for France's foreign territories and is no longer registered separately in the Czech Republic's foreign trade turnover. In recent years, the Czech Republic's economic relations with Monaco has been supported mainly along the axis of the Embassy of the Czech Republic in Paris – Czech consulate general – and the Monaco chamber of commerce.

The most important trade and economic event of 2008 was *Czech Day in Monaco*, a presentation of the Czech Republic's business and investment environment. The follow-up

economic mission undertaken by the Monaco chamber of commerce will take place in April 2009.

Cultural relations

A joint Czech-Monaco project to renovate the Misericord Chapel went ahead. Significant bilateral events included a staging of Janáček's opera *Her Step-daughter* by Opera Monte Carlo at the end of *Czech Day in Monaco*.

MONTENEGRO

Visits by representatives of the Czech Republic:

- 30 June 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra.

Visits by representatives of Montenegro:

- 25 November 2008 – working visit by Minister of Foreign Affairs M Roćen.

A Consular Office of the Czech Republic was opened in Podgorica in June 2008 to support the developing cooperation in tourism, facilitate visits by Czech tourists and ensure a permanent diplomatic presence in Podgorica.

Economic relations

Trade between the two countries registered growth in 2008. From January to November 2008, Czech exports reached a value of CZK 577.2 million. Czech imports were worth CZK 126.8 million in the same period. The value of trade turnover was CZK 704 million, and the Czech Republic returned a surplus in the balance of trade in goods (not including services) of CZK 450.4 million.

The Czech Republic's principal export commodities: passenger cars, cleansing and washing preparations, coke, traffic control apparatus, air-conditioning equipment, television sets, chipboard.

The Czech Republic's principal import commodities: iron and steel tubes, steel.

Development cooperation

The project *Remediation, Reclamation and Revitalisation of Hazardous Waste after Extraction of Lead-zinc Ores at Mojkovac*, implemented by the firm of Vodní zdroje, reached a successful conclusion during 2008.

PORTUGAL

(Portuguese Republic)

Visits by representatives of the Czech Republic:

- 25-28 March 2008 – working visit by a delegation of the Standing Senate Commission on Rural Development;
- 10-15 May 2008 – working visit by a delegation of the Committee on Regional Development, Public Administration and the Environment of the Senate of Parliament;
- 10-12 December 2008 – working visit by a delegation of the Permanent Commission on the Work of the Office of the Chamber of Deputies of Parliament.

Visits by representatives of Portugal:

- 4 December 2008 – working visit by State Secretary for European Affairs T. Ribeiro.

Economic relations

Trade contacts with Portugal have developed dynamically in recent years. The Czech Republic has had a balance of trade surplus with Portugal since 1997. Portugal was the 30th biggest market for Czech exports in 2008 (EUR 315.6 million) and the 36th biggest importer to the Czech Republic.

The Czech Republic's principal export commodities: machinery and transport equipment, market products classified by type of material, industrial consumer goods. Passenger cars have traditionally been the biggest individual commodity item (most imported by a specialist distributor of VW, Audi and Škoda, the firm of SIVA in Azambuja), as well as components for their manufacture, including spares. They are followed by automatic data processing machines, metallurgical materials (imported by the Portuguese subsidiary of Czech manufacturer Moravia Steel – Moravia Steel Ibéria), electrical apparatus, glass, textiles, tyres and metalworking machinery. According to Portuguese statistics, Czech exports last year

caught up with Denmark and Austria, overtook Poland, and far outstripped the exports of Hungary, Greece and Slovakia.

The Czech Republic's principal import commodities: the biggest share of imports is taken by machinery and transport equipment, market products classified by type of material, chemicals and raw materials. The commodity structure is not dominated by any particular item as much as Czech exports are; there are radio receivers and audio reproduction devices, road vehicles and accessories, chemical fibres, furniture and furniture parts, tyres, rubber, clothing components, medicaments, textiles, footwear and wine.

Cultural relations

Cultural cooperation is developing positively. Successful events of 2008 included an Easter concert by the B. Martinů Philharmonic Orchestra in Porto, a performance by the Pražák Quartet in Lisbon, a tour by the Concert Muzica ensemble, a performance by the Black-light Theatre of Prague, a performance by M. Kožená, the Czech participation at the *International Puppet Festival* in Porto, the Czech participation at the *Indielisboa* international festival of independent film and at the *FIM* international festival, the Prague Chamber Orchestra's participation in the *Música do Algarve* festival, an exhibition of photographs by L. Dresdowitz entitled *Three Views of One World* in Lisbon, and *Structures*, an exhibition of contemporary Czech jewellery.

Attention was paid to the anniversary of the 1968 Prague Spring - the daily newspaper *Público* ran a series of reports on the Czech Republic, and the Embassy of the Czech Republic in Lisbon organised an exhibition called *68/89 – From the Prague Spring to the Velvet Revolution*.

ROMANIA

Visits by representatives of the Czech Republic:

- 2-4 April 2008 – an official delegation of the Czech Republic led by President V. Klaus and Prime Minister M. Topolánek attended the NATO Summit in Bucharest;
- 5-7 October 2008 – official visit by President of the Chamber of Deputies of Parliament M. Vlček;

- 30 November – 1 December 2008 – V. Picek, Chief of General Staff of the Army of the Czech Republic, attended the celebration of the 90th anniversary of the unification of Romania;
- 10-11 December 2008 – working visit by President V. Klaus.

Visits by representatives of Romania:

- 22 January 2008 – official visit by Prime Minister of Romania C. Popescu-Tăriceani with a business delegation;
- 21-24 April 2008 – visit by a delegation of the Committee for Petitions of the Chamber of Deputies of Parliament;
- 18-22 June 2008 – visit by a delegation of the Committee for Agriculture of the Chamber of Deputies of Parliament;
- 23-25 September 2008 – visit by G. Marin, Chief of the Romanian General Staff.

Bilateral agreements concluded in 2008

- Protocol to the Agreement on the Promotion and Reciprocal Protection of Investments, 22 January 2008, Prague 22 January 2008;
- Arrangement between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education, Research and Youth of Romania on Cooperation in the Field of Education, Prague, 22 January 2008.

Economic relations

The upward trend in trade exchange continued in 2008, although, as in 2007, the rate of growth was slower than in previous years. Romania continues to be the Czech Republic's biggest economic partner in South East Europe and is also a significant location for Czech investment, which exceeded EUR 600 million. After making significant investments in previous years, the PPF/Generali group (insurance services arm) entered the Romanian market in 2008, for example.

The Czech Republic's principal export commodities: passenger motor vehicles (sales of Škoda cars have risen above 23,000 units), motor vehicle parts and accessories, motor

vehicles for public passenger transport, parts and spares for rail transport vehicles, iron and steel and products of such, reactors, boilers, electrical apparatus, devices and appliances, medical and installation products, metal products, rubber products, office machinery and automated data processing machines, soap, washing, lubricating and polishing preparations and waxes.

The Czech Republic's principal import commodities: wire, cables, conductors, turbines and boilers, iron and steel and products of such, motor vehicle parts and accessories, electrical apparatus, devices and appliances, industrial machinery and plant equipment, aluminium and aluminium products, rubber and rubber products, furniture.

Cultural relations

The presentation of Czech culture is mainly organised by the Czech Centre. The most important cultural events of the year were an exhibition of *Czech Crystals* in the National Historical Museum in Bucharest, the first staging of the *One World* festival of documentary films and discussions, and an exhibition of photographs entitled *68/89 – From the Prague Spring to the Velvet Revolution*, combined with a historical seminar.

Czech and Romanian students continued to attend summer language courses and to participate in several-month study visits in 2008. A Czech language teacher continued to work at Bucharest University and a Romanian language teacher at Charles University in Prague.

In addition, programmes for Czech community members went and three teachers sent from the Czech Republic carried on their work at elementary schools in Svatá Helena (Sfinta Elena), Gernik, and Eibenthal. Members of the Czech community in Romania also attended a methodological course on Czech language tuition in 2008.

SAN MARINO

(Republic of San Marino)

The core of the Czech Republic's bilateral relations with the Republic of San Marino lies in trade exchange, which amounted to EUR 80,600 in 2008. The Czech Republic has for long had a balance of trade surplus with San Marino, which has remained stable despite the global economic crisis. San Marino is the Czech Republic's 120th biggest trading partner in terms of trade turnover.

At the end of 2008, the Czech Republic granted consent for the opening of an honorary consulate general of San Marino in Prague and the appointment of Italian national G. Resco to the post of Consul General.

SERBIA

(Republic of Serbia)

Visits by representatives of the Czech Republic:

- 21 March 2008 – working visit by Deputy Prime Minister for European Affairs A. Vondra;
- 14-15 July 2008 – working visit by First Deputy Minister of Foreign Affairs T. Pojar;
- 1-4 November 2008 – state visit by President V. Klaus;
- 19-21 November 2008 – working visit by a delegation of the Committee on Environment of the Chamber of Deputies of Parliament;

Visits by representatives of Serbia:

- 18-19 September 2008 – working visit by Assistant Minister of Foreign Affairs for European Integration M. Delević;
- 3-4 November 2008 – working visit by Assistant Minister of Foreign Affairs for Security Policy Z. Vujić;
- 14 November 2008 – working visit by Minister of Foreign Affairs V. Jeremić;
- 25-26 November 2008 – working visit by Minister of Environment and Spatial Planning O. Dulić.

Economic relations

The Czech Republic had a balance of trade surplus with Serbia in 2008. Czech exports to Serbia amounted to CZK 7.57 billion in 2008 and imports from Serbia CZK 4.36 billion; trade turnover attained a value of CZK 11.93 billion, making the Czech Republic's balance of trade surplus CZK 3.21 billion.

A revision of the *Agreement on Reciprocal Protection and Promotion of Investments* and the *Agreement on the Avoidance of Double Taxation* was commenced during 2007 and in

2008 talks went ahead between the two countries' expert teams on these questions. The preparation of an *Agreement on Bilateral Development Cooperation* also continued.

The Czech Republic's principal export commodities: aviation equipment and servicing of such, passenger motor vehicles and lorries and parts, chipboard, washing and cleansing preparations, accumulators, computers, TV sets, polyethylene, iron and steel products.

The Czech Republic's principal import commodities: aviation equipment and servicing of such, iron and steel sheets and profiles, sugar, tyres, sheet aluminium, sheet copper, methanol, men's clothing.

Development cooperation

Serbia is one of the priority countries of Czech foreign development cooperation and is the biggest overall beneficiary in terms of the volume of finances and the quantity of implemented projects. The projects mainly target industrial development, environmental protection, healthcare and the social field. Another aspect of foreign development cooperation is "small-scale local projects" that provide specific assistance to smaller localities, some of which are places where there is a Czech community.

Bilateral projects					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK thousands)	Total project budget (CZK thousands)
Industrial development	Ensuring Continuity of Extraction at the Rembas and Soko Mines	Výstavba dolů Ostrava, s.r.o.	2006-2010	5,100	24,500
	Implementation of Czech Medical Resources in the Field of Vascular Surgery – Belgrade Clinical Centre	Výzkumný ústav pletářský, a.s., Brno	2006-2010	6,000	20,580
	Greenification of Management of Petroleum and Chemical Products and Hazardous Waste	Azas Invest, s.r.o., Opava	2006-2010	7,500	29,400
	Gasification of Banja Koviljača and Lešnica	MSA, a.s. Dolní Benešov	2006-2009	4,000	14,700
	Safety Signalling	AŽD Praha, s.r.o.	2006-2009	4,700	14,700

	Equipment for Railway Sidings of Vreoca and Obrenovac Thermal Power Plant				
	Survey of Sources and Supply of Technology for Treating Drinking Water, Lazarevac	GEOtest Brno, a.s.	2006-2011	4000	25,000
	Clear-up of the Consequences of Mining Coal Deposits at Stavalj	Výstavba dolů Ostrava, s.r.o.	2006-2009	6,500	19,500
	Construction of Heating Systems in Loznice, Banja Koviljača and Special Hospital	EKOL, aspo. s.r.o., Brno	2007-2008	2,000	3,950
Agriculture	Drinking Water Treatment in the Valjevo Region	By tender	2008-2009	4,700	4,700
Social development	Construction of an Assistance Centre for Victims of Domestic Violence	ADRA, o.s.	2006-2008	3,292	7,308
Healthcare	Technical Support for the Treatment of Complicated Health Conditions in Serbia: Concept of Palliative Care in Kosovo – Dignity for the Terminally Ill	Sue Ryder International	2008-2009	3,145	X
Environment	Pollution Prevention and Rehabilitation of the River Kolubara in the City of Valjevo	VHS Brno, a.s.	2006-2008	6,876	19,174
	Introduction of Integrated Waste Management System in Selected Cities and Villages in Vojvodina Province	Dekonta, a.s.	2006-2008	3,979	8,113
	Increasing the Capacity of the	VHS, Brno, a.s.	2008-2010	6,0001	8,600

	Supply of Drinking Water in the Boričevac Region				
	Pollution Survey and Rehabilitation of the Ada Huja Area	Dekonta, a.s.	2008-2010	600	13,600
	Technical Assistance: Building of an Effective District Heating System Leading to the Removal of Energy Demanding and Non-ecological Local Heating Boilers in the City of Valjevo	VHS Brno, a.s.	2006-2008	6,989	18,062
Small-scale local projects under the Embassy of the Czech Republic					
Czech embassy, Belgrade	Bela Crkva – Renovation of a Grandstand at the Local Stadium	Bela Crkva Municipality	2008	172	x
	Češko Selo – Renovation of a Building of the Museum of the Czech Minority	Češko Selo Municipality	2008	172	X
	Kruščica – Construction of Changing Rooms and Social Facilities at the Local Stadium	Kruščica Municipality	2008	172	x
	Taking and Freezing of Fresh Blood Plasma of Human Origin in Order to Create Stocks at the Centre for Blood Plasma Fraction, RS Vojvodina Blood Transfusion Institute, Novi Sad	Blood Transfusion Institute, Novi Sad	2008	100	x
	Technical Fittings for the Czech Studies Department of	Faculty of Philology, Belgrade	2008	125	x

	the Faculty of Philology in Belgrade				
	Equipment for the In-patient Part of the Vascular Surgery Clinic of the Serbia Clinical Centre, Belgrade	Vascular Surgery Institute, Belgrade	2008	125	x
	Support for Increasing Visitor Numbers to the Bela Crkva Region	Češko Selo Municipality	2008	130	x
Total				74,468	x

Transformation cooperation

Serbia is one of nine priority countries for the provision of transformation cooperation, i.e. the implementation of projects in which the Czech Republic draws on its own experiences with political and economic transformation and shares them with the beneficiary. CZK 3.6 million was earmarked for transformation cooperation projects in 2008. Most of the projects envisage financing in the coming years as well.

Project name	Implementing organisation	Drawdown in 2008 (CZK)
Training of middle and senior management of the police of Western Balkans countries in the areas of management and organised crime – Serbia, Bosnia and Herzegovina, Montenegro, Macedonia	Security Policy Division, Ministry of the Interior of the Czech Republic	1 500
Support for the development and viability of Serbian NGOs	VIA Foundation	x
Total		x

Government scholarships

Government scholarships	Bachelor's study	Master's study	Doctorate study	Total
Number of scholarship beneficiaries	7	-	2	9

Cultural relations

The most successful and important cultural event organised in 2008 was an exhibition of authentic photographs from the years 1968/69 capturing the atmosphere of Prague Spring

and the invasion of the then Czechoslovakia. The Embassy of the Czech Republic, the National Film Archive in Prague and the Yugoslav Film Archive jointly organised *Days of Czech Children's Film* in Belgrade. The embassy also supported performances by numerous Czech performing artists at significant cultural festivals in Serbia (the *Teatr Novogo Fronta* theatre group at the *INFANT* theatre festival in Novi Sad, organist P. Kohout at the 8th *Organ Days* festival, an author's reading by Czech poet J. Straka as part of the international *Poetry Festival* in Belgrade, and two Czech directors from the SKUTR theatre group at the *International Student Theatre Festival* in Belgrade).

SOVEREIGN MILITARY ORDER OF MALTA

(Sovereign Military Hospitaller Order of St. John of Jerusalem of Rhodes and of Malta)

Visits by representatives of the Czech Republic:

- 7 March 2008 – Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda attended a memorial mass for the deceased Grand Master A. Bertie.

The Sovereign Military Order of Malta is represented by the Embassy in Prague. In the Czech Republic are also active the Grand Priory of Bohemia of the Sovereign Military Order of Malta and the affiliated public benefit company *Maltese Aid*.

SPAIN

(Kingdom of Spain)

Visits by representatives of the Czech Republic:

- 29-30 June 2008 – working visit by a delegation of the Committee on Economic Affairs of the Chamber of Deputies of Parliament, led by the committee chairman O. Vojříř;
- 18 September 2008 – official visit by Prime Minister M. Topolánek;

- 29 September – 2 October 2008 – working visit by a delegation of the Committee on Budgetary Control of the Chamber of Deputies of Parliament, led by the committee chairman V. Koniček;
- 4-7 November 2008 – working visit by a delegation of the Committee on Health Care of the Chamber of Deputies of Parliament, led by the committee vice-chairman J. Krákora;
- 7 November 2008 – visit to the Ministry of the Environment and Rural and Marine Affairs by First Deputy Minister of the Environment J. Dusík;
- 14-18 November 2008 – members of the Permanent Delegation to the NATO Parliamentary Assembly (deputies T. Dub, P. Severa, A. Sed'a, V. Klučka and M. Hrbata and senators J. Nedoma and R. Slavotínek) attended the 54th annual session of the NATO Parliamentary Assembly in Valencia.

Visits by representatives of Spain:

- 26-27 June 2008 – visit by a delegation of the Committee for Science and Innovation of the Congress of Deputies, led by the committee vice-chairwoman M. D. Puig Gasol;
- 12-14 October 2008 – a delegation of the Committee for Science and Innovation of the Congress of Deputies attended the 10th European Interparliamentary Space Conference, led by committee chairman M. Á. Buen Lacambra.

Economic relations

Spain was the Czech Republic's 13th biggest trading partner in terms of total turnover in 2008. Trade exchange has been constantly increasing, even before the Czech Republic joined the European Union. This trend made it possible to overturn the balance of trade deficit from the 1990s – the Czech Republic has now achieved a balance of trade surplus with Spain for the sixth consecutive year. The Czech Republic ended 2008 with a balance of trade surplus of EUR 526.9 million with Spain.

According to the latest available data for November 2008, there was a slight fall in exports year-on-year (by 1.3%) and the pace of growth of imports also fell (to 5.9%). The commodity structure of trade exchange has remained essentially unchanged.

The Czech Republic's principal export commodities: automobiles and parts, including accessories, automatic data processing machines and units, television sets, recording,

reproduction and telecommunications equipment, motors and parts, air-conditioning equipment.

The Czech Republic's principal import commodities: automobiles and parts, including accessories, television sets, pharmaceuticals, fruit and vegetables, metallurgical products, tyres.

Cultural relations

The overarching theme of the presentation of Czech culture in Spain in 2008 was the year-long project *Literary Excursions to Spain*, which took place under the auspices of Minister of Culture V. Jehlička and with the support of the Ministry of Culture of the Czech Republic. In Spain, the project presented two as yet unpublished authors and also promoted interest in Czech literature and language. At the same time, it was a reciprocal event for Spain's participation as an invited guest to this year's *Book World*. The following events were held under the project: *Literary Excursion to Madrid* (P. Borkovec, P. Halmay, K. Rudčenková, J. Balabán, M. Platzová, M. Ajvaz, J. Rudiš); *Literary Excursion to Madrid – A Night with Literature* (A. Zonová); *Literary Excursion to Leon – Leer León* children's literature festival; *Literary Excursion to Segovia – “The Guardian Hay Festival”* (E. Hakl and P. Ouředník), *Literary Excursion to Barcelona – “Cosmopolis” Festival*; and the Czech-Catalan theatre project (Na zábradlí Theatre, Prague). Another theme of the year was the commemoration of 1968: there was an exhibition of photographs at the University of Granada, combined with a lecture and discussion (T. Vrba) and at the documentary film festival *Documenta Madrid*. An exhibition of *Echoes of the One World Festival* was installed in Madrid in cooperation with Casa de América and Universidad Complutense. In cooperation with the town halls of Madrid and Santiago de Compostela respectively, the following two exhibitions were staged: *Josef Svoboda: Stage Designer of Light* and *Jiří Kovanda: The Pink Carpet*. A presentation of the Czech Republic and its cultural and economic potential was organised in Burgos under the name *Czech Republic Days*. The event took place in connection with the celebrations of *Europe Day*. Besides the ambassador's presentation and an economic seminar, the event comprised the following cultural projects: an exhibition entitled *Czechoslovak Film Posters in the Years 1960-1989*, a production of *The Three Musketeers* by the Alfa puppet theatre from Plzeň, a concert by the Moravian Piano Trio, and screening of tourism-related films.

TURKEY

(Republic of Turkey)

Visits by representatives of the Czech Republic:

- 4-7 March 2008 – working visit by a delegation of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament, led by its chairman J. Hamáček;
- 8-11 April 2008 – working visit by a delegation of the Committee on European Affairs of the Chamber of Deputies of Parliament, led by its vice-chairman J. Bauer;
- 3-5 September 2008 – working visit by Minister of Industry and Trade M. Říman;
- 7-9 October 2008 – official visit by Prime Minister M. Topolánek.

Visits by representatives of Turkey:

- 17-18 April 2008 – working visit by Minister of State for Economic Coordination and Deputy Prime Minister N. Ekren;
- 6 November 2008 – working visit by Minister of Foreign Affairs and Chief Negotiator with the EU A. Babacan.

Economic relations

Turkey is one of the Czech Republic's most important trading partners. In 2008, Turkey was the Czech Republic's 21st biggest trading partner in terms of total trade turnover. Turkey was the 19th most important destination for Czech exports. Since the start of accession talks with the EU on 3 October 2005, this territory has had even greater potential for the Czech Republic and a number of possibilities for engagement in development programmes have arisen. Other fields with good prospects are the energy industry, transport infrastructure and the environment.

The Czech Republic's principal export commodities: passenger cars and other passenger vehicles, automatic data processing machines, motor vehicle parts and accessories, telecommunications equipment, audio and video recording and reproduction devices, wool, flat-rolled products, vacuum tubes, X-ray tubes, diodes and transistors, television sets.

The Czech Republic's principal import commodities: passenger cars and other passenger vehicles, clothing and underwear, road motor vehicles, goods motor vehicles,

textile clothing items, motor vehicle parts and accessories, household electrical and mechanical devices, television sets.

Cultural relations

Events that helped promote Czech culture in Turkey included *Czech Press Photo 2007* at Istanbul's Press Museum and *Czech Press Photo 2006* at the university in Adana. In Istanbul, Czech actor T. Hanák filmed a document about the city in October.

On 22-23 October 2008, Bilkent University in Ankara hosted a conference entitled *Prague Spring: Democracy Derived*, organised jointly by the embassies of the Czech Republic, Slovak Republic and Austria and accompanied by an exhibition of photographs of the events of 1968/69.

In education, cooperation between universities in Turkey and the Czech Republic successfully went ahead on the basis of the EU's *Erasmus* and *Socrates* student exchange programmes, under which dozens of Turkish students studied at Czech universities.

VATICAN

(Holy See)

Visits by representatives of the Czech Republic:

- 8 March 2008 – working visit by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda;
- 5 November 2008 – working visit by a delegation of the Committee on Health and Social Policy of the Senate of Parliament, led by the committee chairwoman A. Paleček.

Cultural relations

Three of the most important events were an exhibition of *The Czech Bible over the Centuries* at Basilica di Santa Croce in Gerusalemme in Rome, a presentation of 60 Czech nativity cribs at the 7th *international exhibition of nativity cribs* in Giffoni Valle Piana near Salerno, and an exhibition of *Gothic Gems in the Aquileian Patriarchy* in Udine, at which items of Czech church art and documents from the time of Charles IV were displayed.

On 16 December 2008, the chairman of the Committee on European Affairs of the Senate of Parliament L. Sefzig and the Archbishop of Prague, Metropolitan and Primate of Bohemia Cardinal M. Vlk commemorated Cardinal J. Beran on the occasion of the coming one hundred and twentieth anniversary of his birth.

At a general audience on 17 December 2008, Pope Benedict XVI was presented with two gifts from the Czech Republic: a facsimile of the *Velislav Bible* from the Archa 90 publishing company and a nativity crib made by woodcarvers from Sušice.

4. The Czech Republic's relations with Middle East and North African countries

ALGERIA

(People's Democratic Republic of Algeria)

Visits by representatives of the Czech Republic:

- 16-18 November 2008 – working visit by First Deputy Minister of Foreign Affairs T. Pojar.

Visits by representatives of Algeria:

- 23-28 November 2008 – official visit by Major General Ahmed Gaid Salah, Chief of General Staff of the People's National Army, with a delegation.

Economic relations

Trade and economic cooperation formed the basis and core of bilateral relations. From the long-term perspective, Algeria has been one of the Czech Republic's significant and traditional partners in Maghreb. Terrorist activities by extremists in 2008 did not help consolidate the political and economic situation in the country, but nor did they seriously disrupt the ongoing process.

The dynamic development of the Algerian economy continued thanks to high international prices of crude oil – this was reflected in mutual trade, which continued to grow. Czech exports grew slightly to reach a value of CZK 1.5 billion. The value of imports was CZK 336 million.

The Czech Republic's principal export commodities: automatic data processing machines, aviation industry components, self-powered building machinery, passenger cars, tubes, kegs and barrels.

The Czech Republic's principal import commodities: lubricants, fruit, staple fibres and textiles.

Cultural relations

Cultural cooperation went ahead in 2008. One of the most successful events representing Czech culture was the multifaceted project of the Havelka Gallery entitled *Contemporary Czech Creative and Mimetic Art* that formed part of the 9th *European Cultural Festival*. The entire project, and above all the exposition of glass and graphic art, aroused considerable interest among the Algerian public and media, including television.

BAHRAIN

(Kingdom of Bahrain)

Economic relations

Although the level of Czech trade with Bahrain is, in absolute terms, lower than trade with all other Arab countries, converted to population size it is relatively higher than trade with, say, Algeria or Egypt. Exports again increased slightly in 2008 to exceed CZK 160 million, but imports from Bahrain to the Czech Republic – albeit minimal in terms of total Czech imports – also grew.

The Czech Republic's principal export commodities: The principal commodity is passenger automobiles. Significant contracts for electricity distribution boxes, data processing components, ceramic sanitary fixtures and glass were also executed in 2008.

The relatively rapid population growth and the need for the development of infrastructure mean that there is potential for pronounced growth in imports of medical equipment and consumer goods as well. There is, however, strong competition on the cheap consumer goods market.

The Czech Republic's principal import commodities: the principal commodity was aluminium and aluminium alloys; growth in this commodity was the leading factor in the overall increase in imports from Bahrain to the Czech Republic. Plastic materials for the building industry was another significant commodity. There is no exchange in services between Bahrain and the Czech Republic.

EGYPT

(Arab Republic of Egypt)

Mutual relations in the economic, political, economic and cultural fields were strengthened in view of Egypt's strong position in the Middle East region and its role in current affairs. The development of the Mediterranean integration process was another important aspect of mutual relations.

Visits by representatives of the Czech Republic:

- 7-9 November 2008 – state visit by President V. Klaus, accompanied by a business delegation;
- 4-7 May 2008 – official visit by Minister of Agriculture P. Gandalovič, accompanied by a delegation of the Committee on Agriculture of the Chamber of Deputies of Parliament and a business mission.

Visits by representatives of Egypt:

- 14-15 December 2008 – official visit by Minister of Foreign Affairs A. Aboul Gheit.

Economic relations

The two states have developed and long-term economic relations that were further strengthened by the visit to Egypt by President V. Klaus accompanied by a large business mission. Czech-Egyptian seminars were held in Cairo and Alexandria on this occasion.

Mutual trade is increasing, with the turnover attaining a value of CZK 4,097 billion in 2008.

Egypt has signed an *EU-Egypt Association Agreement* – the EU has become Egypt's principal trading partner. Egypt is also involved in the ENP (*European Neighbourhood Policy*) and also benefits from the *Action Plan between the EU and Egypt* signed in 2008.

The Czech Republic's principal export commodities: motor vehicles, machinery and plant equipment, chemical fibres, iron and steel products, rubber, glass, artificial silk.

The Czech Republic's principal import commodities: cotton, textile products (cotton underwear), fruit and vegetables, aluminium, soap and washing preparations.

Development cooperation

On 6 November 2008, the *Agreement between the Government of the Czech Republic and the Government of the Arab Republic of Egypt on the Prolonging of the Validity of the Executive Programme of Cultural, Educational and Scientific Cooperation* entered into force on the basis of an exchange of notes. In 2008, under the Executive Programme of Cultural, Educational and Scientific Cooperation, all ten nominated students from the Czech Republic who had applied for scholarships were accepted for study in Egypt in the 2008/2009 academic year.

As part of development cooperation, the Czech Republic provided Egypt with a further four government scholarships for the master's degree study in the 2008/2009 academic year. There were thus 16 Egyptian students in total studying in the Czech Republic in the winter term of the 2008/2009 academic year.

Cultural relations

The standard of cooperation in science and culture has traditionally been high. In 2008, the Embassy of the Czech Republic in Cairo presented Czech cinema (*Czech Film Week*) and Czech music to the Egyptian public.

2008 brought the 50th anniversary of Czech-Egyptian cooperation – in this context, the Embassy of the Czech Republic in Cairo and the Czech Institute of Egyptology of Charles University organised a cycle of cultural and scientific events to celebrate this jubilee. The culmination of the celebrations was the exhibition *Discovering Ancient Egypt – Fifty Years of the Egyptian-Czech Collaboration in Archaeology*, which was opened on 7 April 2008 in the Egyptian Museum in Cairo by President V. Klaus in a ceremony attended by several ministers of the Egyptian government.

On the occasion of the celebrations of the 90th anniversary of the founding of the independent Czechoslovakia, the Embassy of the Czech Republic in Cairo organised *Czech Days in Egypt* from 25 October to 31 October 2008. The event included a screening of *Tobruk*, attended by director V. Marhoul, and several concerts by the Štěpán Markovič Quintet jazz band.

IRAN

(Islamic Republic of Iran)

In 2008, the dominant issues in relations between the Czech Republic and Iran, and by extension between the EU and Iran, continued to be the Iranian nuclear programme and ballistic missiles development programme. From the Czech Republic's point of view, Iran failed to dispel doubts about the exclusively peaceful nature of the programme and continues to refuse to comply with the relevant UN Security Council resolutions. According to the IAEA's findings, Iran continued to develop the capacities of its nuclear programme and to enrich uranium (to the level of low-enriched uranium).

Despite the optimistic expectations in the question of improving Czech-Iranian relations and raising mutual diplomatic representation to the standard level of ambassadors, no significant progress was made and relations between the two countries remain cool. After waiting for several months, Iran did not (at the turn of September and October) grant its agrément to the designated Czech ambassador. At the end of 2008 Iran issued a visa to the new chargé d'affaires of the Czech Republic, who subsequently travelled to Tehran.

The Czech Republic and Iran also have different attitudes to the question of respect for human rights and civil rights. From the Czech Republic's point of view, the human rights situation continued to deteriorate in 2008.

Visits by representatives of the Czech Republic:

- 24-27 August 2008 – working visit by a delegation of Deputy Minister of Industry and Trade M. Hovorka;
- September 2008 – bilateral meeting between Minister of Foreign Affairs of the Czech Republic K. Schwarzenberg and Minister of Foreign Affairs of Iran M. Mottaki on the sidelines of the 63rd session of the UN General Assembly.

Economic relations

In spite of persisting problems on the political level and the UN Security Council sanctions imposed on specific Iranian entities and commodities involved in the nuclear programme and ballistic missiles programme, trade exchange between the Czech Republic

and Iran remained comparable to the levels achieved in previous years. The total bilateral trade turnover in 2008 was approx. CZK 1.1 billion, with exports to Iran accounting for CZK 696 million. The value of Czech imports from Iran in 2008 was approx. CZK 219 million.

The Czech Republic's principal export commodities: machinery and parts and accessories of such, including spares, technical glass and glassware, raw materials, industrial semi-finished products (axles *et al.*), pumps, flanges, valves and slide valves for the petroleum industry, food products, cosmetics, pharmaceutical products and raw materials for pharmaceutical production.

The Czech Republic's principal import commodities: dried fruit (pistachios, raisins, almonds, dates, *et al.*), machinery parts and accessories, raw materials.

Cultural relations

On 27 October 2008, the eve of Czech National Day, the House of Artists in Tehran hosted the inauguration of a photography exhibition called *Portrait of Prague*. The exhibition was co-organised by the Embassy of the Czech Republic in Tehran. Around thirty large-format photographs by Iranian photographer M. Barzegar presented his view of the Czech capital.

IRAQ

(Republic of Iraq)

Present-day relations centre on the Czech engagement in the stabilisation and reconstruction of Iraq through projects supporting economic diplomacy and development cooperation projects (the power industry, water management, geological exploration and infrastructure building).

In accordance with the decision of the Iraqi government, the presence of servicemen of the Army of the Czech Republic was terminated as of 31 December 2008. The performance of the guard role at the base at Basrah was ended as of 31 May 2008. In the second half of 2008, a 20-strong contingent operated in Iraq. Since the end of 2008, three officers of the Army of the Czech Republic have continued to serve as instructors on the *NATO Training Mission (NTM-1)* in Baghdad; their number is planned to be increased to five.

Two Czech experts currently serve on the integrated Rule of Law mission EUJUST LEX; here they work as coordinators of the mission, whose principal objective is to support the reform of the Iraqi criminal justice system by training experts in this area (policemen, judges, public prosecutors, prison staff).

In response to a request by the UN Secretary General for a voluntary contribution to the financing of *UNAMI (United Nations Assistance Mission for Iraq)* security forces in Iraq, the Minister of Foreign Affairs of the Czech Republic decided to provide a contribution of CZK 3 million.

Visits by representatives of Iraq:

- 10 September 2008 – visit by Mayor of Baghdad S. Al-Issawi with a delegation;
- 12-14 October 2008 – visit by Chairman of the Islamic Supreme Council of Iraq A. Al-Hakim. He had accepted an invitation from former president V. Havel to attend the Forum 2000 conference and, on the sidelines of the conference, met with Minister of Foreign Affairs K. Schwarzenberg. He was also received by Prime Minister M. Topolánek and Chairman of the Chamber of Deputies of Parliament M. Vlček.

Economic relations

The Embassy of the Czech Republic provides all possible support to the activities of Czech businesses, always taking the security situation into account. Two branches of the Commercial Department of the Embassy of the Czech Republic were set up to support pro-export activities: one in Erbil - covering the provinces of the region of Iraqi Kurdistan Erbil, Dohuk and Sulaimaniya; and one in Basrah - for the south Iraqi, largely Shiite provinces of Basrah, al-Muthanna, Missan and Thi Qar.

Despite the unsatisfactory security situation, limited economic cooperation is going ahead, mainly in supplies of investment plant (oil refineries, cement factories, sugar refineries). Czech exports to Iraq fell year-on-year by more than a third to CZK 731 million. Imports from Iraq also fell from 2007 levels (CZK 1.9 billion) to CZK 0.46 million in 2008 and remain a negligible fraction of total imports to the Czech Republic.

The promotion of the Czech Republic in Iraq and Czech firms' participation in trade fairs contributes significantly to the development of mutual trade relations. Significant trade fairs in 2008 included the following:

- 15-17 February 2008 – *Business to Business EXPO* in Baghdad, organised by the Iraqi American Chamber of Commerce and Industry. The official presentation of the Czech Republic was arranged by the Embassy of the Czech Republic in Baghdad;
- 15-19 October 2008 – *4th International Erbil Trade Fair*. The main organiser of the presentation of Czech firms was the Confederation of Industry of the Czech Republic (CoI), with support from the Ministry of Foreign Affairs (MFA);
- 11-14 November 2008 - *DBX International Trade Show* in Sulaimaniya. Five representatives of Czech firms of the CREA group took part in the trade fair, held under the auspices of the Embassy of the Czech Republic in Baghdad, the Ministry of Industry and Trade and CoI.
- 5-7 December 2008 - *Iraq Energy Expo and Conference*. Participation in the trade fair was organised by the Embassy of the Czech Republic in Baghdad and the expo received financial support from the Ministry of Industry and Trade of the Czech Republic. In addition, the Embassy of the Czech Republic in Baghdad and the CoI and its member firms implemented seven projects under the *Programme to Support Economic Diplomacy* in Iraq, specifically in the Iraqi Kurdish region.

The Czech Republic's principal export commodities: oil technologies, motor vehicles, steel products, electrical apparatus, devices and appliances, chemical preparations and products, metal products, control instruments, electricity generation machinery and plant.

Czech firms are most successful in the petrochemicals industry and water management. Major contracts were signed for the modernisation of plant and supplies of cooling towers for the Basrah 2, Dora (Baghdad) and Baji refineries. A Czech firm won a contract to build a cement factory in Dohuk. Other companies supply irrigation equipment. Most recently, a Memorandum of Understanding was signed between Czech companies and the Ministry of Water Resources of the Kurdish Regional Government concerning the construction of a dam.

Bilateral agreements concluded in 2008

- Agreement on the Establishment of a Czech-Kurdistan Enterprise Council, Erbil, 17 October 2008.

Development cooperation and humanitarian aid

In 2008, the Czech Republic continued to provide Iraq with transformation aid in the form of training projects and was actively involved in safeguarding Iraq's cultural heritage. CZK 15.5 million was earmarked for long-term projects (for 2005-2009) of development cooperation under the authority of the Ministry of Foreign Affairs of the Czech Republic. These projects are *Support for the Transformation of Iraqi Society*, *Transfer of Transformation Know-how of the Czech Republic*, *Support for the Development of Human Resources and Civic Activities in Iraq*, and *Support for Psychosocial Projects of the Development of Society*.

The main substance of the projects consists in scholarships, support for the transformation of Iraqi society (training journalists and staff of non-governmental organisations, supporting computer centres etc.). The Czech Republic spent a total of CZK 545.7 million on Iraq under bilateral development cooperation (*ODA – Official Development Assistance*).

A project to equip the Primary Health Care Centre for orphans and children in Baghdad was successfully implemented in 2007-2008 and the medical facility opened in April 2008. The *Charitable Society for Caring and Rehabilitation of Iraqi Children* was responsible for implementing the project, which was financed by the Ministry of Foreign Affairs of the Czech Republic, to the amount of CZK 2.2 million (subsidy from the Czech government's reserve fund). The Czech Republic pledged the same amount for the following second part of the project, which aims to rehabilitate part of the hospital for invalid children.

As part of bilateral development cooperation, the Czech Republic offered Iraq three university scholarships for bachelors'/master's degree study in the 2008/2009 academic year. In total, there were four Iraqi students studying in the Czech Republic in the summer term of the 2007/2008 academic year.

In 2008, the non-governmental organisation *People in Need* renewed its activities supporting NGOs in Iraq after an interval of five years, this time organising training for Iraqi

field workers in Erbil. This training took place from 19 to 24 October 2008 at the Czech embassy's Liaison Office in Erbil.

The decision of the Ministry of Foreign Affairs of the Czech Republic to provide funds for projects targeting the region of Iraqi Kurdistan in 2008 as part of support for economic diplomacy was very beneficial to Czech firms. The Ministry of Industry and Trade of the Czech Republic contributed to training projects under the *Aid for Trade* project.

CZK 2.5 million was spent on assisting Iraqi refugees in Turkey through a contribution to the *UNHCR (United Nations High Commissioner for Refugees)*. CZK 3.08 million was spent on security and stability in Iraq through *UNAMI (United Nations Assistance Mission for Iraq)*.

Cultural relations

Despite the enduring bad security situation, the Embassy of the Czech Republic in Baghdad continued to organise successful cultural events. The main cultural event of the year was the celebration of Czech National Day on 28 October. On the occasion of the celebrations marking the 90th anniversary of the founding of the independent Czechoslovakia, the 75th anniversary of the establishment of official diplomatic relations with Iraq and the 50th anniversary of the presentation of credentials by the first Czechoslovak ambassador in Baghdad, a concert and reception were held at the Iraqi foreign affairs ministry. A commemorative publication of copies of archive materials was also issued on this occasion. The concert of Dvořák's Symphony No. 9 "*From the New World*" was performed for the general public by the Iraqi National Symphony Orchestra in the building of the National Theatre. In addition to the concert, three panels dealing with the founding of Czechoslovakia, the Prague Spring and the year's historical anniversaries were installed in the Iraqi foreign affairs ministry and an ex-libris exhibition entitled *Prague – European City of Culture 2000* was held. This exhibition had been opened on 7 July 2008 in Baghdad at the same time as an exhibition of works by Alphonse Mucha and an exhibition of *Czech Art Nouveau*. The three connected exhibitions were subsequently presented in Erbil, Sulaimaniya and Dohuk.

Another important cultural project was the drive to save the *Choli* minaret that was badly damaged by earthquakes; Czech company Gema Art Group assumed the responsibility for its renovation. The work started in May 2008 and will continue for at least two years. The

value of the joint project by the Kurdish Regional Government and Gema Art Group has been put at more than CZK 22.2 million.

ISRAEL

(State of Israel)

Relations between the Czech Republic and Israel have traditionally been very good, with frequent contacts at all levels. Israel is perceived as a key country in the Middle East. The Czech Republic's approach to the Middle East conflict emphasises objectivity towards both sides.

Israel has traditionally been one of the Czech Republic's most important trading partners in the Middle East, and several significant events in 2008 strengthened these relations.

Visits by representatives of the Czech Republic:

- 21-23 January 2008 – First Deputy Minister of Foreign Affairs T. Pojar attended the *Herzliya Conference* and held interministerial consultations with Deputy Minister of Foreign Affairs of Israel M. Wahbi;
- 22-23 January 2008 – First Deputy Minister of Education, Youth and Sports E. Bartoňová attended a European Commission *Seminar on the Fight against Racism, Xenophobia and Anti-Semitism*, accompanied by Director of EU Affairs Department P. Trantina. First Deputy Minister Bartoňová met with the Minister of Education of Israel Y. Tamir;
- 9-11 March 2008 – official visit by Prime Minister M. Topolánek, accompanied by First Deputy Minister of Defence M. Barták, Deputy Minister of Industry and Trade M. Hovorka and a business mission headed by president of the Czech Chamber of Commerce J. Drábek. The Prime Minister and his delegation were received by President S. Peres and Speaker of the Knesset D. Icik. Prime Minister Topolánek also held talks with opposition leader B. Netanyahu and visited Sderot, the town most exposed to terrorist attacks from the Gaza Strip;
- 29 March – 1 April 2008 – working visit by Minister of Defence V. Parkanová, accompanied by Chief of General Staff of the Army of the Czech Republic General

V. Pícek. The minister held talks with her counterpart in the Israeli government E. Barak;

- 30 November – 1 December 2008 – official visit to the State of Israel and the Palestinian Autonomous Territories by Minister of Foreign Affairs K. Schwarzenberg. The minister had meetings with President S. Peres, Minister of Foreign Affairs T. Livni, Prime Minister E. Olmert and opposition leader B. Netanyahu.

Economic relations

Mutual trade relations experienced further growth in 2008. After the outstanding success of 2007, when turnover increased by 26.6% to reach USD 550.5 million, the turnover in 2008 was CZK 10.2 billion. The Czech Republic continued to have a balance of trade surplus with Israel. Being largely dependent on the output of the automobile industry, Czech exports declined in a year when imports of all makes of automobile to Israel almost halved, especially in the last quarter. Even so, the total value of Czech exports was CZK 6.1 billion, which is comparable with the previous year.

The Czech Republic's principal export commodities: boilers, mechanical devices and apparatus, motor vehicles, optical, photographic and medical apparatus, glass and glass products, iron and steel products.

The Czech Republic's principal import commodities: pharmaceutical products, mechanical devices, chemical and organic products, plastics and plastic products, metal products.

Cultural relations

Cultural contacts between the Czech Republic and the State of Israel have traditionally been numerous and diverse. Many highly successful events took place in Tel Aviv in 2008:

- a screening of the film *Václav* at the Haifa International Film Festival
- a Czech-Israeli exhibition of modern art called *Balat*;
- an event marking the anniversary of the events of 1968 entitled *1968 – From Prague Spring to the August Invasion*;
- a discussion meeting entitled *70 Years after Munich*;
- an organ concert by P. Kohout;
- a training seminar for teachers at Yad Vashem;

- lectures for young people in Haifa and Even Yehuda;
- a youth football tournament;
- an exhibition on Czechoslovak military assistance in Israel in 1948-49.

JORDAN

(Hashemite Kingdom of Jordan)

Visits by representatives of the Czech Republic:

- 8-11 March 2008 – official visit by Prime Minister M. Topolánek, accompanied by a business mission headed by president of the Chamber of Commerce J. Drábek;
- April 2008 – working visit by First Deputy Minister of Defence M. Barták, who held talks with Prince Faisal;
- 12-13 October 2008 – parliamentary deputies J. Bauer and J. Kochan and senator A. Paleček attended an extraordinary plenary session of the *Euro-Mediterranean Parliamentary Assembly*;
- 22 December 2008 – representatives of the Ministry of the Environment attended the *Euromed Ministerial Conference on Water*.

Economic relations

The positive development of the mutual balance of trade from the second half of 2007 continued in 2008. Two factors influencing the positive result of mutual trade were the Chamber of Commerce's trade mission accompanying the Czech prime minister's visit to Jordan and České zbrojovka's participation at the SOFEX trade fair.

Trade exchange for 2008 registered growth in the tens of percent to reach CZK 600 million. Czech exports to Jordan also increased to attain a total value of CZK 589.9 million. By contrast, the value of imports from Jordan fell to CZK 10,4 million in the same period. Czech exports to Jordan are 60 times greater than imports of Jordanian goods to the Czech Republic. The renewal of supplies of Škoda automobiles to Jordan (including the opening of a prestigious showroom) should start to impact on the balance of trade in autumn 2008.

The Czech Republic's principal export commodities: although Jordanian exports to the Czech Republic have recently registered gradual growth, their total value remains low. The commodity structure of Czech exports has traditionally been dominated by paper industry

products (accounting for almost 30% of total exports in 2008); kraft paper was the strongest individual item. Other strong paper industry commodities are cardboard, paperboard and cigarette paper. Digital processor units and data processing machinery were the second biggest group. The remainder of Czech exports was diverse, including supplies of motor vehicles and spare parts, cables from artificial fibres, iron products and electrical engineering products such as condensers. Another significant commodity was other electronic and electrical engineering products, table and decorate glassware, aluminium foil, compressors for refrigeration equipment, plastics and plastic products, non-firearm weapons and metal profiles.

The Czech Republic's principal import commodities: fruit and vegetables, cosmetic products with Dead Sea salts, clothing. Other imports from Jordan in 2008 were medicaments, jewellery and electric conductors.

Bilateral agreements concluded in 2008

- Agreement on Cooperation in the Field of Tourism, Amman, 9 March 2008.

Development cooperation

At the start of 2008, the *Centre for Research and Education in the Breeding and Cross-breeding of Sheep*, which was founded as a development project of the Ministry of Foreign Affairs implemented by the Czech University of Life Sciences in two phases, first from 1998 to 2001 and then from 2002 to 2007, was handed over to the Jordanian side (Jordan University for Science and Technology in Ibrid). The Centre's work and cooperation, including the application of project results, go ahead under an agreement between the two universities. A grant for the presentation of this project's result was awarded in 2008 as part of the support for economic diplomacy.

In 2008, the Ministry of Foreign Affairs provided financial support under the small-scale local projects programme to the *Sliekhat Spring Rehabilitation* project designed to provide irrigation for local farms and to establish a demonstration greenhouse with a modern irrigation system in the Sliekhat municipality in the valley of Jordan.

A second project with Czech support was the building and equipping of a *Communal Kitchen* for a cooperative of local women in the Shobak region. This project seeks to raise

women's employment in the region, improve the hygiene quality of the offered food and semi-finished food products and, last but not least, to widen the opportunities for the use of local farmers' produce.

There were four Jordanian scholarship beneficiaries studying in the Czech Republic in the summer term of the 2007/2008 academic year; three students then received scholarships in the winter term of the 2008/2009 academic year.

Cultural relations

In March, the Embassy of the Czech Republic in Amman organised an exhibition of photographs by Czech-Canadian professional photographer I. Zimová entitled *Czech Photographer Iva Zimová* in the *Blue Fig* art café in Amman. The exhibition was opened on the occasion of Prime Minister M. Topolánek's official visit to Jordan.

At the start of May, the ceremonial inauguration was held for an exhibition of posters by Alphonse Mucha entitled *Czech Art Nouveau* in the central atrium of *City Mall*, one of Amman's biggest shopping centres.

The opening of an exhibition of 38 original oil paintings by Theodora Patrick (the artistic name of A. Smejkalová) entitled *5 Years in Jordan by Theodora Patrick* took place in October. The exhibition was opened at the Jordan National Gallery of Fine Arts in Amman under the auspices of Prince Ra'ad bin Zeid and Princess Majda Al-Ra'ad.

The Czech film *Loners* by director D. Ondříček was screened on 14 and 15 November 2008 during the 20th *EU Countries Film Festival* in the main cultural centre of the Amman town hall, the *Al-Husseini Cultural Centre*. Around 300 people saw the film over the two days.

Members of the Czech and Slovak communities in Jordan regularly met at the Embassy of the Czech Republic in Amman throughout the year.

KUWAIT

(State of Kuwait)

Economic relations

Relations between Kuwait and the Czech Republic are not constrained by any economic problems or debts. In mutual relations, the Czech Republic follows the same rules as other European Union member states. Kuwait views the Czech Republic as an important partner in the *Gulf Cooperation Council (GCC)* and as a trading partner with good potential for cooperation.

Trade exchange between the two countries consists mainly in exports from the Czech Republic, as imports of goods from Kuwait are negligible. Czech exports to Kuwait registered significant growth from 2007. Czech exports to Kuwait in 2008 attained a value of CZK 1.17 billion; total turnover was CZK 1.4 billion.

The Czech Republic's principal export commodities: automobiles (around 2,000 units of Škoda cars), accessories and spares for such, electrical products, steel pipes, pumps, metalworking machinery, paper industry products, telecommunications equipment, food industry machinery, glass, refrigeration equipment, steel products.

The Czech Republic's principal import commodities: organic chemicals, polymers of ethylene, telecommunications equipment, iron and steel products, taps, valves and fittings, light fixtures.

Cultural relations

The Kaprálová Quartet string ensemble performed a concert in the hall of the *Al-Babtain Library for Arabic Poetry* on 4 May 2008. The concert was prepared by the Embassy of the Czech Republic in Kuwait on the occasion of the 45th anniversary of the establishment of diplomatic relations between the CSSR and the State of Kuwait.

Czech Oscar-winning film *Kolya* was screened at *European Film Week* from 26 to 30 October 2008. The festival was organised by the French presidency in the *Shaab Cinescape* theatre in Kuwait City.

LEBANON

(Republic of Lebanon)

Economic relations

Trade exchange forms the core of Czech-Lebanese economic relations; the Czech Republic has traditionally had a pronounced balance of trade surplus with Lebanon. The value of Czech exports to Lebanon reached CZK 670 million in 2008; imports amounted to CZK 20 million. Incoming tourism from Lebanon, focusing on treatment in Czech spas, also plays a significant role in economic relations.

The Czech Republic's principal export commodities: milk and dairy products, paper, glass, iron and steel, automobiles and spare parts. The Czech Republic's principal services export item to Lebanon is transport services, specifically flights by Czech Airlines (its partner in Lebanon is Transas) and the services of various travel agents and spa centres, mainly from the spa towns of West Bohemia (the main agencies on the Lebanese side are Kasyas and Alta). The Czech Republic also exports other transport services (mainly road transport), tourism-related services and financial services.

The Czech Republic's principal import commodities: tobacco, spirits, wine, food products. The volumes of other import items fluctuate considerably.

Cultural relations

On 9 September 2008, an exhibition of *Czech UNESCO Heritage Sites* making use of a travelling exhibition provided by the Ministry of Foreign Affairs of the Czech Republic was opened at a ceremony attended by diplomats, journalists, members of the Czech community and representatives of the cultural sphere. The exhibition was installed at the Embassy of the Czech Republic in Beirut. Twelve panels presented all twelve heritage sites listed by UNESCO. The exhibition was followed by an informal *Czech Evening* at the *DePrague* restaurant in Beirut's Hamra district. The event, and above all the informal part, met with a warm response from participants from the diplomatic community.

Under the initiative of the *Association of Graduates of Czech and Slovak Universities*, a seminar on the opportunities for the development of Czech-Lebanese trade relations was held on 30 October 2008.

From 27 November to 7 December 2008, the fifteenth *European Film Festival* was held in Beirut, organised by the Office of the European Commission in Lebanon. The

Embassy of the Czech Republic in Beirut arranged the loan of the film *Little Piece of Heaven* by director P. Nikolajev. The film was screened during the festival.

LIBYA

(Great Socialist People's Libyan Arab Jamahiriya)

Although Libya closed its embassy in the Czech Republic in 2007, in 2008 it decided to open a consulate general in the Czech Republic – this was positively received by the Czech side. The Czech Republic remains interested in developing bilateral relations, particularly in the economic field. The issue of the Libyan debt to the Czech Republic remains unresolved.

Economic relations

From 2 to 12 April 2008, the Czech Republic took part in the *Tripoli International Fair* for the fourth time. Ten Czech firms, including Škoda Auto, Preciosa – chandeliers, SHK, TOS Svitavy *et al.*, exhibited at the fair and a number of other companies were presented in catalogue form.

2008 brought a fundamental increase in Czech exports to Libya (CZK 1.02 billion, triple the level in 2007); after a fall in 2007, imports from Libya to the Czech Republic again increased in the final months of 2008 to reach a total of CZK 637 million (Czech refineries evidently renewed their purchases of Libyan crude oil).

The Czech Republic's principal export commodities: non-metal mineral products (table glassware and ceramics, light fixtures, crystal glass), clothing products and accessories, office machinery, earth-working machinery, hospital beds.

The Czech Republic's principal import commodities: oil, chemicals.

Cultural relations

As part of the celebrations of Czech National Day, the Embassy of the Czech Republic in Tripoli again organised (as it did in 2007) a concert by violinist J. Svěcený and pianist M. Synková.

MOROCCO

(Kingdom of Morocco)

Morocco is an important country in North Africa, which has for long successfully profiled itself as a stable bridge between Africa, Arabic countries and Europe. Its active relations with the EU culminated in 2008 with the EU granting Morocco a higher level of association (*“status avancé”*). Morocco is also striving to deepen cooperation with individual EU member states that are its main partners in many areas. This trend is evident with regard to the Czech Republic, which in 2008 was moreover supported by the fact of the upcoming Czech presidency of the EU Council.

Visits by representatives of the Czech Republic:

- 31 March – 4 April 2008 – visit by a delegation of the Committee on Public Administration and Regional Development of the Chamber of Deputies of Parliament;
- 2-4 April 2008 – working visit by Deputy Minister for Regional Development J. Vačkář;
- 19-21 November 2008 – working visit by Minister and Chairman of the Legislative Council of the Government of the Czech Republic C. Svoboda.

Economic relations

The positive trend of constant growth in trade exchange that began in 2004 continued in 2008, when Czech exports again increased slightly (to a total of CZK 1.4 billion). The Czech Republic has traditionally had a balance of trade surplus with Morocco.

The Czech Republic's principal export commodities: aeronautical equipment, paper, digital systems, iron and steel, electrical engineering equipment and accessories of such. The composition of exports is highly variable; paper and iron can also be ranked among the recurring commodities. The spectrum of exports remains very fragmented, however, numbering 200 different items.

The Czech Republic's principal import commodities: food products (fruit, vegetables and marine products), small electrical engineering components, clothing and footwear.

Cultural relations

On 15-16 October 2008, a seminar entitled *The Czech Republic – Tourist Pearl of Europe* was held in Casablanca. The event organised by the Embassy of the Czech Republic

in Rabat was the first-ever seminar presenting the Czech Republic as a tourist destination. The seminar was particularly welcomed by Moroccan travel agencies.

The high point of Czech cultural activities in 2008 was a concert by violinist J. Svěcený. The concert received a very positive response from both cultural and political representatives of Morocco and was covered in the local media.

PALESTINIAN AUTONOMOUS TERRITORIES

The year 2008 brought hope that cooperation in both the political and economic areas would be expanded, even though the unresolved Israeli-Palestinian conflict continues to place serious obstacles in the way of establishing evenly balanced relations.

As a result of the Czech Republic's presidency of the EU Council, there was an intensification of mutual relations and contacts, as evidenced by the visit paid by the Czech foreign affairs minister.

Another significant step by the Czech Republic was to push ahead with long-term development aid and transformation cooperation targeting key social and economic sectors.

Visits by representatives of the Czech Republic:

- 31 November to 1 December 2008 – official visit by Minister of Foreign Affairs K. Schwarzenberg; the minister held talks with his counterpart R. Maliki and Prime Minister S. Fayad.

Visits by representatives of the Palestinian Autonomous Territories:

- 26-27 June 2008 – official visit by Prime Minister of the Palestinian National Authority (PNA) S. Fayad. During his visit to the Czech Republic he successfully established contacts between Palestinian and Czech businesses;
- 19 November 2008 – official visit by Minister of Foreign Affairs of the PNA R. Maliki. During the visit a Memorandum on Cooperation between the Ministry of Foreign Affairs of the Czech Republic and the Ministry of Foreign Affairs of the Palestinian National Authority was signed.

- 27 November 2008 – working visit by Minister of Local Government Z. Bandak in order to establish contacts at local self-government area. Minister Bandak was received by ministers J. Čunek and M. Bursík.

Economic relations

Part of trade exchange between the Czech Republic and Palestinian Autonomous Territories is reported in the statistics for Czech-Israeli trade relations. Czech exports to the PAT amounted to CZK 5.2 million; imports are of marginal value (CZK 22,000).

The Czech Republic's principal export commodities: boilers, plastic products, motor vehicles, instruments and mechanical devices, power equipment, electrical engineering equipment.

Development and transformation cooperation

There was extensive development and transformation work in the Palestinian Autonomous Territories in 2008. Activities focused mainly on restoration of infrastructure and the power industry and also on support for training experts in industry, services and state administration.

In 2008, the Czech Republic continued to implement a significant foreign development cooperation project in the power industry field in the PAT (*Electrification of Tubas District*); the budget value for 2008 was CZK 10.5 million.

By resolution No. 801 of 27 June 2008, the Czech government released CZK 60 million for extraordinary development aid for the PAT in 2008. Seven projects are funded out of that sum: 1) construction of a repair centre for transformers at Tubas; 2) testing the feasibility of solar energy in the conditions of the PAT – installation of a small solar power station with testing apparatus in Bethlehem; 3) equipment for a training centre for automobile mechanics (Škoda/VW service) in Ramallah; 4) presentation of a modern US system for water management – Water Allocation System; 5) training specialists and advisers in the field of export/import and building additional business capacities under the programme of *Support to Infrastructure with Emphasis on Business Capacities* – the implementing organisation was the Palestinian Shippers Council;; 6) equipping all eleven police precincts with modern technology in cooperation with EUPOL COPPS – crime scene equipment, photographic

equipment, printers etc.; 7) training for prosecutors/judges/police officers in anti-corruption know-how (implemented by *Transparency International*).

The Czech Republic also provided a voluntary contribution of CZK 1.3 million for a joint project of the Israeli organisation *Ir Amin* and the Palestinian *Peace and Democracy Forum*. The project was designed to promote mutual economic relations, raise employment and strengthen security in east Jerusalem.

In the summer term of the 2007/2008 academic year, there were 23 Palestinian scholarship beneficiaries studying in the Czech Republic; in the winter term 2008/2009 there were 11.

Humanitarian aid

In 2008, the Czech Republic provided CZK 3.5 million in humanitarian aid for Palestinian refugees in Lebanon through a contribution to the UNRWA.

SAUDI ARABIA

(Kingdom of Saudi Arabia)

Saudi Arabia is an important partner for the Czech Republic in the Middle East. The Czech Republic's long-term priority in bilateral relations is the economic and trade area. The number of Saudi citizens coming to the Czech Republic for spa treatment, recreation and business is increasing.

In March 2008, the President of the Czech Republic was presented with an invitation to visit the Kingdom of Saudi Arabia. The president accepted the invitation and the visit should take place at the soonest possible opportunity.

Economic relations

2008 brought another increase in trade turnover with Saudi Arabia, with Czech exports to the Kingdom also growing to attain a value of CZK 3.9 billion. Nevertheless, Czech firms' exports were negatively affected by the strengthening koruna and euro and the falling US dollar, to which the Saudi currency is tied at a fixed exchange rate. Exports from Saudi Arabia to the Czech Republic are increasing constantly (CZK 253 million in 2008) but are

still relatively low, mainly because the Czech Republic is not a direct buyer of crude oil from the Kingdom.

Tourism is another area of cooperation worth mentioning, above all the popularity of Czech spas among clients from the Kingdom.

The Czech Republic's principal export commodities: Czech exports to Saudi Arabia are increasing constantly; the main items are steam boiler parts, iron and steel, iron and steel products such as shaped pieces, profiles, iron ingots and other castings, semi-finished products etc. Other commodities include electrical equipment, machinery, machines for construction and construction engineering, passenger cars, computers and computer components. Other significant export items are cheeses, curd cheese, dairy products and dried milk.

Czech export items with good long-term potential are steam boilers, transport equipment (primarily passenger cars), electrical engineering equipment, medical equipment (primarily hospital beds and sterilisers), food products (mainly dairy products), chemicals, computer components, glass, and iron products.

There is also substantial demand in the Kingdom for labour from the Czech Republic, most notably healthcare personnel (nurses, doctors, physiotherapists).

The Czech Republic's principal import commodities: polymers of ethylene and synthetic fibres, insulated wires and cables, impregnated textiles and epoxide resins, fresh and dried fruit and nuts, perfumes, cosmetics and toiletries.

No Czech investments in the territory have been registered to date. The currently small influx of direct investment from Saudi Arabia has been concentrated in real estate intended for rent.

Cultural relations

There are currently several self-funded Saudis studying medical and technical fields at Czech universities. The Saudi authorities confirmed the recognition of diplomas issued by Charles Universities in Prague, Masaryk University in Brno and the Brno University of Technology.

SYRIA

(Syrian Arab Republic)

In 2008, relations between the Czech Republic and Syria focused mainly on resolving the Syrian debt to the Czech Republic and the subsequent start of the process to create a favourable environment for the further development of mutual trade and economic relations. This tendency was affirmed by the signing of several significant trade agreements that will be crucial for future economic cooperation.

Visits by representatives of the Czech Republic:

- 18-20 May 2008 – visit by Minister of Finance M. Kalousek with a business delegation.

Visits by representatives of Syria:

- 20-21 November 2008 – official visit by Deputy Prime Minister for Economic Affairs A. Dardari.

Economic relations

Several events of fundamental importance for the development of mutual economic relations took place in 2008. During Minister of Finance M. Kalousek's visit to Damascus in May, *Protocol between the Czech Republic, the Slovak Republic and the Syrian Arab Republic Amending the Final Settlement Agreement between the Government of the Czech Republic, Government of the Slovak Republic and Government of the Syrian Arab Republic* was signed, thus definitively resolving Syria's state debt to the Czech Republic. An *Agreement on the Avoidance of Double Taxation* was also signed during the visit. An *Agreement on the Promotion and Reciprocal Protection of Investments* was finalised at expert level and subsequently signed during the November visit to Prague by Deputy Prime Minister A. Dardari.

To support and develop mutual relations, a new honorary consulate was opened in the port city of Latakia.

Trade exchange between the Czech Republic and Syria amounted to CZK 1.4 billion in 2008, an increase of approx. 30% over the previous year. Of that figure, Czech exports accounted for CZK 1.2 billion and imports CZK 227 million.

The Czech Republic's principal export commodities: passenger cars, electrical rotating machinery, textile clothing components, textile products, textile machinery, measuring and control apparatus.

The Czech Republic's principal import commodities: petroleum oils.

Bilateral agreements concluded in 2008

- Protocol Amending the Final Settlement Agreement (Syria, Czech Republic, Slovakia), Damascus, 18 May 2008;
- Agreement on the Avoidance of Double Taxation, Damascus, 18 May 2008;
- Agreement on the Promotion and Reciprocal Protection of Investments, Prague, 21 November 2008.

Cultural relations

The *Shrovetide Carnival*, a traditional event in the Czech community designed to revive its awareness of Czech national traditions, took place in Damascus on 9 February 2008.

A gala concert by the Prague Chamber Orchestra took place at the Dar Al-Assad opera house in Damascus on 24 May 2008. This was the biggest and most significant cultural event held in Syria under the auspices of President B. Al-Assad. The concert met with considerable interest among the general public.

Czech film *Empties* won first prize at the *Damascus International Film Festival* that ran from 1 to 11 November 2008. The film was able to take part in the festival thanks to robust logistical support from the Embassy of the Czech Republic in Damascus. Director J. Svěrák was invited as the festival's guest of honour to collect the festival award for his lifelong contribution to cinema.

TUNISIA

(Republic of Tunisia)

Economic relations

Trade and economic cooperation has traditionally formed the core of the Czech Republic's relations with Tunisia. Economic cooperation has intensified since the conclusion of an association agreement between Tunisia and the European Union. Czech exports continued to grow last year. Thanks to the favourable economic environment that Tunisia offers, Czech firms executed the final phase of construction of the Palace of Culture in the centre of Tunis, a presidential project worth CZK 1.25 billion. The renovation of La Goulette port in Tunis, a project valued at CZK 626 million, also went ahead. The developing tourism sector is also significant. 125,500 Czech tourists visited Tunisia in 2008.

The value of Czech exports to Tunisia in 2008 was CZK 906 million; imports were worth CZK 522 million; and the Czech Republic had a balance of trade surplus of CZK 353 million with Tunisia.

The Czech Republic's principal export commodities: fuel for jet engines, aircraft and parts, automatic data processing machines, building machinery, iron and steel for use in construction, shuttering for the construction industry, steel tubes, radiators, compressors, textile machinery, cables, furniture, plastic products, kraft paper, fabrics and fabric products, tyres, pharmaceutical products, glassware and glass jewellery.

The Czech Republic's principal import commodities: clothing products and accessories, footwear, headwear, leather products, furniture, phosphates, electric conductors, ignition cabling, inductors, transformers, loudspeakers, dates and nuts.

Cultural relations

In keeping with tradition, the Czech Republic took part in the *Carthage Music Festival*, the *Tunis International Book Fair* and the *European Union Film Festival* in 2008. Pupils from Tunisian schools again participated in the *Lidice 2008* international art competition.

In the summer months, the 44th year of intensive Arab language courses took place at the prestigious Bourguiba School of Living Languages in the capital Tunis. Six students took

part in the courses on ALECSO scholarships; five were students of Arab studies from the Faculty of Arts and Philosophy of Charles University and one student was nominated by the Czech-Arab Society in Brno. The other five students were only able to attend thanks to financial support from a private Tunisian-Czech company.

UNITED ARAB EMIRATES

Relations between the Czech Republic and the United Arab Emirates continued to deepen in 2008 and developed most strongly in the trade and economic area. The Czech Republic's balance of trade surplus with the UAE continued to grow. The intensive development of trade cooperation has made the UAE the Czech Republic's biggest export partner in the Middle East and one of the most important non-European export markets in general.

Visits by representatives of the Czech Republic:

- 23-24 March 2008 – working visit to the emirates of Abu Dhabi and Dubai by a Czech government delegation led by Prime Minister M. Topolánek; the Prime Minister met with the Ruler of the Emirate of Abu Dhabi His Highness Sheikh Sultan Khalifa Al-Nahayan, Crown Prince and Prime Minister of the Emirate of Abu Dhabi H.H. Sheikh M. bin Zayed Al-Nahayan and the Ruler of Dubai H.H. Mohammed bin Rashed al-Maktoum.

Economic relations

In terms of trade turnover, the United Arab Emirates is the Czech Republic's biggest trading partner in the Middle East and North Africa region. As an export territory for Czech firms the UAE is among the thirty biggest importers of Czech goods. By year-on-year comparison, the value of exports increased by 15; after a sharp decline in 2007, imports to the Czech Republic also grew by 48%. The Czech Republic has a pronounced balance of trade surplus with the UAE: Czech exports were worth CZK 10.8 billion in 2008 and UAE imports to the Czech Republic CZK 715 million.

More than half of Czech exports are re-exports, as many Czech firms use the UAE as a trading and logistical base for the entire Middle East region, Indian subcontinent and east Africa. Areas with good potential for Czech firms include construction, the power industry,

petrochemicals, machine engineering, exports of consumer goods, and agriculture. Incoming tourism to the Czech Republic is also intensive and heads mainly to Czech spas.

The Czech Republic's principal export commodities: glass products, automobile accessories, data processing machines, consoles and panels for control or distribution of electricity, pipes, tubes and hollow sections, telephones, iron and steel semi-finished products, memory units, food products (primarily curd cheese and cheeses).

The Czech Republic's principal import commodities: aluminium and aluminium alloys (primarily for use in the automobile and construction industries).

Cultural relations

- *International Emirates Music Festival for Young Musicians* – in February 2008, the Embassy of the Czech Republic in the United Arab Emirates took part in the festival, paying for the flights of two Czech music teachers, Prof. P. Prantl and S. Boguni, who were members of the jury for the international competition of young musicians that formed part of the festival. The Embassy of the Czech Republic also initiated the participation of two young Czech musicians at the festival.
- The 7th *European Movies* festival – the 7th annual festival of European films, whose principal organiser is the Swiss Embassy in Abu Dhabi, took place in Abu Dhabi and Al Ain from 28 October 2007 to 8 June 2008. The Embassy of the Czech Republic in the UAE organised the screening of the 2005 film *Tales of Ordinary Madness* by director P. Zelenka on 13 April 2008 in Abu Dhabi and on 19 April 2008 in Al Ain.
- Concert by J. Svěcený in Abu Dhabi – on 29 October 2008 was co-organised by the Embassy of the Czech Republic in the UAE and the *Abu Dhabi Concert Committee (ADCC)*. The event, held under the auspices of the Minister for Higher Education and Scientific Research Sheikh Nahyan Mubarak Al-Nahyan, was part of the celebrations of the 90th anniversary of the founding of the independent Czechoslovak Republic and followed a state reception at the Beach Rotana Hotel on 28 October 2008.

YEMEN

(Republic of Yemen)

Czech-Yemeni relations have for long been stable and continued to develop in 2008. Yemen is one the eight priority foreign development cooperation countries for the years 2006 to 2010. Small-scale local projects targeting the social services sector are also important.

The Czech Republic supports Yemen's accession to the *Gulf Cooperation Council (GCC)*.

Visits by representatives of the Czech Republic:

- 20 May 2008 – official visit by Prime Minister M. Topolánek, accompanied by Deputy Minister of Foreign Affairs H. Bambasová, Deputy Minister of Industry and Trade M. Hovorka, and an 18-member business mission headed by vice-president of the Confederation of Industry J. Hanák.

Economic relations

Economic relations with Yemen are developing primarily in the area of the trade in goods, but the relatively low volumes achieved to date mean that the figures vary considerably from year to year. Czech exports to Yemen far exceed imports from Yemen. In 2008, the value of Czech exports to Yemen was CZK 120.2 million, while imports were worth just CZK 1.07 million. No trade exchange in services and investments has been registered between the two countries to date.

The Czech Republic's principal export commodities: spares for special equipment, iron and steel products, medicaments and medical equipment (primarily hospital beds), transport equipment and passenger cars, measuring instruments, computer equipment. The previously significant commodities of motors, pumps, electrical engineering material, light fittings and footwear are currently in decline.

The Czech Republic's principal import commodities: the volume of imports is negligible and consists mainly of frozen fish fillets and passenger cars.

Bilateral agreements concluded in 2008

- Agreement on the Promotion and Reciprocal Protection of Investments, Sana'a, 20 March 2008.

Development cooperation

Czech government resolution No. 302 of 31 March 2004 included Yemen among the Czech Republic's eight priority foreign development cooperation countries for 2006-2010. Under the Czech Republic's bilateral development cooperation, approx. CZK 140 million should be allocated to Yemen between 1999 and 2010, CZK 35 million of that in 2008 and a further CZK 53 million in 2009-2010.

In view of the Yemeni government's interest in developing the less advanced southern Yemen (the former People's Democratic Republic of Yemen), Czech development cooperation mainly targets this territory, and specifically the Hadhramaut province, under whose administration the Socotra archipelago also falls. The majority of bilateral projects are implemented here. So far two projects worth a total of CZK 1.5 million have been executed. A further two projects worth a total of CZK 1.5 million are currently running. These kinds of projects will continue to be implemented.

Scholarships were awarded to seven Yemeni students for the 2007/2008 academic year, taking the total number of Yemenis studying on government scholarships in the Czech Republic in 2008 to twenty (one on a bachelor's degree course, eleven master's and eight doctorate students).

Three bachelor's/master's degree places were offered to Yemen for the 2008/2009 academic year; all were allocated. Given the ongoing development activities, the following study fields are recommended to Yemen: water management, agroforestry and veterinary medicine.

Cultural relations

Czech film *Dark Blue World* was screened at the 11th *European Film Festival 2008* in Sana'a, Aden and Hodeida, an event organised by the embassies of European countries. Czech cuisine was presented to the public at a gastronomic festival of the Embassy of the Czech Republic in Sana'a, and Yemeni graduates of Czech universities were able to attend a meeting with a delegation of the Committee on Education, Science, Culture, Human Rights and Petitions of the Senate of the Czech Republic.

UNION FOR THE MEDITERRANEAN

The *Union for the Mediterranean (UfM)* was founded in 2008. In connection with the Czech Republic's upcoming presidency of the EU Council, the Czech Republic paid considerable attention to this process. In this context, the Czech Republic appointed an ambassador with a special mission for the UfM.

The Union for the Mediterranean, whose objective is to strengthen cooperation between countries in the Mediterranean region, was founded on 13 July 2008 at the *Paris Summit of Euro-Mediterranean Heads of State and Government* under an initiative of the French president N. Sarkozy. The Czech Republic welcomed the fact that the EU co-opted what had originally been an autonomous initiative and that it was based on the existing structures of Euro-Mediterranean cooperation centred on the *Barcelona Process*.

The Paris summit identified six priority areas of cooperation:

- a) de-pollution of the Mediterranean Sea; b) development of maritime and land highways;
- c) civil protection; d) development of alternative energies (Mediterranean Solar Plan);
- e) the Euro-Mediterranean University; f) developing Mediterranean business.

After the Paris summit, the activities of the new Union were paralysed by a dispute on interpretations of a passage in its final declaration concerning the participation of the Arab League. The deadlock over this question was only overcome at a conference of foreign ministers in Marseille on 3-4 November 2008. That meeting made some progress in the implementation of institutional changes, approved principles for the drafting of the statute of the secretariat and decided that the Union's headquarters would be in Barcelona, Spain. The final declaration also brought some progress towards the launch of several regional and sub-regional projects.

Following a Czech-French agreement at top political level, Egypt will hold the "southern" co-presidency of the UfM for the first six months of 2009 and, in the second half of 2009, the Czech Republic, as the EU presidency country, and France will hold the "northern" co-presidency. A number of sectoral ministerial conferences were held under the UfM. In 2008, there were conferences devoted to tourism, culture, information society, trade, industry, finance, water management, employment and health.

5. The Czech Republic's relations with the countries of Sub-Saharan Africa

ANGOLA

(Republic of Angola)

Economic relations

Almost all Czech exports to Angola are iron and steel products. The Czech Republic's balance of trade surplus with Angola derives from exports worth CZK 624.4 million in 2008, an increase of approximately 4.5 times over 2007. The value of Angolan imports to the Czech Republic remains low.

Development cooperation

Angola is one of the eight priority foreign development cooperation countries (government resolution No. 302/2004). Cooperation in this area takes place on the basis of government-approved programmes for the 2006-2010 period (government resolution No. 664/2005).

The current development cooperation programme identified the sectors of agriculture, rural development and education as the priority sectors for Angola. In territorial terms, development cooperation targets the inland province of Bié.

Themes of ongoing development projects:

- Support of secondary agricultural education in Bié province (2006-2008);
- Support of primary agricultural education in Bié province (2006-2008);
- Agricultural consultancy focusing on the development of poultry farming and fishponds (2006-2010);
- Support of the processing and selling of agriculture produce (2007-2010).

New themes in 2008:

- Support of free-time activities for children and youth (2008-2010).

Seven government scholarships were awarded to Angola for the 2008/9 academic year.

BENIN

(Republic of Benin)

Visits by representatives of the Czech Republic:

- 6-8 September 2008 – working visit by Deputy Minister of Foreign Affairs J. Kohout, who held talks in Benin with Minister of Foreign Affairs, African Integration, Francophonie and Beninese Diaspora M. A. Okanla. He was also received by President Yayi.

Economic relations

The Czech Republic's principal export commodities: tractors and other motor vehicles, textiles and textile products, alcoholic beverages, paper, agricultural machinery.

The Czech Republic's principal import commodities: cotton and wood.

Development cooperation

50 computer sets were handed over to an elementary school in the town of Penessoulou in northern Benin under a small-scale local project.

CAPE VERDE

(Republic of Cape Verde)

In connection with the preparations for the presidency of the EU Council, throughout the second half of 2008, the Czech Republic followed both the bilateral line and the EU line in respect of Cape Verde and, as part of the EU Troika, actively participated in the work of the relevant working groups focusing on implementation of the *Special Partnership between the EU and Cape Verde* and the preparation of the *EU-Cape Verde Ministerial Troika* planned for May 2009.

Visits by representatives of the Czech Republic:

- 13-14 May 2008 – official visit by Prime Minister M. Topolánek, the first-ever visit by a Czech Prime Minister. He met with his Cape Verde counterpart J. M. Neves and with President P. Pires. Bilateral talks dealt mainly with the question of developing economic cooperation between the two countries. Other topics of discussion were a proposal for a double taxation avoidance treaty, Cape Verde's stabilisation role in the region, cooperation with the EU and NATO on security questions and the implementation of the *European Union-Cape Verde Special Partnership*. Prime Minister Topolánek inaugurated the *Business Forum* during his visit.

Economic relations

Economic relations between Cape Verde and the Czech Republic are currently negligible. The Czech Republic's export commodities are turboprop motors, gas turbines, measuring apparatus and spare parts. In recent years, Cape Verde has become one of the new destinations for Czech tourists.

Cultural relations

An exhibition of *The History of Czech Comics* in the town hall of the capital Praia was opened by Prime Minister M. Topolánek on 14 May 2008 during his official visit to Cape Verde. M. Topolánek also presented the Cape Verde authorities with a printed replica of commemorative plaque in honour of members of the Cape Verde Sokol movement. The plaque was installed in Mindelo, the capital of Sao Vicente island, where a sports movement inspired by the Czech Sokol was founded in 1932 – it is still highly popular in Cape Verde today.

CENTRAL AFRICAN REPUBLIC

On 18 October 2008, at the Francophonie summit in Montreal, Canada, diplomatic relations between the Czech Republic and the Central African Republic were established with effect from 1 November 2008.

Two officers of the Army of the Czech Republic took part in the EUFOR Chad/Central African Republic mission in 2008.

Economic relations

The value of trade exchange between the two countries is less than CZK 5 million.

The Czech Republic's principal export commodities: telecommunications equipment, aircraft (or accessories of such), measuring apparatus.

The Czech Republic's principal import commodities: cotton, beverages, fruit and nuts.

Development cooperation

Czech volunteers operate in the country, working with a local mission of the Discalced Carmelites on projects in healthcare and education.

CHAD

(Republic of Chad)

Two officers of the Army of the Czech Republic took part in the EUFOR Chad/Central African Republic mission. On the grounds of the upcoming presidency of the EU Council the Czech Republic engaged in an expert mission to promote internal political dialogue in Chad.

Economic relations

Trade exchange between the two countries exceeded CZK 10 million in 2008.

The Czech Republic's principal export commodities: grain products, telecommunications equipment, measuring apparatus.

The Czech Republic's principal import commodities: parts for office and computer equipment.

CONGO

(Democratic Republic of the Congo)

Economic relations

The Czech Republic cooperates on a number of commercial hydroelectric power projects designed to develop and electrify rural areas of the DRC.

The Czech Republic's principal export commodities: clothing, iron and steel structures, machinery, non-electric motors, yarn.

The Czech Republic's principal import commodities: timber in the raw and worked, coffee.

Development cooperation

Caritas Czech Republic runs a successful long-distance adoption project – 163 children were adopted in 2008.

Under the government scholarship programme there were twelve DRC students studying in the Czech Republic in 2008, five of them on master's courses

Humanitarian aid

In March 2008, the Czech Republic provided CZK 5 million through UNICEF and UNHCR towards coping with the consequences of the humanitarian crisis. In November 2008, the Czech Republic devoted CZK 2,100,000 to victims of the armed conflict in eastern parts of the DRC.

In October 2008, Caritas Czech Republic organised a humanitarian fund-raising campaign to help victims of the crisis in Kivu, collecting CZK 170,000.

ETHIOPIA

(Federal Democratic Republic of Ethiopia)

Visits by representatives of the Czech Republic:

- 20-21 November 2008 – visit by Deputy Minister of Foreign Affairs H. Bambasová on the occasion of the EU-Africa Ministerial Troika. H. Bambasová held bilateral meetings with Minister of Foreign Affairs M. Seyoum and with Chairperson of the Commission of the African Union J. Ping – the talks with both partners dealt with, among other things, the preparation of the *EU-IGAD Ministerial Troika* (association

of states of the Horn of Africa) planned for March 2009 and the *EU-Africa Ministerial Troika* scheduled for April 2009;

- 10 October 2008 – meeting between chairman of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament J. Hamáček and Deputy Speaker of the House of People's Representatives M. Shitaye on the sidelines of an informal visit to Addis Ababa.

Economic relations

Despite the slight decline in mutual trade compared to previous years, Ethiopia is one of the Czech Republic's important partners on the African continent.

The Czech Republic's principal export commodities: food industry, textile and other machinery.

The Czech Republic's principal import commodities: coffee, vegetables and plant raw materials.

Development cooperation

Ethiopia is a priority country of the Czech Republic's foreign development cooperation. Projects to support the prevention of HIV/AIDS, expand a secondary school in Awassa and projects focusing on access to drinking water went ahead in 2008. Projects to implement anti-erosion measures in the area around Awassa Lake and projects to improve the quality of teaching were launched. The Czech Republic awarded Ethiopian candidates ten scholarships for the 2008/2009 academic year.

Humanitarian aid

The Czech Republic released CZK 2 million to tackle the consequences of drought in Alaba.

Cultural relations

Czech films *Cutting It Short* and *Tales of Ordinary Madness* were screened at the *European International Film Festival* in Addis Ababa (29 November to 13 December 2008).

GHANA

(Republic of Ghana)

Visits by representatives of the Czech Republic:

- 20-25 April 2009 – visit by Deputy Minister of Foreign Affairs H. Bambasová on the occasion of the 7th session of UNCTAD in Accra;
- 2-4 September 2008 – Deputy Minister of Foreign Affairs J. Kohout attended the 3rd High-level Forum on Aid Effectiveness.

Economic relations

Ghana is a traditional trading partner of the Czech Republic in West Africa. Czech machine engineering products, automobiles and tractors have a good reputation on local markets.

The Czech Republic's principal export commodities: textiles and textile products, telecommunications equipment, motor vehicles, paper, machinery, building material, clothing accessories, turbines, tyres.

The Czech Republic's principal import commodities: rubber, aluminium, timber and wood products, nuts, coffee, cotton, cocoa.

Development cooperation

There were thirteen Ghanaian students studying on government scholarships in the Czech Republic in 2008, seven of them on master's courses.

KENYA

(Republic of Kenya)

Visits by representatives of the Czech Republic:

- Deputy Ministers of the Environment J. Dusík (5-7 February 2008) and K. Bláha (6-10 October 2008) attended sessions of the *United Nations Environment Programme (UNEP)* in Nairobi.

Economic relations

Czech firms' interest in the Kenyan market grew in 2008. In April 2008, Škoda Auto a.s. Mladá Boleslav signed an exclusive representation contract for the territory of Kenya with CMC Motors Group Ltd. Manufacturers of small and medium-sized agricultural machinery Zetor a.s. and VARI a.s. expressed an interest in exporting to Kenya.

The Czech Republic's principal export commodities: motor vehicles, gas turbines, building, drilling and special machinery, machine engineering goods (pumps, fittings), automatic data processing machines.

The Czech Republic's principal import commodities: cut flowers, plant bulbs and seeds, fruit, nuts, coffee, tea, coconut fibre, wool.

Development cooperation and humanitarian aid

Kenya was provided with two government scholarships for the 2008/2009 academic year. In February 2008, the Czech Republic provided CZK 1 million through the *UN World Food Programme* for victims of the post-election violence.

A number of Czech non-governmental organisations operate in Kenya and work with Kenyan partners, e.g. ADRA, Asante Kenya, INEX-SDA – Football for Development, Fair, Shinebean, including the successful distance adoption project of the Narovinu Humanistic Centre.

Cultural relations

Svěrák & Svěrák, a week-long film festival of the works of the Svěrák father and son duo, took place in June 2008 in support of the Kenyan Paraplegic Organisation. The opening was attended by actor and musician J. Macháček, who also staged a discussion and workshop with students from the *Mohamed Amin Foundation* film school.

MALI

(Republic of Mali)

Visits by representatives of the Czech Republic:

- 18 May 2008 – official visit by Prime Minister M. Topolánek, who was received by President A. T. Touré. Prime Minister M. Topolánek also met with his counterpart M. Sidibé and other members of the government of Mali. Talks between the two countries' representatives concentrated on the questions of democratisation, the liberalisation of international trade and Mali's role in combating terrorism in the Sahel region. Appreciation was expressed for Mali's engagement in peacekeeping missions in Africa. Mali also presented its drafts of bilateral treaties on double taxation avoidance, protection of investments and military cooperation.

Economic relations

Mali is one of the Czech Republic's important trading partners in West Africa. In terms of trade turnover with the Czech Republic, Mali is exceeded in sub-Saharan Africa only by the Republic of South Africa and Nigeria. Czech textile products are highly popular here, in particular refined brocade, which is still used to make luxurious kaftans and *boubou*, a traditional formal garment.

The Czech Republic's principal export commodities: textiles and textile products, tyres, clothing accessories, glass.

The Czech Republic's principal import commodities: cotton, fruit and vegetables, pigments and dyes.

Development cooperation

In 2008, a trilateral project of the Czech Republic, Luxembourg and Mali designed to improve supplies of drinking water in the Barouéli district went ahead.

NIGERIA

(Federal Republic of Nigeria)

In the light of Nigeria's importance for the EU Common Foreign and Security Policy, the Czech Republic also paid attention to the Union dimension of strengthening mutual relations in 2008. Preparations during the second half of the year for the *EU-Nigeria Ministerial Troika* scheduled for June 2009 formed an important aspect of relations. As part

of these preparations, a joint consultation at the level of directors of the concerned departments took place in the Nigerian capital Abuja in December 2008.

Economic relations

This most populous country in Africa continued to be the Czech Republic's second biggest trading partner in sub-Saharan Africa in 2008. Under its *7 Point Agenda* to develop the economy, the Nigerian government expressed interest in investments by Czech firms and increased interest was registered among private investors for strengthening cooperation with Nigerian partners, for example in the fields of beer brewing and non-alcoholic drink production.

The Czech Republic's principal export commodities: passenger cars and special-purpose vehicles, floating structures, aviation equipment repairs, telephones, razor blades, turbines and generators.

The Czech Republic's principal import commodities: oil derivatives, polyethylene, natural rubber, cotton, unroasted coffee.

Cultural relations

The Embassy of the Czech Republic in Abuja organised *Czech Cuisine Days* on the occasion of Czech National Day. In addition, an exhibition of Czech refined brocade was put on in the cities of Abuja and Kano.

SENEGAL

(Republic of Senegal)

Economic relations

In Senegal, as in many other West African countries, 2008 was a good year for Czech fabrics exports. Czech manufacturers of transport equipment are also active in the country.

The Czech Republic's principal export commodities: textiles, paper, artificial fibres, trailers and semi-trailers, aluminium, telecommunications equipment.

The Czech Republic's principal import commodities: vegetables, fruit, nuts, spices.

Development cooperation

A long-term development project to support national parks in Senegal, initiated in the year 2000, went ahead in 2008.

Humanitarian aid

In connection with the food crisis, the Czech Republic provided Senegal with a sum of CZK 3 million through the *UN World Food Programme*.

REPUBLIC OF SOUTH AFRICA

Visits by representatives of the Czech Republic:

- 25 July 2008 – Deputy Minister of Foreign Affairs H. Bambasová attended the first EU-South Africa summit in Bordeaux, France, as a member of the EU Troika;
- 16-23 November 2008 – working visit by a delegation of the Committee on Constitution and Legal Affairs of the Chamber of Deputies of Parliament.

Visits by representatives of South Africa:

- 13 May 2008 – Zweli L. Mkhize, Minister of Finance and Economic Development of KwaZulu-Natal Province, held talks at the Ministry of Foreign Affairs of the Czech Republic. Minister Mkhize met with Deputy Minister of Foreign Affairs H. Bambasová;
- 19 May 2008 – working visit by Deputy President P. Mlambo-Ngcuka. Her visit followed a state visit to South Africa by the President of the Czech Republic in December 2006. The Deputy President was accompanied by a large delegation including Deputy Minister of Foreign Affairs S. van der Merwe, Deputy Minister of Trade and Industry E. Thabethe, Deputy Minister of Science and Technology D. Hanekom and Deputy Minister of Art and Culture N. Botha. The South African delegation was received by President V. Klaus and by Prime Minister M. Topolánek. Deputy Minister of Foreign Affairs H. Bambasová held a bilateral meeting with Deputy Minister S. van der Merwe. The talks between Czech representatives and the Deputy President centred on the possibilities for further deepening trade cooperation between the two countries. One of the discussed points was the question of sending

several dozen South African students to Czech universities under South Africa's JIPSA programme;

- 3 December 2008 – talks with a delegation led by Director General of the Department of Foreign Affairs (now Department of International Relations and Cooperation) A. Ntsaluba as part of the preparations for the Czech presidency of the EU Council. The talks focused on the preparation of the agenda of the EU-South Africa Ministerial Troika planned for 16 January 2009 in the Republic of South Africa. A. Ntsaluba was received by Director General of the Non-European Countries and Development Cooperation J. Karfík.

Economic relations

The Republic of South Africa remained the Czech Republic's most important trading and political partner in Sub-Saharan Africa in 2008. From 2007 to 2008, the value of mutual trade increased by hundreds of millions of koruna to CZK 10 billion.

The Czech Republic's principal export commodities: machinery and transport equipment, iron and steel products, rubber products.

The Czech Republic's principal import commodities: machinery and transport equipment, raw materials (iron, steel, aluminium, metal ores), animal fabrics, fruit and nuts.

With the support of the South African national chamber of commerce CHAMSA, the *Road Show* project was implemented at the end of August and start of September 2008. The project was designed to present the Czech Republic in South Africa as a reliable trading partner, to showcase Czech products and to attract new investors. The Czech-South African Chamber of Commerce and the companies CZECH-TRIM, TATRA and VARI took part in the event.

Cultural relations

From 4 to 27 August 2008, the Embassy of the Czech Republic in Pretoria and the *Holocaust Centre* in Cape Town co-organised an exhibition of children's drawings from Terezín entitled *Through Children's Eyes*, installed at the Barter Theater. In Cape Town and Johannesburg on 22 and 23 October 2008, there was a presentation of the Czech Republic as a tourist destination, during which the *Prague Funfair Band* performed.

During South African Culture Week, the Embassy of the Republic of South Africa in Prague organised performances by cultural ensembles from the Eastern Cape and Mpumalanga provinces from 21 to 25 April 2008. The performances took place in Zlín, Karlovy Vary, České Budějovice and Holic. A cultural ensemble from KwaZulu Natal province performed in Brno and Prague in May 2008.

SUDAN

(Republic of Sudan)

Visits by representatives of Sudan:

- 16-17 December 2008 – working visit by State Minister for Foreign Affairs A. Karti. During the visit, the state minister met with business representatives and held consultations at the Ministry of Foreign Affairs of the Czech Republic.

Economic relations

The visit by State Minister for Foreign Affairs A. Karti and the trip to Sudan by a business delegation from 10 to 14 October 2008, led by the non-resident Czech ambassador to Sudan (based in Cairo) M. Stašek, contributed to the development of economic relations.

The Czech Republic's principal export commodities: iron and steel tubes, pipes and profiles, passenger cars, piston engines.

The Czech Republic's principal import commodities: raw materials of plant origin, cotton, tobacco.

Humanitarian aid

Through the UNHCR, the Czech Republic provided Sudan with CZK 5 million in humanitarian aid for the integration of refugees.

Cultural relations

On the occasion of the visit to Sudan by a business delegation led by the Czech Republic's ambassador to Sudan M Stašek from 10 to 14 October 2008, an exhibition of graphic art by J. Votruba was opened in Khartoum.

ZAMBIA

(Republic of Zambia)

Visits by representatives of Zambia:

- 20-22 May 2008 – official visit by Minister of Foreign Affairs K. J. Pande. Minister Pande was received by Minister of Foreign Affairs K. Schwarzenberg, Chairman of the Senate of Parliament P. Sobotka, Deputy Prime Minister J. Čunek and Deputy Minister of Industry and Trade M. Hovorka representing the minister. During his visit to the Czech Republic, Minister Pande provided information about investment opportunities in his country, particularly in the field of small hydroelectric power stations, and also about the situation in neighbouring Zimbabwe.

Economic relations

The principal import commodity from Zambia to the Czech Republic is live flowers, but the total level of imports is negligible. Czech Republic mainly exports audio and video technology to Zambia. Czech exports to Zambia amounted to CZK 59.4 million in 2008. Given the marginal level of imports from Zambia, the Czech Republic has a pronounced balance of trade surplus with this country.

Development cooperation

Zambia is one of the Czech Republic's eight priority (programme) foreign development cooperation countries (government resolution No. 302/2004). Cooperation in this area takes place on the basis of government-approved programmes for the 2006-2010 period (government resolution No. 664/2005). The development projects implemented by the Czech side mainly target healthcare.

Themes of ongoing development projects:

- Promotion of the quality of surgical procedures in provincial and district hospitals in Zambia's Western Province (2006-2009);
- Promotion of primary healthcare in the countryside, with the emphasis on care for mother and child in Zambia's Western Province (2006-2009);
- Increasing the production properties of livestock (2007-2010).
"Small-scale local projects" were also implemented in Zambia: there were projects to equip *Mother of Mercy Chilanga Hospice* in Lusaka with sanitary article and

medicines, *St. Charles Academy* in Solwezi with computer equipment, and *St. Luke's Mission Hospital* in Mpanshye with computer equipment and books.

One government scholarship was awarded to Zambia for the 2008/2009 academic year.

ZIMBABWE

(Republic of Zimbabwe)

Visits by representatives of Zimbabwe:

- October 2008 – at Forum 2000 Minister of Foreign Affairs K. Schwarzenberg met with representative of the Zimbabwean opposition movement MDC-M T. Stevens.

Economic relations

The principal import article is fruit and nuts, followed by building materials (stone, plaster, cement, lime) and products made of these materials. Live flowers and florists' products are another important commodity in Zimbabwean imports to the Czech Republic. The total value of Zimbabwean imports of goods to the Czech Republic is CZK 20.7 million.

Czech exports to Zimbabwe are negligible: 70% of the total value of CZK 214,000 is derived from exports of audio-video technology.

Humanitarian aid

The Czech Republic displayed solidarity with the local population that suffers in consequence from the profound political, economic and social crisis, and provided humanitarian aid to Zimbabwe. The transformation assistance provided by the Czech side, which supports freedom of speech among other things, was an expression of disagreement with the Zimbabwean regime's actions following the elections in March 2008.

In the second half of 2008, the Ministry of Foreign Affairs of the Czech Republic provided Zimbabwe with humanitarian aid worth CZK 5 million through the *UN World Food Programme*.

Transformation cooperation

As part of its support for the transformation process in Zimbabwe, the Czech Republic provided approximately CZK 500,000, whereby this assistance primarily targeted the area of support for freedom of speech and expression.

Cultural relations

On 8 February 2008, an exhibition entitled *Graphic Art by Karel Demel* was inaugurated in the Mutare branch of the National Gallery. An exhibition of works by V. Richterová entitled *Creative Recycling in the Czech Republic* ran from 14 to 31 August 2008 in Harare. On 26 and 27 September 2008, the Embassy of the Czech Republic in Harare participated in the 4th year of the *Itwasa* festival held in Bulawayo, contributing an exhibition of posters from Czech exhibitions of Zimbabwean art and a series of talks entitled *The Czech Embassy Opens the Window on Zimbabwe Art*.

6. The Czech Republic's relations with North and South American countries

ANTIGUA AND BARBUDA

Economic relations

The Czech Republic and Antigua and Barbuda maintain constant trade exchange, although the volume of both exports and imports is low.

The Czech Republic's principal export commodities: electric motors up to 37.5 kW, ball bearings, metal and plastic seals, glass products, ink and Indian ink, plastic products, sports equipment.

The Czech Republic's principal import commodities: optical recording media, dyed cotton fabrics, cosmetics, wine from fresh grapes and wine must, printed circuits, leather footwear, electric conductors up to 1,000 V, blueberries and cranberries, glass beads and imitation pearls and precious stones, acrylic staple fibres, peanuts, frozen fish fillets, beef.

Development cooperation

In 2008, the Czech Republic went ahead with its development cooperation in the form of *Five Islands Community Computer Access*, i.e. supplies of school computers under a small-scale local project in the field of education worth USD 20,000.

ARGENTINA

(Argentine Republic)

Visits by representatives of the Czech Republic:

- 1-7 September 2008 – official visit by a delegation of the Standing Senate Commission on Compatriots Living Abroad;
- 1-4 November 2008 – official visit by Minister of Education, Youth and Sports O. Liška.

Visits by representatives of Argentina:

- 1-3 October 2008 – official visit by Minister of Foreign Affairs, International Trade and Worship J. E. Taiana;
- 3-10 October 2008 – working visit by Deputy Minister of Science, Technology and Productive Innovation A. Ceccato.

Economic relations

The volume of trade exchange grew in 2008. On the exports side, the biggest Czech investment of recent years – the purchase by Vítkovice Cylinders a.s. of a 2/3 share in Cidegas S. A., a factory making pressure cylinders – has started making an impact. Agricultural and food products still make up approximately half of imports. Trade within the framework of transnational automobile industry companies is also starting to make headway, however.

The Czech Republic's principal export commodities: electric motors and generators, ball bearings, air-conditioning parts and components, pressure cylinders for gases, steam turbine parts and components, hand tools and implements, heterocyclic compounds, sulphonamides, iron and steel structures and parts of such.

The Czech Republic's principal import commodities: transmissions and gearboxes and parts and components of such, uncarded and uncombed wool, roasted peanuts, combed wool, fresh grapes, waste from soya oil extraction, fresh lemons and limes, wine from fresh grapes and grape must, fresh pears and quinces, parts of piston and compression ignition engines with internal combustion.

Bilateral agreements concluded in 2008

- Programme of Cooperation in the Field of Education between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education of the Argentine Republic for the Years 2009-2011, Buenos Aires, 3 November 2008.

Cultural relations

The Czech Centre in Buenos Aires officially opened in March 2008. It is the third Czech Centre outside Europe and the first in Latin America. During the year the Czech Centre and the embassy organised around twenty cultural events, culminating in an exhibition of a cross-section of original photographs by J. Sudek lent to the National Museum of Decorative Arts in Buenos Aires by the Moravian Gallery in Brno. The large Czech community and its cultural centres also contribute to the promotion of Czech culture. Key events in this regard include radio broadcasting by the Czech House club, which is presented by eminent member of the Czech Community Mrs M. Hloušek, a laureate of the *Gratias Agit* prize, literary lectures by H. Voldanová, also a *Gratias Agit* laureate and director of the *Comenius Cultural Centre*, concerts by renowned clarinettist of Czech origin L. Slabý, and dance performances by the Sokol folklore ensemble.

BELIZE

Economic relations

Belize is one of the Czech Republic's less important trading partners. The country has experienced a difficult economic situation, aggravated by the poor harvests of its main export produce in consequence of a hurricane in 2007 and floods in October 2008.

The Czech Republic's principal export commodities: cotton products, arms and ammunition, electric devices, fertilisers, chemical products, glass and glass products.

The Czech Republic's principal import commodities: components of power station equipment, optical and medical instruments, lubricants and polishing preparations, plastic products.

Development cooperation

On the occasion of the 27th anniversary of Belize's independence in September 2008, Ambassador M. Jakobec presented the foreign affairs minister of Belize with a cheque for CZK 85,000 as part of a small-scale development project for the purchase of computers for the Attorney General's office.

BRAZIL

(Federative Republic of Brazil)

Visits by representatives of the Czech Republic:

- 7-11 April 2008 – visit by Minister of Industry and Trade M. Říman with a business delegation;
- 4-8 November 2008 – visit by Minister of Education, Youth and Sports O. Liška with a delegation;
- 10-15 November 2008 – visit by a delegation of the Committee on Regional Development, Public Administration and the Environment of the Senate of Parliament led by committee vice-chairman J. Liška.

Visits by representatives of Brazil:

- 11-12 April 2008 – state visit by President L. I. Lula da Silva, accompanied by Minister of External Relations C. Amorim and Minister for Development, Industry and Trade M. Jorge.

Economic relations

Brazil is a traditional trading partner of the Czech Republic. Its growing economy makes it an important destination with great potential for Czech firms. Brazil is the Czech Republic's biggest trading partner in Latin America in terms of trade turnover. Trade exchange has been increasingly dynamic in recent years. The Czech Republic has a balance of trade deficit with Brazil, though its size has been decreasing in recent years. During the visit to the Czech Republic by President L. I. Lula da Silva in April 2008, an *Agreement on Economic and Industrial Cooperation* was signed, which should contribute to the further expansion of mutual cooperation. On Minister of Industry and Trade of the Czech Republic M. Říman's visit to Brazil in April, he was accompanied by a large business mission, whose negotiations brought new trade opportunities. In October 2008, the *Czechfest* presentation was organised in Sao Paulo to promote Czech businesses; and in the same month the Czech Republic had a stand at the machine engineering trade fair in Sao Paulo, organised by the Czech agency CzechTrade.

The Czech Republic's principal export commodities: piston engines and parts of such, parts of passenger cars and tractors, pumps, electric generators, steel profiles and rail track.

The Czech Republic's principal import communities: meat and offal (frozen, dried, conserved), coffee, tobacco, fruit juices, soya oil, aluminium, iron ore, motor vehicle components, launch pads for spaceships.

Bilateral agreements concluded in 2008

- Agreement on Economic and Industrial Cooperation between the Government of the Czech Republic and the Government of the Federative Republic of Brazil, Prague, 12 April 2008;
- Memorandum on Cooperation between the Diplomatic Academy of the Ministry of Foreign Affairs of the Czech Republic and Instituto Rio Branco of the Ministry of External Relations of the Federative Republic of Brazil, Prague, 18 April 2008;
- Arrangement between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education, Research and Youth of the Federative Republic of Brazil on Cooperation in the Field of University Education and Science, Brasília, 6 November 2008.

Cultural relations

The Embassy of the Czech Republic in Brasília organised the following exhibitions in 2008: *Jewellery by Karel Votípek* in Manaus and Salvador; *Historic Coins of Central Europe 1759-1918* at the Central Bank of Brazil in Brasília; *Jože Plečnik – Architect* in Belo Horizonte, Sao Joao del Rei, Porto Alegre and Uruguaiana; oil paintings by I. Stanislavová entitled *Touches of Tones* in Brasília; and *Glass Underpainting with Historical Motifs* by J. Vildt in Brasília. During the *Czechfest* event, an exhibition of photographs of the Czech Republic taken by Brazilian photo-journalist C. Berger entitled *A Place That Makes You Smile* was installed at Conjunto Nacional in Sao Paulo. Simultaneously, the Hotel Intercontinental hosted an exhibition called *Roll Out the Barrel*.

The South American premiere of the documentary film *Citizen Havel* took place during the *É Tudo Verdade* international festival in Sao Paulo in April. In September, the film *The Indian and the Nurse* was screened during the *EU Film Festival* in Brasília, whose theme was *Unity in Diversity*. The film *Skřítek* was shown at the 8th international festival in the city of Nova Petrópolis in Rio Grande do Sul state. In November, representatives of the film faculty of the Academy of Performing Arts in Prague attended the *Curta Cinema* festival in Rio de Janeiro. Besides the competition film *The 7 Wonders of Bratislava*, other works by students from the film faculty were also presented.

The Ostravica folklore ensemble performed at international festivals in the cities of Sao Bernardo, Nova Petrópolis and Passo Fundo in August 2008. In May, the National Theatre in Brasília staged a concert by the local philharmonic orchestra to mark Europe Day, during which Czech tenor R. Štěřba performed arias from *Rusalka* and *Dalibor*.

In November, the play *Bodenlos – Sem Chao*, dealing with the life and work of Czech-Brazilian philosopher V. Flusser, was performed by the *Grupo do Teatro da Poli* theatre company, directed by Biy Szvat.

At the Honorary Consulate of the Czech Republic in Rio de Janeiro in November, honourable mention diplomas were presented to five Brazilian children who had taken part in the 36th year of the *Lidice* international children's art competition. In October, a Czech team competed in the futsal world championships held in Rio de Janeiro and Brazil.

The Consulate General in Sao Paulo and the *Czech-Brazilian Cultural Association (ACTB)* co-organised the second year of *Czech Week* in Porto Alegre from 5 to 7 May 2008.

In November 2008, a ceremony was held to mark the opening of the Honorary Consulate of the Czech Republic in the city of Salvador.

CANADA

Visits by representatives of the Czech Republic:

- 28-29 February 2008 – visit by Prime Minister M. Topolánek;
- 26-30 May 2008 – visit by the Committee on Health Care of the Chamber of Deputies Parliament, led by its chairman D. Rath;
- 17-22 November 2008 – visit by Minister for Human Rights and Minorities D. Stehlíková.

Visits by representatives of Canada:

- 9 July 2008 – visit by Special Envoy for Fishing L. Sullivan;
- 17 July 2008 – visit by Minister of Citizenship and Immigration D. Finley;
- 25-27 September 2008 – visit by a delegation of Parliament (the Canada-Europe Parliamentary Association);
- 29 November – 3 December 2008 – official state visit by Governor General M Jean.

Canada is an important transatlantic ally of the Czech Republic. The abolition of visa requirements in November 2007 created additional space and opportunities for cooperation between the two countries in a wide variety of fields. The potential and willingness to strengthen cooperation as much as possible was confirmed during the visit to Canada by Prime Minister M. Topolánek in February and during the state visit to the Czech Republic by Governor General M. Jean in November/December 2008. After a long period without top-level contacts, these visits marked the start of a new era of bilateral relations and were an affirmation of both sides' efforts during the past years to bring about a marked intensification in relations.

The two countries continue to cooperate intensively in many fields. They held very close positions on a number of multilateral issues, such as UN reform modalities, the need for cooperation in the provision of transformation assistance to selected countries, etc. The Czech Republic and Canada cooperate closely in the effort to resolve the crisis in Afghanistan in connection with the sending of a new Czech Provincial Reconstruction Team.

Economic relations

A large part of Czech exports to Canada is effected via transnational companies, investments by Canadian firms in the Czech Republic and Czech holdings in Canada. The structure of trade exchange between the Czech Republic and Canada has been changing for the better in recent years, with an increase in items with a higher degree of processing.

The Czech Republic's principal export commodities: rail track, parts of rotating electrical machinery, tyres for motor vehicles, railway carriage gearing, heat exchangers, hot-rolled or hot-drawn steel rods and bars, beer, digitally controlled machine tools.

The Czech Republic's principal import commodities: mobile telephones, unspecified medicaments in packings for retail sale, aircraft and helicopter parts and components, medicines containing penicillin, semi-conductor memory devices, replaceable parts for hand tools and implements, vitamins and vitamin derivatives.

Cultural relations

The Czech Republic continued to develop its cooperation with the large Czech community in Canada. In June 2008, the jubilee 60th congress of the *Czech and Slovak Association in Canada* was held in Calgary, Alberta. The event was attended by senator M. Mejstřík and director of the Institute for the Study of Totalitarian Regimes P. Žáček.

However, the presentation of Czech culture in Canada in the second half of 2008 was influenced by the Czech Republic's upcoming presidency of the EU Council. On 5 October 2008, an exhibition entitled *Orbis Pictus* was ceremonially inaugurated in Vancouver as the main cultural event of the Czech presidency.

The Under 20s ice hockey world championships in Ottawa at the turn of December 2008 and January 2009 was also used to present the Czech presidency.

In November 2008, a concert was held at the residence of the Governor General of Canada M. Jean on the occasion of the Governor General's state visit to four Central European countries: the Czech Republic, Slovakia, Slovenia and Hungary. Pianist J. Krejcar and cellist K. Jurásková represented the Czech Republic in the concert.

An important EU cultural event in Canada is the *EU Film Festival*, whose 23rd year was held in Ottawa and Vancouver at the turn of November and December 2008. The Czech Republic was represented by the film *Václav*.

On 1 September 2008, one of the most renowned members of the Czech community, Mr Tomáš Baťa, died in Toronto.

CHILE

(Republic of Chile)

Visits by representatives of the Czech Republic:

- 10-13 March 2008 – working visit by Deputy Minister of Finance J. Málek to attend sessions of the working groups of *Egmont Group*;
- 30 March – 2 April 2008 – working visit by Deputy Minister of Defence F. Padělek to the aircraft and space technology trade fair *FIDAE*;
- 5-7 April 2008 – working visit by a delegation led by Minister of Industry and Trade M. Říman;
- 27 April – 3 May 2008 – working visit by a delegation of the Committee on Legal and Constitutional Affairs of the Senate of Parliament, led by the committee vice-chairman J. Šneberger;
- 15-16 October 2008 – political consultations by Deputy Minister of Foreign Affairs H. Bambasová with her Chilean counterpart.

Visits by representatives of Chile:

- 22-23 July 2008 – working visit by Vice-president of the Senate of National Congress B. Prokurici.

Economic relations

Trade turnover in 2008 exceeded the level attained in 2007. The growth of the Czech Republic's balance of trade deficit with Chile was halted. Although mutual trade is displaying growth, it falls short of both countries' potential. The first Czech investment in Chile, a distillery of the firm of R. Jelínek, was opened in 2008.

The Czech Republic's principal export commodities: office machinery, medical furniture, paper toilet articles, passenger motor vehicles, pneumatic tyres, matches other than pyrotechnical articles, illuminated signs.

The Czech Republic's principal import commodities: ferrous alloys, wine, fresh fruit, dried fruit, pulp, dried grapes.

Development cooperation

A development project to rehabilitate part of the Torres del Paine national park damaged by fire went ahead in 2008. Under the project, three greenhouses for tree seedlings, an administrative building, a monitoring site and fencing were erected. The reforestation project will be completed in 2010, by which time more than 120,000 trees should have been planted. The total value of the Czech assistance should be CZK 19 million.

Cultural relations

The Czech Republic again took part in the *Festival of European Cinema* that took place in the Chilean capital and also the regions, including Easter Island. There was a concert by vocal duo M. Vávrová and P. Vašíček at the start of 2008. In connection with the celebrations of Czech National Day on 28 October, an exhibition of photographs of *Pilgrimage Sites of the Czech Republic* took place in the city of La Serena in the north of Chile and a concert of songs by A. Dvořák was held in the Chilean capital.

COLOMBIA

(Republic of Colombia)

Visits by representatives of the Czech Republic:

- 14-15 May 2008 – visit by Prime Minister M. Topolánek, who was received by President Á. Uribe.

Visits by representatives of Colombia:

- 11-12 December 2008 – visit by Vice President F. Santos.

Colombia is a traditional political and economic partner of the Czech Republic in Latin America. The development of mutual cooperation was reflected in the opening of the Czech Republic's third Honorary Consulate in the country – in Medellin – in 2008.

Economic relations

The official visit to Colombia by Prime Minister M. Topolánek in May 2008, accompanied by a business mission, confirmed the positive trend of increasing trade exchange between the two countries. The signing of two new bilateral agreements also underlined both sides' interest in widening and deepening bilateral cooperation.

According to statistics of the Ministry of Industry and Trade of the Czech Republic, the value of bilateral trade in 2008 was USD 54.3 million, an increase of USD 9.1 million over the previous year. Czech exports grew to USD 19.3 million and imports amounted to USD 34.9 million, giving the Czech Republic a balance of trade deficit with Colombia of USD 15.6 million. The volume of trade exchange in 2008 was almost 20% greater than in 2007.

The Czech Republic's principal export commodities: passenger cars and motor vehicle parts and accessories, dried whey, telecommunications agreement, cosmetics, textile, leatherworking and building machinery, plastic pipes and hoses, medicaments, arms, ammunition and explosives.

The Czech Republic's principal import commodities: fruits and nuts (primarily bananas), flowers, medicaments, coffee, confectionaries, cleansing preparations.

With a view to supporting the economic diplomacy of the Ministry of Foreign Affairs of the Czech Republic, a *Presentation of Czech Healthcare* took place in Colombia in November 2008. The project provided an up-to-date presentation of products and services offered by Czech firms in the fields of medical technology, equipment and medicines and made it possible to win new clients among importers, distributors and end customers.

Bilateral agreements concluded in 2008

- Framework Agreement on Cooperation in the Fields of Energy and Mining between the Ministry of Industry and Trade of the Czech Republic and the Ministry of Mining and Energy of the Republic of Colombia, Bogotá, 15 May 2008;

- Memorandum on Cooperation in the Field of the Environment between the Ministry of the Environment of the Czech Republic and the Ministry of Environment, Housing and Territorial Development, Bogotá, 15 May 2008.

Development cooperation

The Czech Republic provided Colombia with six scholarships for the 2008/2009 academic year. There were 14 Colombians studying at various universities in the Czech Republic at the end of 2008, two on bachelor's courses, five on master's courses and seven doctorate students.

Cultural relations

The Embassy of the Czech Republic in Bogotá organised cultural events to present the Czech Republic as a country with a rich cultural tradition and also as an EU country that will hold the presidency of the EU Council in 2009. These events included exhibitions at universities in the capital and other cities, the Czech Republic's participation at the *EUROCINE* film festival and talks on the history and present day of the Czech Republic. The events drew positive responses from the media, both national and regional.

COSTA RICA

(Republic of Costa Rica)

Economic relations

Costa Rica is one of the most economically developed countries in all of Latin America and is the Czech Republic's most important trading partner in Central America. There has been substantial progress in negotiations on an *Association Agreement between Central America and the EU*, which should contribute significantly to the expansion of trade exchange between the two blocs and presents opportunities for Czech businesses.

There were no major changes in mutual trade. The total trade turnover grew in 2008, mainly due to increased imports from Costa Rica. The Czech Republic had a large balance of trade deficit with Costa Rica.

The Czech Republic's principal export commodities: plastic pipes, toys and consumer goods, glass and glass goods, automobile and tractor components, special material (pistols and revolvers).

The Czech Republic's principal import commodities: computer components (Intel), agricultural produce (bananas, pineapples and other tropical fruit), plants and decorative flowers.

Development cooperation

The Czech Geological Survey went ahead with its successful three-year project *Geological Risks Prevention* in Miramar and San Ramón. Under a small-scale local project, an Academic and Professional Centre of the Indian Ngöbe tribe was built in the Coto Brus region. It will serve as a museum, a Ngöbere language school and a traditional Indian crafts workshop. The Czech Republic offered Costa Rica a scholarship for master's degree study in English.

Cultural relations

Guitarist P. Váně from Brno performed concerts during the *Francophonie* festival in San José and San Ramón in March. The Tupý husband and wife duo performed at the *International Cultural Festival* in April in San José and San Ramón, as well as successfully representing the Czech Republic at a *Meeting of Cultures* organised by the Journalists' Syndicate at the culture ministry. The seven performances of *Swinging Marionettes from Beautiful Prague* by puppeteer P. Vangeli was another success at the *International Cultural Festival* in San José and San Ramón. In August, the Embassy of the Czech Republic organised an exhibition of a photographic cycle about V. Havel by Z. Škácha entitled *From Dissident to President*. In September, the embassy staged an exhibition about Moravia in the Costa Rican city of Moravia. On the occasion of Czech National Day the Embassy of the Czech Republic organised *Indian Children's Day* in the Costa Rican Children's Museum, featuring a concert by the Jirondai band and the presentation of a symbolic cheque for CZK 130,000 towards the construction of the Academic Centre of the Ngöbe tribe. 15 children from the Ngöbe tribe's reservation attended the concert.

CUBA

(Republic of Cuba)

Economic relations

The Czech Republic's share of Cuba's overall foreign trade is relatively small, and *vice versa* (less than one percent). The first substantial indications of Cuba's insolvency emerged in August 2008. The situation deteriorated in September 2008 following the destructive hurricanes. EGAP has registered several-week delays in/suspensions of payments and repayment of loans. Several negotiations were conducted at expert level. Cuba is trying to pay at the least the main Czech suppliers and to defray the largest outstanding amounts.

The Czech Republic's principal export commodities: machinery and transport equipment, electrical apparatus, devices and appliances.

The Czech Republic's principal import commodities: beverages, tobacco and tobacco products.

Humanitarian aid

No humanitarian aid was provided. Cuba rejected the assistance the Ministry of Foreign Affairs of the Czech Republic offered Cuba after the destructive hurricanes in September 2008.

Transformation cooperation

The Ministry of Foreign Affairs supported certain projects focusing on democratisation and the protection of human rights in Cuba.

Cultural relations

Cuba makes cultural relations conditional on politics, which limits the opportunities for presenting Czech culture. Czech films for children were screened at two film festivals, the *Festival of Animated Film* in June 2008 and at the *International Film Festival* in December 2008.

ECUADOR

(Republic of Ecuador)

In 2008, the Honorary Consulate of the Czech Republic in Guayaquil was elevated to an Honorary Consulate General.

Economic relations

Trade and economic cooperation between the Czech Republic and Ecuador was problem-free in 2008; that was reflected in dynamic growth in mutual trade exchange.

According to statistics of the Ministry of Industry and Trade of the Czech Republic, the value of bilateral trade in 2008 was USD 48.9 million. Czech exports amounted to USD 17.1 million and imports USD 31.8 million, giving the Czech Republic a balance of trade deficit with Ecuador of USD 14.7 million. Compared to the same period in 2007, the value of Czech exports to Ecuador rose by USD 2.9 million and total trade exchange grew by USD 8.5 million.

The Czech Republic's principal export commodities: passenger cars and motor vehicle parts and accessories (accounting for more than 50% of total exports), glass and glass products, textile and leatherworking machines and parts of such, chemical fertilisers, plastic tubes, pipes and hoses, hand tools, arms and ammunition.

The Czech Republic's principal import commodities: fruits and nuts, medicaments, fish, confectionaries, soap, coffee.

Development cooperation

As part of the Czech Republic's foreign development cooperation, the implementation of a project entitled *Reducing Vulnerability and Maintaining Urban Infrastructure in the Unfavourable Geological Conditions of the City of Loja in Southern Ecuador* went ahead in 2008. The project was launched in 2007 and is planned to last three years, with a budget of CZK 3.948 million. The aim of this development cooperation project, which is coordinated by the Ministry of Foreign Affairs of the Czech Republic and implemented by geological firm Gekon s.r.o. Karlovy Vary, is to design preventive and mitigating measures to protect important sustainable development buildings in Loja. The project simultaneously analyses ways to ensure the long-term stability of the mineral underbed of a drinking water conduit and assesses geological risks in planning the city's transport infrastructure.

The Czech Republic provided Ecuador with two government scholarships for the 2008/2009 academic year.

EL SALVADOR

(Republic of El Salvador)

Visits by representatives of the Czech Republic:

- 16 May 2008 – meeting between Prime Minister M. Topolánek and Vice President of El Salvador A. V. Escobar at the EU-LAC summit in Lima. Minister of Foreign Affairs M. A. de Barillas also met with Deputy Minister of Foreign Affairs H. Bambasová during the summit.

Visits by representatives of El Salvador:

- 3-4 September 2008 – working visit by Minister of Foreign Affairs M. A. de Barillas.

Economic relations

Mutual trade developed positively in 2008, with a substantial increase in total trade turnover from the level in 2007. The Czech Republic had a balance of trade surplus with El Salvador.

The Czech Republic's principal export commodities: metal tubes, electronic instruments and components, iron and steel, dyes and other chemical products, plastic products, turbine components, paper, paperboard and cardboard, fertilisers, arms.

The Czech Republic's principal import commodities: electrical apparatus, traditional agricultural products, mainly coffee, clothing and clothing products, plastic products, automobile components, turbine equipment, iron and steel products.

Development cooperation

Under a three-year project, the Czech Geological Survey performed a geological survey of natural risks in the San Salvador region. The Czech Republic awarded El Salvador one scholarship for master's study in English in 2009.

GUATEMALA

(Republic of Guatemala)

Visits by representatives of the Czech Republic:

- 11-13 September 2008 – visit by a delegation of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament, led by its chairman J. Hamáček.

Economic relations

The Czech Republic has had a pronounced long-term balance of trade surplus with Guatemala. However, trade between the two countries registered a decline in 2008. The principal cause was the dramatic fall in exports of arms and ammunition, which fell from first place to fifth in the exports commodity structure.

The Czech Republic's principal export commodities: paper, cardboard, vehicles, boilers, mechanical implements, electronic recording devices, arms and ammunition. The commodity structure of Czech exports thus changed considerably from 2007, when arms and ammunitions were the biggest commodity, followed by boilers, and instruments and mechanical implements.

The Czech Republic's principal import commodities: coffee, live flowers, floristry products, spirits.

GUYANA

(Cooperative Republic of Guyana)

With a view to supporting the development of mutual relations, on 22 January 2008 an Honorary Consulate of the Czech Republic was opened in the capital of Guyana, Georgetown, which actively assists the Czech Republic in other Caribbean countries as well.

Economic relations

Exports from the Czech Republic tripled in volume in 2008. The opening of the Honorary Consulate supported Czech exports.

The Czech Republic's principal export commodities: boilers, generators and generator components, porous rubber boards, slats and strips, components of aircraft, including gliders, cutting tips, blades and knives for woodworking, antennas, telecommunications equipment, handsaws, videogames for television sets.

The Czech Republic's principal import commodities: plastic plates, slats and foil, spirits made of the fermented products of sugar cane, rum, liqueurs and cordials, rubber profiles, live animals.

HAITI

(Republic of Haiti)

Economic relations

Czech exports to Haiti continued to grow in 2008. The Czech Republic had a pronounced balance of trade surplus with Haiti.

The Czech Republic's principal export commodities: motor vehicles over 2500 cm³, tamping machines and road rollers, arms, motors, aircraft engines, aircraft propellers and rotors, rubber tyres for aircraft, ball bearings, paper, antennas.

The Czech Republic's principal import commodities: citrus fruits, melons, knitted and cotton clothing, roasted coffee with caffeine and without caffeine, fennel seeds, juniper berries.

Development cooperation

Czech non-governmental humanitarian aid has been provided in Haiti since 2005 by the charity Caritas Czech Republic as part of the *Long-range Adoption* project and, since 2007, a project entitled *Donate a Roof*, consisting in the supply of building material for the renovation of a church in Baia-de-Henne that was damaged by a hurricane.

In November 2008, the Czech Republic provided Haiti with humanitarian aid worth CZK 2,500,000 through UNICEF to mitigate the consequences of hurricanes and destructive storms.

JAMAICA

Economic relations

Bilateral relations between the Czech Republic and Jamaica focus on the trade and economic field and development cooperation. For the last five years the value of trade exchange has been around USD 500,000. The opening of an Honorary Consulate in Kingston is planned for 2009. This is expected to help intensify mutual relations in other areas as well.

The Czech Republic's principal export commodities: unframed glass mirrors, textiles for books, transformers up to 1 KVA, automobile bodywork parts, components of tractors, passenger cars and lorries.

The Czech Republic's principal import commodities: rum and other spirits obtained by distilling fermented sugar cane products, spirits, telecommunications equipment, chemical products, printers, copiers and faxes, coffee, liqueurs and cordials, essential oils.

Development cooperation

Jamaica is the biggest beneficiary of the Czech Republic's development cooperation in Latin America and the Caribbean. The Czech Republic provides Jamaica with development assistance in a project for the industrial use of non-metallic mineral resources, which is being implemented by GET s.r.o. The project's aim is to ensure supplies of raw materials for processing and supplies of technologies for processing industrial raw materials. The project's total value for the years 2006-2010 is CZK 55 million, CZK 9 million of which was provided in 2008.

The Jamaican beneficiary of the foreign development cooperation – the ministry of energy and mining – rates the project very positively and has requested for it to continue in the following years as well. Jamaica's interest in the cooperation paves the way for specific raw materials surveying and creates an opportunity for supplies of Czech machine engineering technologies to both Jamaica and the surrounding Caribbean countries.

MEXICO

(United Mexican States)

Visits by representatives of the Czech Republic:

- 8-10 September 2008 – visit by a delegation of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament, led by its chairman J. Hamáček;
- 8-10 October 2008 – political consultations by Deputy Minister of Foreign Affairs H. Bambasová.

The standard of bilateral relations between Mexico and the Czech Republic has traditionally been very good and Mexico is one of the Czech Republic's most significant political and trading partners in Latin America. There was further substantial progress in mutual relations during 2008. Cooperation in culture and education, energy and environmental protection has traditionally been intensive. Mexico also shares exclusive relations with the European Union and since the Czech Republic's accession to the EU relations with Mexico took on a new dimension and dynamism that goes substantially beyond the previous bilateral framework. The *Association Agreement* from 1997, codifying cooperation in the trade, political and development fields, was joined in October 2008 by the *EU-Mexico Strategic Partnership*, which aims to strengthen coordination in international forums. A new emphasis is placed on cooperation in education, protection of human rights, security and combating drugs trafficking.

Economic relations

Mexico is the Czech Republic's second most important trading partner in Latin America in terms of the volume of trade turnover. There was further dynamic growth in both exports and imports in 2008. The total value of mutual trade grew by more than 12% over the previous year. The Czech Republic has a slight balance of trade deficit with Mexico. Czech exporters of services are starting to make an impact on trade turnover. A new Czech investment, consisting in the construction of a plant making power-assisted brake membranes and valued at approximately USD 3.5 million, is coming to the Mexican market. The re-opening of the CzechTrade office at the end of 2008 and the *National Exhibition* being prepared by the Ministry of Industry and Trade of the Czech Republic in Mexico City and scheduled for September 2009 should contribute to a further widening of trade cooperation.

The Czech Republic's principal export commodities: electrical engineering industry products, automobile components, industrial machinery and plant equipment, glass jewellery and semi-finished products of such, textile semi-finished products.

The Czech Republic's principal import commodities: machinery and plant equipment, electric accumulators, computer equipment, agricultural products and food products, pectins, plant extracts, tequila.

Cultural relations

Czech culture was presented to the Mexican public in 2008 through a number of events organised by the Embassy of the Czech Republic or commercial agencies. These events included Czech participation at major cultural festivals, such as jazz ensemble Band James Band at *Eurojazz* and *Jazztival Morelia*. Another significant event was the first-ever performance of Janáček's opera *Her Step-daughter* in Mexico, featuring conductor J. Chalupecký and H. Kaupová and A. Briscein in the leading singing roles of Jenůfa and Števa. The performance was part of the inauguration of the most important cultural festival in the capital, *Festival de México en el Centro Histórico*. K. Chrobková also gave an organ recital at the festival.

Concerts by the *Talich Quartet* and exhibitions of works by illustrator K. Pacovská and Prague-based Slovak photographer A. Feldeková also generated considerable interest. Artist P. Sís took part in a children's book fair as guest of honour. In addition, a dance project by *Tanec Praha* culminated with performances in Mexico featuring Czech and Mexican dancers and choreographers. Another positively received event was the first year of a young composers competition entitled *Janáček – Revueltas*, at which the singing and piano duo of Škarka-Pohl played five concerts.

Educational cooperation is an important area of mutual relations. Government scholarships are provided for postgraduate courses at Czech universities and at the *Slavonic Studies Summer School* (demand for Czech language study exceeded the available capacity more than tenfold in 2008). Student and teacher exchanges between Czech and Mexican universities on a non-governmental basis are also developing successfully, with hundreds of participants in the exchanges.

NICARAGUA

(Republic of Nicaragua)

Economic relations

Mutual trade turnover fell from 2007 and is totally negligible. The Czech Republic had a balance of trade deficit with Nicaragua.

The Czech Republic's principal export commodities: turbine components, mechanical apparatus, special material, plastics and plastic products, paper, paperboard and cardboard.

The Czech Republic's principal import commodities: plastics and plastic products, tobacco products, fruit juices and citrus fruits, spirits, clothing and clothing accessories, coffee.

Development cooperation

Under a small-scale local project the Czech Republic contributed CZK 86,000 towards computer equipment for the University of the Moravian Church. From March to May the Czech Geological Survey continued its work on a successful three-year project entitled *Geological Risks Prevention*. The Czech experts worked in the vicinity of the city of Boaco.

PERU

(Republic of Peru)

Visits by representatives of the Czech Republic:

- 15-17 May 2008 – visit by Prime Minister M. Topolánek in connection with the 5th EU-LAC Summit;
- 15-17 May 2008 – visit by Deputy Minister of Foreign Affairs H. Bambasová in connection with the 5th EU-LAC Summit;
- 15-17 May 2008 – visit by Deputy Minister of Industry and Trade M. Hovorka;
- 15-17 May 2008 – visit by First Deputy Minister of Defence M. Barták;
- 13-14 September 2008 – political consultations by Deputy Minister of Foreign Affairs H. Bambasová.

Economic relations

In 2008, trade exchange between the Czech Republic and Peru again increased. Exports registered particularly marked growth. The Czech Republic's balance of trade deficit with Peru was reduced. Peru was the Czech Republic's 99th biggest trading partner in 2008.

With a view to supporting economic activities in the field of tourism, in March 2008 a presentation about the Czech Republic for tour operators was staged in cooperation with the CzechTourism agency in Lima and other major cities Trujillo and Arequipa. *Czech Gastronomy Week*, co-organised by CzechTourism and Swissôtel Lima, took place in September 2008 and was accompanied by a tourism presentation about the Czech Republic.

The Czech Republic's principal export commodities: building machinery, toys, turbines, knitting machines, arms, transformers, cables and other conductors, ball bearings, hoses, pipes, loudspeakers, tools.

The Czech Republic's principal import commodities: fish flour, coffee, tin, zinc, dried fruit, cotton yarn, natural dyes, textiles, fruit, fish products, nuts, fresh vegetables.

Bilateral agreements concluded in 2008

- Memorandum of Understanding between EGAP and Banco de la Nación; Lima, 16 May 2008;
- Memorandum of Understanding between EGAP and Corporación Financiera de Desarrollo (COFIDE), Lima, 16 May 2008.

Development cooperation

Two development projects went ahead in Peru in 2008: a project in the agriculture sector entitled *Sustainable Use of Natural Resources in the Amazonian Region*, and an environmental project *Survey of Geomorphological and Hydrogeological Conditions in the Puirake River Basin and Mitigation of Environmental Factors Restricting the Development of the Region*.

The Czech Republic offers Peru government scholarships for study at Czech universities. Five Peruvian students began bachelor's or master's degree courses in 2008. There was also direct cooperation between universities in the form of student exchanges outside the framework of the awarded government scholarships.

Cultural relations

Several cultural events were organised in 2008. In January 2008, the Spanish edition of a book by professor of the Faculty of Science of Charles University B. Jánký entitled *To the Sources of the Amazon* was presented at the Ministry of Foreign Affairs' Inca Garcilaso Cultural Centre. An exhibition of tourist attractions in the Czech Republic was staged in connection with Czech National Day. In October 2008, Czech film *Empties* was screened at the 20th Festival of European Film.

URUGUAY

(Eastern Republic of Uruguay)

Visits by representatives of the Czech Republic:

- 20 May 2008 – meeting between Deputy Minister of Foreign Affairs H. Bambasová and Undersecretary for International Economic Relations of the Ministry of External Relations P. V. Ramela at the EU-LAC summit in Lima.

Visits by representatives of Uruguay:

- 10 November 2008 – working visit by President of the Chamber of Representatives of Parliament A. Perdomo.

The Embassy of the Czech Republic in Montevideo was closed as of 30 June 2008. As of that date, the Embassy of the Czech Republic in Buenos Aires, Argentina, assumed the diplomatic and consular role for Uruguay. Following the death of Honorary Consul Mayerová, the Honorary Consulate in Punta del Este was closed.

Economic relations

Uruguay is one of the Czech Republic's traditional economic partners in Latin America. Mutual trade again grew substantially in 2008.

The Czech Republic's principal export commodities: antibiotics, tyres for agricultural vehicles, ball bearings, rye ergot alkaloids, toys, pencils, pharmaceutical products with other antibiotics, drinking glassware, electric thermal resistors, ergotamine and ergotamine salts.

The Czech Republic's principal import commodities: combed wool, bleached wood pulp, beef, cured leather, mandarin oranges and clementines, uncarded uncombed wool, guts, bladders and stomachs, honey, oranges, apples.

Cultural relations

The closing of the embassy in Montevideo resulted in a decline in cultural activities in Uruguay. The *Association of Friends of the Czech Republic* organised smaller-scale cultural events in cooperation with the Czech embassy in Buenos Aires.

USA

(United States of America)

Visits by representatives of the Czech Republic:

- 25-28 February 2008 – working visit to Washington D.C. by Prime Minister M. Topolánek, during which he met with President G. W. Bush, Vice President R. Cheney and other representatives of the administration and Congress. The main themes of the visit were the question of the abolition of visa requirements with the USA (a Memorandum of Understanding on the Visa Waiver Program was signed), missile defence, support for human rights and democracy around the world and the deepening of trade relations. During his visit, M. Topolánek ceremonially inaugurated the Czech caucus in the US Congress. The Czech delegation also included Minister of Defence V. Parkanová and Minister of the Interior I. Langer, first Deputy Ministers of the Ministry of Foreign Affairs and the Ministry of Defence T. Pojar and M. Barták, Director of the Security Information Service J. Lang and a business delegation, who held talks with their partners and took part in an accompanying parallel programme;
- 7-12 April 2008 – visit to New York, Washington D.C. and Nebraska by a delegation of the Committee on Foreign Affairs of the Chamber of Deputies of Parliament, composed of committee chairman J. Hamáček (ČSSD), vice-chairman T. Dub (ODS) and members H. Mallotová (ODS), P. Wolf (ČSSD), M. Šimonovský (KDU-ČSL) and J. Schwippel (ODS);
- 18-22 May 2008 – at the invitation of the *Missile Defense Agency (MDA)*, a parliamentary delegation composed of deputies Z. Horníková (ODS), P. Hrnčíř (ODS), M. Pohanka (unaffiliated) and senator V. Koukal (KDU-ČSL) met with the

- director of MDA General H. Obering and representatives of the administration, and subsequently visited Vandenberg Air Force Base in California;
- 26-30 May 2008 – at the invitation of the *Competitive Enterprise Institute*, President V. Klaus visited Washington D.C. to present an English translation of his book *Blue Planet in Green Shackles*. President V. Klaus also met with Vice President R. Cheney and Chairman of the Board of Directors of the Federal Reserve System B. Bernanke;
 - 5-11 June 2008 – visit to Washington D.C. by Minister of Foreign Affairs K. Schwarzenberg in connection with his participation in the *Bilderberg Conference*. The Minister's programme centred on discussions with representatives of Washington think-tanks and representatives of the campaigns of the presidential candidates on important foreign policy topics (missile defence, transatlantic relations, Russia, Cuba, EU-USA etc.);
 - 23-27 June 2008 – a delegation of the Permanent Commission on Banking of the Chamber of Deputies of Parliament, composed of D. Rován (ODS), P. Wolf (ČSSD), P. Braný (KSČM) and J. Krupka (ODS) met in Washington D.C. with members of the Senate Committee on Banking, Housing and Urban Affairs senators M. Martinez (R-FL) and R. Shelby (R-AL), and with members of the House Committee on Financial Services congressmen J. Marshall (D-GA) and D. Manzullo (R-IL). The delegation also visited New York;
 - 16-21 July 2008 – Minister of Defence V. Parkanová met with Secretary of Defence R. Gates in Washington D.C. and was subsequently acquainted with elements of the missile defence system in Colorado Springs (Colorado) and Fort Greely (Alaska);
 - 2-5 September 2008 – in Washington D.C. a delegation of the Ministry of Foreign Affairs and Ministry of Defence led by First Deputy Ministers T. Pojar and M. Barták conducted the first-ever round of Czech-US strategic dialogue. Besides defence and security cooperation, other topics of discussion were energy security and the Czech Republic's presidency of the EU Council. The delegation also met with Deputy Secretary of State J. Negroponte, Under Secretary for Arms Control and International Security of the State Department J. Rood, director of the MDA General H. Obering and representatives of B. Obama's presidential campaign;
 - 29 September – 3 October 2008 – at the invitation of the *Washington Policy Institute*, President V. Klaus undertook a working conference tour during which he visited Portland (Oregon), Seattle (Washington) and Phoenix (Arizona). In these places he

presented his book *Blue Planet in Green Shackles* and met with representatives of leading companies (Starbucks, Microsoft), among others. The President also delivered an address at a breakfast organised by the *World Affairs Council of Seattle*;

- 30 October – 2 November 2008 – Deputy Prime Minister J. Čunek (standing in for Prime Minister M. Topolánek, who had to postpone his planned visit of the USA for internal political reasons) attended the ceremonial opening of the Czech National Building in New York and visited the Czech community in Florida;
- 30 October – 5 November 2008 – a delegation of the Chamber of Deputies of Parliament composed of P. Bratský (ODS), K. Dimitrov (ČSSD), V. Exner (KSČM) and J. Plachý (ODS) travelled to the USA to observe the US presidential elections;
- 14-15 November 2008 – Deputy Vice Prime Minister for European Affairs M. Mora attended the G20 summit in Washington D.C. as an observer;
- 17-19 November 2008 – Deputy Prime Minister for European Affairs A. Vondra and Minister of the Interior I. Langer travelled to New York on the first “visa-free” flight from Prague. In Washington D.C. Minister Vondra subsequently met with Secretary of Defense R. Gates, Special Envoy for Eurasian Energy B. Gray, M. Albright, Z. Brzezinski, congressman E. Tauscher (D-Ca), senator R. Lugar (R-IN) and representatives of influential think-tanks. He gave speeches on the subject of the Czech Republic’s upcoming presidency of the Council of the EU at the Brookings Institute and the *Daimler US European Forum on Global Issues*.

Visits by representatives of the United States of America:

- 8-10 January 2008 – a delegation of the US Congress, led by senator M. Martinez (R-FL) held talks in Prague on the situation in Cuba;
- 18-19 February 2008 – a delegation of the US Congress, led by senator B. Cardin (R-MD) and congressman A. Hastings (D-FL) visited Prague on their European tour along with other representatives of the Helsinki Commission and discussed primarily human rights issues;
- 21 February 2008 – senator J. Kyl (R-AZ) visited the Czech Republic to emphasise his support for the development of the missile defence project in talks with partners of the USA;
- 18-20 March 2008 – a delegation of the US Congress, led by congressman R. Boucher (D-VA) held talks in the Czech Republic, mainly on the issue of climate change;

- 29-30 March 2008 – a delegation of the US Congress led by J. Tierney (D-MA), one of the strongest opponents of missile defence in the House of Representatives, made a brief stop in Prague on its way to the Middle East;
- 5 May 2008 – congressmen J. Marshall (D-GA) and “Bud” Cramer (D-AL) delivered speeches in Prague at a conference on the Alliance dimension of missile defence and held talks with partners at the Ministry of Foreign Affairs;
- 28 May 2008 – a delegation of representatives of the US Congress, composed of senator P. Leahy (D-VT), senator R. Shelby (R-AL), senator T. Cochran (R-MS) and congressman C. Smith (R-NJ) held talks with First Deputy Minister of Foreign Affairs T. Pojar. The congressmen supported the deployment of the European elements of missile defence in view of their fundamental significance for international security and for the Alliance;
- 3 June 2008 – Secretary of Commerce C. Gutierrez held talks in Prague with Prime Minister M. Topolánek and with Minister of Foreign Affairs K. Schwarzenberg and then conducted expert-level negotiations at the Ministry of Industry and Trade;
- 8 July 2008 – on the occasion of her visit to the Czech Republic, Secretary of State C. Rice and Minister K. Schwarzenberg signed the *Main Agreement on Establishing a United States Ballistic Missile Defence Radar Site in the Czech Republic*;
- 29 July 2008 – a delegation of the US Congress composed of S. Lynch (D-MA), B. Inglis (R-NC) and S. Kagen (D-WI) held talks with the Political Director of the Section of Multilateral Security Affairs of the Ministry of Foreign Affairs M. Povejšil on the subject of missile defence;
- 21 October 2008 – Pentagon Under Secretary for Political Affairs E. Edelman held talks on the question of missile defence with Deputy Prime Minister A. Vondra;
- 28 November 2008 – a delegation of the Defense Appropriations Committee led by its chairman J. Murthy (D-PA) held talks in Prague with First Deputy Minister of Foreign Affairs T. Pojar, mainly on missile defence;
- 4 December 2008 – congressman R. Wexler (D-FL) held talks in Prague with Deputy Prime Minister for European Affairs A. Vondra and First Deputy Minister of Foreign Affairs T. Pojar on the situation in the Middle East, transatlantic relations, Russia, missile defence and the *Holocaust Era Assets Conference*;

- 5 December 2008 – Under Secretary for Arms Control and International Security of the State Department J. Rood held talks in Prague with First Deputy Minister of Foreign Affairs T. Pojar and other partners on missile defence;
- 18 December 2008 – a delegation of the US Congress led by Chair of the House Strategic Forces Subcommittee E. Tauscherová (D-CA) held talks in Prague on missile defence. At meetings with Deputy Prime Minister A. Vondra, Minister of Foreign Affairs K. Schwarzenberg and First Deputy Minister T. Pojar, E. Tauscher confirmed her support for the establishment of the radar site, particularly in view of the fact that it is part of the system of protection against missiles of various ranges (i.e. not just long-range).

Relations between the Czech Republic and the USA are above-standard. They have the quality of a strong alliance founded on shared values and close relations between the EU and the USA. The two countries' policies on security and the promotion of democracy and human rights share many common elements. The main themes in Czech-US relations in 2008 were the *Visa Waiver Programme*, the US missile defence system and the Czech Republic's presidency of the EU Council in the first half of 2009.

The Czech Republic was included in the *Visa Waiver Programme*, which enables Czech citizens to travel to the USA without visas, with effect from 17 November 2008. This eliminated the visa asymmetry that had existed between the Czech Republic and the USA since 1990. The abolition of visa requirements for Czech citizens was announced by President G. W. Bush on 17 October 2008 at a ceremony in the White House Rose Garden.

Substantial progress was made on the question of missile defence in 2008. Both main agreements governing the presence of the system's components in the Czech Republic were signed. In July 2008, foreign affairs ministers K. Schwarzenberg and C. Rice signed the *Main Agreement on Establishing a United States Ballistic Missile Defence Radar Site in the Czech Republic*. In September 2008, defence ministers V. Parkanová and R. Gates signed the *Status of Forces Agreement*.

In the last quarter of 2008, bilateral relations between the Czech Republic and the USA were dominated by the Czech Republic's preparations for the presidency of the EU Council. The most important event on the US side that influenced the two countries' bilateral

relations in the last quarter of 2008 was the November presidential elections, won by the Democratic candidate B. Obama.

Economic relations

Trade between the Czech Republic and the USA has increased more than eighteen-fold in the last 15 years (since 1993); in 2008, turnover reached a new maximum of USD 5.5 billion. In recent years, the USA has dropped out of the group of the Czech Republic's ten most significant trading partners in terms of trade turnover; the USA again occupied 14th place in 2008. The trend of the United States' declining importance in the Czech Republic's foreign trade has therefore stopped, but the Czech Republic's foreign trade continues to be dominated by relations within the EU. One positive trend, however, is that products with higher value added are accounting for more of Czech exports.

The Czech Republic's principal export commodities: computer technology, electronics, combustion engine parts, aviation technology, optical apparatus, aircraft and other transport equipment, medical apparatus.

The Czech Republic's principal import commodities: office machinery and computer technology, civil aircraft and parts, machinery and plant equipment, electrical machinery, medical apparatus, medicaments and pharmaceuticals, telecommunications equipment, transport equipment.

Cultural relations

For the second consecutive year, there were monthly screenings of Czech films at the Avalon Theatre in Washington D.C. The films shown in 2008 mainly dealt with the themes of the year's important historical anniversaries.

The principal cultural event in January was an educational project devoted to Sir Nicholas Winton, who saved several hundred Czechoslovak children, mostly Jews. The event included discussions in schools with Sir N. Winton's "children" and film screenings.

At Pecha Kucha Knight, a festival of contemporary Washington architecture and design, UP Závody were presented as foreign guest of honour.

A separate political and cultural project was a festival of human rights films during *Echoes of One World* in April, which was prepared in cooperation with the People in Need non-governmental organisation.

For the second year, in May the Embassy of the Czech Republic took part in *EU Open House*, a joint project of EU countries' embassies. Approximately 2,400 visitors came to look around the embassy and the ambassador's residence and to hear a concert by folk rock band *Chodská vlna*.

On the occasion of the 90th anniversary of the issue of the first Czechoslovak stamp, an exhibition of the Czech Postal Museum entitled *The Most Beautiful Czech Stamps* was presented at the NAPEX 2008 philatelic fair.

In Washington D.C., 19 Czech universities were presented at *NAFSA 2008*, the biggest international fair of education opportunities. The fair enabled the universities to establish contacts with the international departments of universities from all over the world and to offer courses at Czech universities to foreign students.

The autumn was dominated by *Fateful Eights in Czech History*, a series of events linked to one or more of the significant anniversaries that came in 2008. The series featured exhibitions, concerts (a tour by the band Plastic People of the Universe), lectures, film screenings and book presentations.

The most significant part of the series was an international history symposium on *Fateful Eights in Czech History: Historical Anniversaries of 2008 and their Significance for the Czech Republic Today* (23-24 October 2008). The symposium was organised in cooperation with George Washington University and the National Security Archive. Another important event was the opening of an exhibition of photographs by J. Koudelka entitled *Invasion 68: Prague*.

Several events unrelated to the theme of historical anniversaries also took place during the last quarter of 2008. In October, J. Nohavica performed at the embassy and pianist R. Kvapil gave a recital in the Kennedy Center. *Wide Asleep*, an exhibition of photographs by M. Borek, brought the Czech Republic substantial media attention. The exhibition was part of *DC Fotoweek*, the biggest festival of professional and amateur photography in the US capital.

VENEZUELA

(Bolivarian Republic of Venezuela)

Economic relations

Venezuela is one of the few countries of Latin America with which the Czech Republic has maintained a long-term balance of trade surplus. The tendency of the government of President H. Chávez to keep increasing expenditure on state investments, government contracts and social missions paves the way for the development of bilateral trade and economic relations, in particular Czech exports.

The Czech Republic's principal import commodities: powdered milk and cream, electric conductors, artificial guts from hardened proteins and plastics, motor vehicles, three-wheelers and toys, meat and poultry processing machinery, turboprop engines, stainless steel seamless pipes, cigarette paper, tamping machines and road rollers, electric light fixtures, microscopes, lift and skip elevator parts, steel structures, acrylic polymers, drinking glassware, glass products, glass jewellery, knitting machines *et al.*

The Czech Republic's principal import commodities: non-alloyed aluminium, homogenised reconstituted tobacco, lemons and limes, turboprop engines, rum, spectacle lenses, silicon oxide, aircraft propellers, refrigerators, liqueurs and spirits.

7. The Czech Republic's relations with Asian and Pacific countries

AFGHANISTAN

(Islamic Republic of Afghanistan)

Visits by representatives of the Czech Republic:

- 8 May 2008 – working visit by Prime Minister M. Topolánek (meeting with members of Czech army units and PRT);
- 6 October 2008 – working visit by Minister of Defence V. Parkanová (to visit Czech army units);

- 28 October 2008 – working visit by Prime Minister M. Topolánek (to visit Czech army units);
- 15-16 December 2008 – visit by a delegation of the Committee on Defence of the Chamber of Deputies of Parliament (to visit Czech army units – Uruzgan, Kandahar, KAIA).

The Czech Republic is actively engaged in the building of a secure, stable and economically sustainable Afghanistan. Assistance is provided both at a bilateral level and through multilateral trust funds. Afghanistan is a major beneficiary of Czech development cooperation and a considerable number of personnel of the Army of the Czech Republic operate there as part of ISAF (*International Security Assistance Force*).

In 2008, the contingent of the Army of the Czech Republic in ISAF increased to 435. The Czech *Provincial Reconstruction Team (PRT)* in Logar province in east Afghanistan started to operate in March 2008. The PRT was composed of around 200 persons, nine of whom are civilian experts. The Czech field hospital that had operated at the airport in Kabul finished its work towards the end of 2008. The Czech Republic also participated in the EUPOL police mission, to which it sent four experts.

Economic relations

Economic contacts have a long-standing tradition. Increased interest among Afghan officials and private entities in recent years has strengthened the positive trend in trade exchange. The enduring instability in Afghanistan is currently limiting the opportunities for private entities to play a substantial role in renewing the country and generally strengthening their trade and economic presence in the country.

The Czech Republic's principal export commodities: passenger cars, arums and ammunition, switches for electric circuits, electric conductors and cables, light fixtures, clothing accessories.

The Czech Republic's principal import commodities: nuts, dried fruits, audio reproduction apparatus, clothing, carpets.

Development cooperation

Finances of CZK 34.6 million were allocated to foreign development cooperation projects already approved for the 2006-2010 period; of that amount, approximately CZK 13.3 million was spent on four projects in 2008.

- Study for construction of a new railway line from the Iranian border to Kabul, worth approx. CZK 2.8 million; the total budget for 2006-2009 is CZK 9.2 million;
- Study for development of public transport in Kabul, worth approx. CZK 3.5 million; the total budget for 2006-2008 is CZK 7.9 million;
- Stabilisation of incomes in Balch province, worth approx. CZK 2 million;
- Improving the standard of agriculture high schools, worth CZK 5 million; the total budget for 2008-2010 is CZK 15.5 million.

The following bilateral projects are currently being implemented in Afghanistan:

The Czech PRT has operated in Logar since March 2008. As of the end of 2008, 38 projects worth CZK 60 million were being implemented; ten more projects were in the preparation phase. As well as longer-term projects the PRT also implements "QIPs" (*Quick Impact Projects*). These are smaller-scale projects, such as digging wells, supplying first aid equipment for the Afghan National Police etc.

There were six Afghan students studying on government scholarships in the Czech Republic in 2008, three of them on bachelor's courses and three on master's courses. Three government scholarships were allocated for the 2007/2008 academic year; one place was not taken. Four places on bachelor's/master's courses in Czech were offered to Afghanistan for the 2008/2009 academic year, but these were not used. There were six government scholarship beneficiaries from Afghanistan studying at Czech public universities in 2008.

Humanitarian aid

The Czech Republic provided Afghanistan with humanitarian aid totalling approx. CZK 7.4 million in value in 2008:

- CZK 3.8 million as part of QIP;

- CZK 3.6 million for mine clearance through the HALO Trust.

AUSTRALIA

(Commonwealth of Australia)

Visits by representatives of the Czech Republic:

- September 2008 – visit by a delegation of the Committee on Education, Science, Culture, Human Rights and Petitions of the Senate of Parliament, led by its 1st vice-chairman J. Hálek.

Economic relations

The standard of trade and economic relations with Australia is good, and trade exchange has been growing very dynamically in recent years. In the last five years, Czech exports to Australia have increased by 440% and total turnover by 308%.

The Czech Republic's principal export commodities: machine engineering products, electrical engineering products, motor vehicles, toys, timber, paper, plastic products, glass products.

The Czech Republic's principal import commodities: wool, pharmaceuticals, electronic components, aluminium oxide, and beverages, mainly wine.

Cultural relations

The Czech community living in Australia is currently estimated to number 27,000. A Czech or Czech and Slovak club exists in each Australian state and territory, bar the Northern Territory. The Embassy of the Czech Republic in Canberra and the General Consulate in Sydney helped organise cultural events, exhibitions, concerts by Czech musicians and trade seminars.

BHUTAN

(Kingdom of Bhutan)

Development cooperation

A small-scale local project of the Czech Republic in Bhutan designed to strengthen the status of women in society was completed in 2008.

CAMBODIA

(Kingdom of Cambodia)

Visits by representatives of the Czech Republic:

- 8-13 May 2008 – working visit by a delegation of the Ministry of Finance, led by Deputy Minister of Finance T. Zídek, Deputy Minister of Foreign Affairs J. Kohout and Deputy Minister of Culture A. Tesářík. The main purpose of the visit was to hold intergovernmental talks on the settlement of a debt between Cambodia and the Czech Republic; the talks led to the ceremonial signing of a Memorandum of Understanding between the two countries' finance ministries. The Memorandum of Understanding envisages that part of the Cambodian debt will be used in the form of the Czech Republic's development assistance to Cambodia. It should be stressed that the Czech Republic is the first country that managed to negotiate and conclude the long-term problem of the Cambodian state debt without writing off the entire outstanding amount.

Economic relations

An *Agreement on Promotion and Reciprocal Protection of Investments* was signed by the Czech and Cambodian governments in 2008.

Development cooperation

Bilateral projects					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK thousands)	Total project budget (CZK thousands)

Industrial development	Increasing the Supply of Drinking Water, Healthcare and Educational Facilities in a Poor Farming Community	Rainbow Gateway	2008	500	500
Social development	Increasing the Availability of Quality Healthcare with the Emphasis on Mother and Child Care	People In Need	2008	1,250	3,250
	Survey of the Earliest Settlements at Angkor	Academy of Sciences of the Czech Republic – Nuclear Physics Institute	2008	350	350
	Improving the Population's Skills and Abilities with a View to Strengthening their Social and Economic Status, Angkor	Lux et Lapis, n. f.	2008	350	350
Total				2,450	4,450

Cultural relations

Two or three government scholarships for study at Czech universities are offered to Cambodia every year. The Cambodian side is mainly interested in studying archaeology.

CHINA

(People's Republic of China)

Visits by representatives of the Czech Republic:

- 21-25 April 2008 – visit by a delegation of Minister of Culture V. Jehlička, signing of a Protocol on Cultural Cooperation;
- 19-26 May 2008 – visit by Vice-chairman of the Chamber of Deputies of Parliament J. Kasal and a delegation of the Committee on Agriculture of the Chamber of Deputies led by its chairman J. Papež;
- 20 June 2008 – visit by Vice-chairman of the Chamber of Deputies of Parliament and chairman of the KSČM V. Filip to attend the 5th session of the *Asia Europe Parliamentary Partnership (ASEP – 18-20 June)*;
- 14-18 August 2008 – private visit to the 2008 Olympic Games by Prime Minister M. Topolánek;

- 1-6 September 2008 – visit by Special Envoy for Energy Security V. Bartuška;
- 5-18 September 2008 – visit to the Paralympic Games by an official delegation of the Czech Republic, led by First Deputy Minister of Education, Youth and Sports E. Bartoňová;
- 24-25 October 2008 – visit by a delegation of Deputy Prime Minister A. Vondra to the 7th *Asia-Europe Meeting ASEM* (including bilateral talks with Minister of Foreign Affairs Yang Jiechi on the sidelines).

Visits by representatives of China:

- 13-14 January 2008 – visit by Secretary-General of the State Council Hua Jianmin;
- 23-25 September 2008 – visit by a delegation of the Ethnic Affairs Committee of the National People's Congress.

Economic relations

In 2008, foreign trade with China (based on the available data) attained differing results depending on the foreign currency it is expressed in. In Czech koruna terms, exports to China fell by 6%, but grew by 13.4% in USD terms. Expressed both in koruna and dollar terms, imports grew by double figures (12.9% and 36.3% respectively) to exceed CZK 190 billion (CZK 192.831 billion). The Czech Republic's balance of trade deficit with China again increased to over CZK 181 billion, but the increase was not as pronounced as in 2007. It is clear from the above results that foreign trade with China was influenced by the worsening financial crisis in the second half of 2008.

The Czech Republic's principal export commodities: industrial machinery and plant equipment (e.g. transmission shafts and cranks, heating and refrigeration equipment, pumps and liquid conveyors and parts of such), electrical apparatus, devices and appliances, power-generation machinery and plant equipment (internal combustion piston engines), parts for office machinery and automatic data processing machines; metalworking machinery and components of such, textile and leatherworking machinery and parts of such, telecommunications equipment, accessories of audio and video recording and reproduction apparatus, motor vehicle spare parts and accessories, glass, measuring, control and analytical apparatus, optical instruments and apparatus, *et al.*

The Czech Republic's principal import commodities: automatic data processing machines and components, telecommunications equipment, accessories for audio and video recording and reproduction apparatus, peripherals, musical instruments, monitors and projectors, television sets, prams, toys and sports equipment, office machinery, footwear.

Bilateral agreements concluded in 2008

- Protocol on Cultural Cooperation between the Ministry of Culture of the Czech Republic and the Ministry of Culture of the People's Republic of China for 2007-2011, Beijing, 4 April 2008;
- Arrangement on School Exchanges between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education of the People's Republic of China for 2008-2011, signed by correspondence as of 8 July 2008.

Humanitarian aid

In connection with the snow calamity in February 2008, the Czech Republic provided financial humanitarian aid of CZK 1.5 million.

In connection with the earthquake in May 2008, the Czech Republic provided financial humanitarian aid of CZK 1.8 million.

Cultural relations

Piano virtuoso P. Kašpar performed a concert in the Forbidden City in Beijing in April 2008.

The Zdeněk Sklenář Gallery took part in *Beijing Art 2008*. The exposition featured works by Czech modern artists such as L. Rittstein, F. Diaz, V. Cígler, J. Straka, Z. Sýkora, M. Dobeš, M. Grygar, K. Malich and P. Písařík.

The folk music and dance ensemble Jasénka from the Vsetín district participated in the first *World Folk Song Festival* in Beijing on 4-7 September 2009.

Czech film *Roming* by Jiří Vejdělek was screened at the *EU Film Festival* in Beijing.

The Czech Republic was represented by the film *Václav* at the 11th *Shanghai International Film Festival* (June 2008). Actress E. Vašaryvá won the award for best actress and M. Epstein for best screenplay.

Hong Kong

Visits by representatives of Hong Kong:

- 18-21 March 2008 – visit by a delegation of the Committee on Development of the Legislative Council;
- 29 May – 1 June 2008 – official visit by Financial Secretary J. Tsang.

Economic relations

Hong Kong is one of the few Asian economies with which the Czech Republic has had a balance of trade surplus for several years (since 1999). Hong Kong's cultivated legal and business environment, low taxes and traditional and close ties to the huge Chinese market and production capacities make it attractive for Czech businesses.

The Czech Republic's principal export commodities: tantalitic and ceramic capacitors, resistors and resistor parts, inductors, parts of automatic data processing machines, telephones for cellular and other wireless networks, glass and glass products, primarily glass beads and imitation pearls and precious stones.

The Czech Republic's principal import commodities: audio and video reproduction apparatus, automatic data processing units, optical instruments, clothing and clothing accessories, jewellery, watches, toys and other consumer goods.

The vast majority of imported and exported goods comprise re-exports intended for southern regions of the People's Republic of China or from southern China to the Czech Republic.

Cultural relations

In March and April, the most extensive festival of Czech films in Hong Kong to date was organised in cooperation with the *Hong Kong International Film Festival Society (HKIFFS)*. In total, fifteen Czech feature films and animated films were presented during the festival. The film *Empties* won the main festival prize for a foreign feature film.

In August, the *National Black Light Theatre of Prague* gave three performances of its production *Fantasy Travellers – Alice in Wonderland & Gulliver*. The performances were part of the *International Arts Carnival*.

Taiwan

In accordance with the “One China” policy, the Czech Republic has diplomatic relations with the People’s Republic of China; in respect of Taiwan, the Czech Republic’s activities concentrate on bilateral expert-level cooperation in the fields of economy and trade, culture, science, education and tourism. The Czech Republic is represented by an Economic and Cultural Office in Taipei.

Economic relations

The nature of trade relations with Taiwan in 2008 was no exception to the long-term trend. The Czech Republic’s balance of trade deficit with Taiwan continued to grow, as the ratio between exports and imports was approximately 1:16. Of the Taiwanese investors in the Czech Republic, Foxconn opened a second factory in Kutná Hora (following its Pardubice plant) making LCD displays. Another Taiwanese manufacturer of LCD monitors, AUO Optonics, started to operate in the Czech Republic as well.

The Czech Republic’s principal export commodities: audio and video recording and reproduction apparatus, mechanical machinery and devices, glass and glass products, iron and steel products, optical, medical and surgical instruments etc.

The Czech Republic’s principal import commodities: in relation to Taiwanese investments in the Czech Republic: these are components of TV signal transmission and reception apparatus, telephone and other equipment for voice and data transmission, media for audio and video recording, computer components, integrated circuits, monitors, *et al.* Other significant import commodities included bicycles and bicycle components, motor vehicle and motorcycle components, iron and steel products, toys and sports equipment.

Cultural relations

Moravian dulcimer ensemble Sodovjan performed in Taiwan in the autumn.

COOK ISLANDS

Based on government resolution No. 1334 of 28 November 2007, by which the Czech government expressed its consent for the establishment of diplomatic relations with the Cook Islands, on 12 May 2008, a *Joint Communiqué on the Establishment of Diplomatic Relations between the Czech Republic and the Cook Islands* was signed, establishing diplomatic relations between the two countries.

EAST TIMOR

(Democratic Republic of Timor-Leste)

Humanitarian aid

In 2008, the Czech Republic provided CZK 0.61 million in humanitarian aid for displaced persons in the form of a contribution to the International Organisation for Migration.

INDIA

(Republic of India)

Visits by representatives of the Czech Republic:

- 14-17 November 2008 – working visit by Minister of Industry and Trade M. Říman.

Visits by representatives of India:

- 8-9 September 2008 – working visit by Minister of State for External Affairs A. Sharma;
- 10-11 November 2008 – working visit by Minister of Commerce and Industry K. Nath.

Economic relations

Trade and economic cooperation with India registered dynamic growth for the fifth consecutive year. Both exports and imports grow by tens of percent every year, and the Czech Republic has had a slight balance of trade surplus with India for the last five years. In 2008, mutual trade turnover exceeded USD 1 billion for the first time in history. Today, India is thus the third biggest Asian market for Czech exports.

The most successful sectors for Czech exports are the power industry, infrastructure development and extraction of coal, oil, gas and other mineral raw materials. In addition, supplies to the automobile, textile, leatherworking, pharmaceutical and chemical industries, information technology and now also biotechnology and healthcare are also significant for Czech exporters. Czech exporters have the advantage of the tradition and good reputation created by previous supplies of technologies. Supplies for the completion of machine engineering products are beginning to make an impact on imports. There is also growing interest in investment, both in the Czech Republic and in India. Further partnerships between Indian and Czech enterprises were established.

The Czech Republic's principal export commodities: bodies, motors and other parts for passenger cars and lorries, machine tools, textile machinery and accessories of such, pumps, shafts, ball bearings, heterocyclic compounds, glass and glass products.

The Czech Republic's principal import commodities: seamless steel tubes and ferrous alloys electric motor parts, transformers, medicaments, chemicals, cotton yarns and textile products, unrecorded media for audio recording, electric cables.

Development cooperation

In 2008, a healthcare project worth CZK 3 million entitled *Control/Eradication of Leprosy, TBC, HIV/AIDS* was implemented in India. The total budget for these projects for the years 2008-2009 is CZK 4 million.

India was awarded one government scholarship for the 2007/2008 academic year and two for 2008/2009. There were nine government scholarship beneficiaries from India studying at Czech public universities in 2008.

Cultural relations

Czech film *The Rebels* was screened at the *Little Europe* festival of the cinema of Central European countries. The annual film festival is sponsored by the Embassy of the Czech Republic and organised by the Slavonic Studies Department of the University of Delhi.

Czech film *Zelary* was screened at the ceremonial opening of the 13th *Jamshedpur International Film Festival*, which ran from 15 to 26 March 2008.

The 13th *European Union Film Festival* took place from 1-30 April 2008 and featured the Czech documentary film *It's Spring in Prague Every Year, It's the Prague Spring Every Year*.

The film *Give the Devil his Due* was screened at the 8th *International Children's Film Festival* in Calcutta, which opened on 14 May 2008.

J. Menzel's film *I Served the King of England* was shown at the *Calcutta Film Festival* that took place from 14-21 November 2008. As part of the *International Forum of New Cinema* audiences could see Czech films *Indian Summer* and *The Rebels*.

The 12th *International Conference of the National Trusts Organization (INTO)*, organised by the *Indian Trust for Art and Cultural Heritage (INTACH)*, was held in Delhi on 3-5 May 2008. Three Czech experts took part in the conference.

In annual children's art competitions, Indian children were awarded four medals and seventeen diplomas in *Lidice 2008*, and 21 young Czech artists received awards in the *Shankar International Children's Competition*.

INDONESIA

(Republic of Indonesia)

Visits by representatives of the Czech Republic:

- January 2008 – visit by Deputy Minister of Foreign Affairs H. Bambasová;
- May 2008 – visit by a delegation of the Committee on Foreign Affairs and the Committee on Defence of the Chamber of Deputies of Parliament, jointly led by both committee chairmen J. Hamáček and J. Vidim.

Economic relations

Czech trade with Indonesia has a very long-standing tradition and has been developing successfully in recent years. The commodity structure of Czech exports to Indonesia has been changing gradually but profoundly. The change in the commodity structure of Czech exports is linked to the fact that in the new conditions Czech exports to this territory centre on the sales of small and medium-sized firms.

The Czech Republic's principal export commodities: nitrogen compounds, telecommunications equipment, boilers, taps, valves and fittings for pipes, textile and leatherworking machinery and parts of such, pumps, compressors.

The Czech Republic's principal import commodities: natural rubber, automatic data processing machines, telecommunications equipment, audio and video recording and reproduction equipment, footwear.

Cultural relations

The Embassy of the Czech Republic in Jakarta organised two significant cultural events in 2008. The first came on the occasion of the visit by Deputy Minister of Transport I. Vykydal in August 2008, who opened the Czech exposition at the machine engineering and transport trade fair; the second was a social event in October to mark Czech National Day. In the field of educational and scientific contacts, the Embassy of the Czech Republic in Jakarta represented the Czech Republic at the November trade fair of education opportunities and universities in Jakarta.

Development cooperation

Three development cooperation products were implemented in Indonesia in 2008 with a total value of CZK 4.2 million:

- a Ministry of Transport study entitled *Strategic Feasibility Study for the Development of Air Traffic in Java with the Emphasis on Yogyakarta Province* with a budget of approx. CZK 1.7 million; the project's total budget for 2007-2008 is approx. CZK 2.4 million;
- a Ministry of Transport study entitled *Feasibility Study for Public Transport in the Regions of Central Java and Yogyakarta Province* with a budget of CZK 0.5 million; the project's total budget for 2007-2009 is approx. CZK 2.3 million;

- a Ministry of the Environment project entitled *Renewal of the Territory around Lake Tondano* worth CZK 2 million; the total budget for 2008-2010 is approx. CZK 7 million.

Two scholarships were awarded to Indonesia for the 2008/2009 academic year, thus using up the offered quota. There were four Indonesian students studying at Czech public universities in 2008.

JAPAN

Visits by representatives of the Czech Republic:

- 6-9 September 2008 – private visit by President V. Klaus, during which he met with the then Prime Minister Y. Fukuda.

Visits by representatives of Japan:

- 19-22 July 2008 – working visit by a delegation of the House of Representatives led by Vice-speaker T. Yokomichi.

Economic relations

Japan is one of the Czech Republic's most important economic partners. Bilateral economic relations are apparently better than ever before in the post-war period. The influx of Japanese investments in the Czech Republic continued in 2008, although the pace of investment has slowed. The cumulative value of investments has reached approx. CZK 80 billion, creating jobs for around 43,000 people in the Czech Republic. Japan thus retained its long-term position as the second biggest investor in the Czech Republic after Germany. The investments increasingly target fields with high value added. In terms of the number of Japanese firms operating in its territory (over 240 in the Czech Republic, 90 of them manufacturers), the Czech Republic comes fourth after Great Britain, France and Germany.

The Czech Republic ended 2008 with a balance of trade deficit of approx. CZK 86 billion, an increase of 28% over the previous year.

The Czech Republic's principal export commodities: industrial machinery and plant equipment, road vehicles, power-generating machinery and equipment.

The Czech Republic's principal import commodities: telecommunications and audio recording and reproduction equipment, electrical apparatus, devices and appliances, road vehicles.

Cultural relations

The most popular aspect of Czech culture in Japan is classical music. Many leading Czech ensembles performed in Japan in 2008, e.g. the Czech String Quartet, Czech Philharmonic Sextet, Wihan Quartet, Nostitz Quartet, Suk Chamber Orchestra and others. Of the larger musical companies, the Prague Chamber Opera, the Czech Radio Symphony Orchestra and the National Theatre Opera performed in Japan. Tokyo's renowned Nissay Theatre chose to perform the opera *The Makropulos Case* (in Czech) this year.

Besides musical events, the Czech Centre and the Embassy of the Czech Republic staged several exhibitions; events were organised to raise awareness of Czech cinema; and the *Malé divadlo kjógenu* theatre company visited Japan.

There was an exchange of four government scholarships in 2008. Japanese applicants for scholarships in the Czech Republic are interested mainly in studying arts and humanities subjects. However, there is a much greater number of students studying at Japanese universities under bilateral agreements between universities in the two countries. Five scholarships were again offered to Japanese students to attend the Slavonic Studies Summer School; all five were used.

KAZAKHSTAN

(Republic of Kazakhstan)

Visits by representatives of the Czech Republic:

- 6 March 2008 – working visit by Deputy Minister of Health M. Kellerová;
- 26 May 2008 – stop-over by a delegation of the Committee on Agriculture of the Chamber of Deputies of Parliament led by committee vice-chairman J. Kasal;
- 29 June – 3 July 2008 – a delegation of the Chamber of Deputies, led by deputy P. Bratský, attended a session of the OSCE Parliamentary Assembly;
- 9-12 September 2008 – visit by President of the Senate of Parliament P. Sobotka with a business delegation, combined with the holding of the 2nd session of the *Czech-*

Kazakh Intergovernmental Commission for Economic, Trade, Scientific and Technical Cooperation;

- 8-9 October 2008 – Ambassador V. Bartuška, Special Envoy for Energy Security, attended the *KIOGE* conference in Almaty;
- 17 October 2008 – Minister for Human Rights and Minorities D. Stehlíková attended the *Common World: Progress through Diversity* forum held as part of Kazakhstan's preparations for the OSCE Chairmanship.

Visits by representatives of Kazakhstan:

- 30 October 2008 – visit by Deputy Minister of Foreign Affairs K. Sarybay.

Czech-Kazakh relations centred on cooperation in the economic and trade area. The problem of Kazakhstan's debt to the Czech Republic remains unresolved. There was a substantial strengthening of contacts on the political level in 2008.

Economic relations

Kazakhstan is the Czech Republic's most important trading partner in Central Asia. The volume of trade exchange has grown successfully in the last five years. The 2nd session of the *Czech-Kazakh Commission for Economic, Industrial and Scientific and Technical Cooperation* took place in Astana in September 2008.

The Czech Republic's principal export commodities: assembly components for Škoda passenger cars, medicaments, pulp and paper products, high voltage distribution apparatus, chipboard, gas turbine parts, pumps, digital processor units, aluminium foil, assembled structures, steel vats, medical equipment and fittings.

The Czech Republic's principal import commodities: mineral fuels, phosphorous and selenium, unprocessed cotton, liquefied propane and butane, ferrous alloys, tobacco.

Development cooperation

In 2008, a regional project entitled *Support for Migration Management in Central Asia (Kyrgyzstan, Kazakhstan)* was implemented; the project comes under the authority of the Ministry of the Interior of the Czech Republic. *Strengthening the Migration and Border Management Capacities of Source and Transit Countries.*

Four scholarships were allocated for the 2007/2008 academic year, and the offered quota was fully used. There were twelve government scholarship beneficiaries from Kazakhstan studying at Czech public universities in 2008.

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Economic relations

The Czech Republic's principal export commodities: machinery and plant equipment, electrical apparatus, devices and appliances.

The Czech Republic's principal import commodities: plastic products, electrical apparatus, devices and appliances, clothing products and accessories.

Bilateral agreements concluded in 2008

- Programme of Cooperation in the Field of Education between the Ministry of Education, Youth and Sports of the Czech Republic and the Ministry of Education of the Democratic People's Republic of Korea for the Years 2008-2011;
- Protocol between the Government of the Czech Republic and the Government of the Democratic People's Republic of Korea on an Amendment to the Agreement between the Government of the Czech Republic and the Government of the Democratic People's Republic of Korea on the Promotion and Mutual Protection of Investments.

Development cooperation

The Czech Republic currently provides the DPRK with two long-term scholarships as part of its programme of assistance to developing countries and four places on the *Slavonic Studies Summer School*. In addition, the Czech Republic will be offered four places on Korean language summer courses. From 19 to 23 May 2008, a seminar entitled *The Czech Economy and Its Development* took place in Prague for a group of seven economists from the DPRK; the seminar was organised by CERGE.

Humanitarian aid

In April, humanitarian aid from the Czech Republic to Onchon county in the form of 44,575 apple tree grafts of several different varieties, including technical assistance with planting, was officially delivered.

Cultural relations

Several cultural projects were organised in 2008. The first of these was the DPRK's involvement in the *Lidice International Children's Art Competition* – two local schools entered the competition. Two Czech films, *Nicholas Winton – the Power of Good* and *Empties* were screened at the *Pyongyang International Film Festival*. *Empties* won the special jury prize. A travelling exhibition of *The History of Czech Beer* toured the cities of Nampo, Wonsan, Hamhung and the capital Pyongyang from the end of September to the beginning of November.

REPUBLIC OF KOREA

Visits by representatives of the Czech Republic:

- 15-20 June 2008 – working visit by Deputy Minister of Foreign Affairs H. Bambasová.

Economic relations

The position held by the Republic of Korea in the Czech Republic's investment and trade cooperation with East Asian countries was consolidated further in 2008. In terms of total trade turnover, the Republic of Korea is currently the Czech Republic's 22nd biggest trading partner, three places higher than in 2007.

The total turnover achieved with the Republic of Korea, which last year grew by more than 47% to reach USD 1.636 billion, makes it the Czech Republic's third biggest trading partner in Asia, Africa and Latin America (behind China and Japan). The Czech Republic's balance of trade deficit again worsened: the faster pace of growth of imports (USD 1.383 billion) over exports (USD 253 million) was mainly influenced by imports of technically very advanced goods intended largely for further industrial use.

The Czech Republic's principal export commodities: crank shafts, iron and steel products, toys, optical and measuring instruments, automobile components.

The Czech Republic's principal import commodities: consumer electronics, televisions, mobile communication devices, passenger cars.

Cultural relations

The biggest cultural and promotional event organised by the Embassy of the Czech Republic was the *A Touch of Praha* exposition of Czech design at the *Seoul Design Olympiad*, which was visited by two million people during October. An exhibition of Czech Cubist architecture was installed at Kyemyong University. Other events worth mentioning include the Czech Republic's participation in the opening of a glass museum in Cheju Island, where Czech glass forms a major part of the exhibits; performances by a number of musical ensembles (from children's choirs to the group Gipsy.cz); and the participation of Czech films and filmmakers at the biggest Asian film festival in Busan. In October the *Hankuk University of Foreign Studies* hosted an international conference of Czech scholars from the Far East with the participation of the Embassy of the Czech Republic.

KYRGYZSTAN

(Kyrgyz Republic)

Mutual relations are free from any unresolved problems. The trade and economic field forms the basis of mutual cooperation. The Czech embassy accredited for Kyrgyzstan is located in Astana, Kazakhstan. The Kyrgyz side is interested in intensifying relations.

Development cooperation

The following development cooperation projects were implemented in Kyrgyzstan in 2008:

- Rural and Agricultural Development – worth CZK 2 million;
- Risk Analysis and Mitigation of the Consequences of the Floods Caused by Breaks of Moraine Dams – drawdown in 2008 was almost CZK 5 million; the total project budget for 2007-2010 is CZK 15.2 million;
- Comprehensive Study of Urban and Suburban Passenger Transport in Bishkek – worth CZK 0.4 million in 2008; the total project budget for 2008-2009 is CZK 2.3 million;
- Support for Migration Management in Central Asia (Kyrgyzstan, Kazakhstan) – total value CZK 0.68 million.

Two government scholarships were awarded for the 2007/2008 academic year and one for 2008/2009; the offered quota was used in both cases. There were eight government scholarship beneficiaries from Kyrgyzstan studying at Czech public universities in 2008.

LAOS

Visits by representatives of the Czech Republic:

- May 2008 – visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament.

Development cooperation

Bilateral projects					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK thousands)	Total project budget (CZK thousands)
Industrial development	AVAFEED Feed Mixtures and their Benefit for Increasing the Productivity of Livestock Breeding	AVAS Export-import, s.r.o.	2008	500	500
Total				500	500

MALAYSIA

Visits by representatives of the Czech Republic:

- May 2008 – visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament.

Economic relations

There was a further increase in the Czech Republic's balance of trade deficit with Malaysia, caused mainly by imports of parts and components for computer assembly and manufacture in the Czech Republic.

The Czech Republic's principal export commodities: paper, paperboard and products of such, chemicals and plastic products, telecommunications and audio recording and reproduction apparatus, electrical apparatus and devices, furniture, dried milk.

The Czech Republic's principal import commodities: electrical and electronic apparatus and devices (processors and controllers), office machines and automatic data processing machines (in particular memory units), telecommunications equipment, crude rubber.

Development cooperation

A programme for sending Malaysian students to study medicine in the Czech Republic has run successfully since 2006. 71 students joined three accredited medical faculties in 2008. The total number of Malaysian students in the Czech Republic exceeded 200. The accreditation process for other medical faculties is going ahead. The development of cooperation in this field is therefore one of the priorities in bilateral relations.

Humanitarian aid

In 2008, the Czech Republic provided CZK 0.43 million in humanitarian aid for Burmese refugees in Malaysia.

MONGOLIA

Economic relations

Economic relations between the Czech Republic and Mongolia registered further development (in both Czech exports and imports) in 2008, despite the economic turbulence at the end of the year. A number of traditional commodities (food processing machinery – 29%, medical equipment – 15% and transport equipment – 4%) were successfully exported to Mongolia, as well as some new and significant items. These include plant units in the form of grain mills (one almost completed; the modernisation of another mill is in the contract negotiation phase) and construction (a production line for construction sandwich elements is about to be launched).

As Mongolia is one of the programme countries for the Czech Republic's foreign development cooperation, supplies of equipment and technologies for this area (power industry, healthcare, processing and food industry) represents a substantial share of Czech exports to this country.

The Czech Republic's principal export commodities: food products, medical equipment, transport equipment.

The Czech Republic's principal import commodities: chemicals, textile products and hides.

Development cooperation

Bilateral projects					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK thousands)	Total project budget (CZK thousands)
Industrial development	Delivery of Water Supply Units for Areas with Insufficient Drinking Water	GEOtest, a.s.	2006-2010	8,000	27,470
	Tackling the Crisis in the Supply of Drinking Water in Remote Somons	Vodní zdroje, a.s.	2008-2010	432	432
	Renewal and Securing of Water Sources in Semi-desert Areas	Geomin	2006-2009	4,000	13,025
	Ensuring of Drinking Water Sources and Supply for Newly Inhabited Districts	Vodní zdroje, a.s.	2006-2009	8,495	21,285
	Ensuring of a Supply of Drinking Water for a Hospital	Healthcare Centre	2008	340	340
	Drinking Water Supply of Erdenet City and Its Surroundings	Geomin	2006+2009	4,499	10,799

	Modernisation of Technical Equipment and Human Resources Development at Ulaanbaatar Hospital	Hospimed, s.r.o. Prague	2006-2010	8,000	27,427
	Establishment of a Technology Park for Tuition in Rotating Machinery at the National University of Mongolia – Phase II	ZAT, a.s. Příbram	2006-2010	4,000	12,000
	Modernisation of Drives and Controls of Block of Power Station No. 4 in Ulaanbaatar	ZAT, a.s. Příbram	2003-2009	7,500	55,000
	Automation of Coal Handling at Power Station no. 4 – Phase II	Ministry of Industry and Trade	2006-2010	7,500	33,000
	Modernisation of a Hospital	Khatgal Town Council	2008	330	330
	Modernisation of the Kharzagnuur Health Centre in a Poor District on the Periphery of Jarmak	Kharzagnuur Health Centre	2008	330	330
	Assistance in the Modernisation of Environmental Desulphurisation at the Chutul Lime Works – Phase II	Eurosound, a.s.	2005-2010	4,000	26,000
	Waste Water Purification Plant at a Leatherworking Factory in Darkhan	Eurosound, a.s.	2006-2010	6,500	28,000
Social development	Preparation and Launch of a Social Work Study Programme	Caritas Czech Republic	2006-2010	2,918	12,100
	Information and Communication Platform for the Socio-medical Sector	Caritas Czech Republic	2008-2009	376	1,991

	Socio-economic Stabilisation and Development of Remote Areas	Caritas Czech Republic	2008-2010	2,838	2,838
Environment	Technical and Technological Support for the Clear-up of Environmental Hot Spots	Geomin	2008-2010	400	400
	Assessment of Environmental Risks of Mercury Pollution during the Exploitation of Gold Deposits in the Selenge River Basin	Geomin	2006-2008	4,500	9,820
Agriculture	Livestock Tagging in the Central Region	Czech University of Life Sciences in Prague	2007-2009	5,000	9,700
	Renewal of Crop Production in Semi-arid Areas of North Gobi	Mendel University of Agriculture and Forestry in Brno	2006-2009	1,300	6,200
	Meat and Leather Processing Plant	Alphacon, s.r.o.	2006-2010	5,000	28,000
	Support for the Production of Eggs and Poultry Meat at Bochog Poultry Farm	AlphaCon, s.r.o. Prague	2006-2009	2,000	9,980
	Improvement of Crop Production in Dornogobi Province	ADRA	2007-2009	5,000	12,000
Total				93,258	348,479

Cultural relations

In February and December 2008, the Embassy of the Czech Republic hosted the presentation of diplomas and medals for successful participants in the 35th year of the *Lidice Children's International Art Competition*. In March, the embassy and the *Association of Graduates of Czech and Slovak Universities and Courses* co-organised an Easter meeting for children, young people and adults.

At the start of September 2008, the ambassador presented children with prizes for successful entries in the environmental awareness competition entitled *Environmental Education of Young People in the Khovsgol Region*. The competition was organised in cooperation with the firm of *Průmyslové stavitelství Brno, a.s.* In keeping with tradition,

a reception was held on the occasion of Czech National Day in October, at which students from the College of Music and Dance in Ulaanbaatar performed.

MYANMAR/BURMA

(Union of Myanmar)

Political and economic relations between the Czech Republic and Myanmar/Burma are in a phase of long-term stagnation and were confined in 2008 to the maintenance of a basic level of contacts. The question of human rights in Myanmar/Burma is one of the priorities of the Czech Republic's foreign policy. The Czech Republic provides humanitarian aid, mainly to refugees from Myanmar/Burma, and provides substantial financial support for Czech transformation cooperation projects. The Czech Republic does not have an embassy in Myanmar/Burma: Czech interests in the country are covered by the Embassy of the Czech Republic in Bangkok.

Humanitarian aid

Myanmar/Burma was hit by Cyclone Nargis in spring 2008. The negative attitude of the regime in Myanmar/Burma made it difficult to provide humanitarian aid, which was therefore channelled through various routes. On 5 May 2008, the Minister of Foreign Affairs approved the release of CZK 2.5 million for an International Red Cross project (through the Czech Red Cross); and on 7 May 2008, a further CZK 2.5 million for projects implemented by ADRA and the Burma Free Rangers organisation. On 30 June 2008,⁰ the minister approved the release of CZK 5 million for a People in Need project.

In addition, a contribution of CZK 430,000 was approved for the support of healthcare in the field by non-governmental organisation Mercy Malaysia for Burmese refugees. This was the continuation of a project that the Czech Republic had already supported in 2007.

NEPAL

(Federal Democratic Republic of Nepal)

Development cooperation

There were two government scholarship beneficiaries from Nepal studying at Czech public universities in 2008.

NEW ZEALAND

Economic relations

The standard of trade and economic relations with New Zealand is good; trade exchange is experiencing dynamic growth. Between 2006 and 2007, the Czech Republic climbed from one hundredth to ninety-third in the ranking of New Zealand's trading partners.

The Czech Republic's principal export commodities: electrical engineering products, toys, motor vehicles, machine engineering products, paper, glass products. The greatest growth over the previous year came in the iron and steel wire export category.

The Czech Republic's principal import commodities: wool, machine engineering products, electrical engineering products, meat, vegetables, fruit, beverages, fish.

Cultural relations

Cultural, educational and scientific cooperation between the two countries is intensifying. There is a growing number of Czech students working in New Zealand as a result of the non-problematic implementation of the Agreement on a Working Holiday Scheme. The latest estimates put the size of the Czech community in New Zealand at around one thousand.

PAKISTAN

(Islamic Republic of Pakistan)

Development cooperation

A waste management project worth approximately CZK 2 million was implemented in the city of Bagh in 2008.

Pakistan was awarded one government scholarship for the 2007/2008 academic; the offered quota was used. There was one government scholarship beneficiary from Pakistan studying in the Czech Republic in 2008.

Cultural relations

The year 2008 brought a further deterioration of the security situation in Pakistan, including in the capital Islamabad. As a result of the specific conditions arising from this situation, cultural activities by the Embassy of the Czech Republic are limited.

In November 2008, the Czech arts scene was represented by puppeteer P. Vangeli, who gave several performances of his production *Prague – The Enchanted City* during the *World Performing Arts Festival* in Lahore. The festival was disrupted by several explosions in the immediate vicinity of the festival venue. In the end, the other Czech artists cancelled their participation on the grounds of the deteriorating security situation.

PALAU

(Republic of Palau)

Development cooperation

In 2008, one small-scale local project worth CZK 0.5 million was coordinated by the Embassy of the Czech Republic in Manila – the project consisted in the supply of dentistry equipment.

THE PHILIPPINES

(Republic of the Philippines)

Visits by representatives of the Philippines:

- 6-10 September 2008 – official visit by Secretary of Foreign Affairs A. G. Romulo. He was received by Deputy Prime Minister for European Affairs A. Vondra, Minister of Foreign Affairs K. Schwarzenberg and President of the Senate of Parliament P. Sobotka. Minister Romulo also attended the conference *Asia-Pacific Security Challenges: Implication for Europe and Atlantic Alliance*.

Economic relations

Czech exports to the Philippines amounted to USD 40 million for the first half of 2008 (growth of 12%). Despite the increase in Czech exports and the substantial fall in imports, the Czech Republic continues to have a balance of trade deficit with the Philippines.

In the first half of 2008, Czech firms continued to display an interest in the extraction industry opportunities emerging in the Philippines. Czech businesses are also interested in the possibility of building spa facilities. There is also growing demand for imports of Czech arms for sports and state security purposes. The Embassy of the Czech Republic in Manila has also registered growing interest in Philippine labour from firms operating in the Czech Republic; interest in this opportunity is also increasing on the Philippine side.

Development cooperation

Bilateral projects					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK thousands)	Total project budget (CZK thousands)
Industrial development	Feasibility Study for the Renewal of a Small Hydroelectric Plant	Baguio City	2008	493	493
	Assistance in Measures Ensuring Drinking Water Supply	Strojirny Brno, a.s.	2006-2010	7,890	36,436
Total				8,473	36,925

Cultural relations

There were two Philippine students studying at Czech public universities in 2008. No government scholarships were offered to the Philippines for the 2008/2009 academic year.

In 2008, the Czech Republic donated consecrated replicas of the Holy Infant Jesus of Prague to the Vigan diocese.

The second branch of the Order of Knights of J. Rizal was opened in June 2008, thus satisfying the conditions for the creation of a Czech Republic Regional Command.

SINGAPORE

(Republic of Singapore)

Visits by representatives of Singapore:

- 10-12 April 2008 – visit by Minister of Foreign Affairs G. Yeo.

Economic relations

Singapore has consistently been one of the Czech Republic's most significant trading partners in Southeast Asia and is potentially an important investor in the Czech Republic. Mutual trade turnover has been growing every year, although the Czech Republic continues to have a balance of trade deficit with Singapore.

The Czech Republic's principal export commodities: electrical apparatus, devices and appliances, electronic parts.

The Czech Republic's principal import commodities: data processing machines and peripheries, integrated circuits and other electronic parts, crude rubber and resin, telecommunications equipment.

SRI LANKA

(Democratic Socialist Republic of Sri Lanka)

Development cooperation

In 2008, one development project, *Pollution of Inland Waters*, was implemented under the authority of the Ministry of the Environment of the Czech Republic; the budget in 2008 was CZK 2.9 million, while the total budget for 2007-2009 is CZK 7.8 million.

TAJIKISTAN

(Republic of Tajikistan)

Mutual relations are problem-free, but contacts on the political level are limited. The development of trade and economic cooperation is restricted by the country's economic capacity.

Humanitarian aid

In 2008, material humanitarian aid in the form of flour worth CZK 1 million was provided to Tajikistan in response to the severe cold weather affecting in the country.

THAILAND

(Kingdom of Thailand)

Visits by representatives of the Czech Republic:

- May 2008 – visit by a delegation of the Committee on National Economy, Agriculture and Transport of the Senate of Parliament.

Thailand is a popular destination for Czech tourists, whose numbers increase every year. In November and December 2008, 478 Czech citizens found themselves in a critical situation in connection with the political situation in the country and the blockage of the international airport in Bangkok; the Embassy of the Czech Republic provided them with consular assistance.

Economic relations

Thailand has consistently been one of the Czech Republic's most important trading partners in Southeast Asia. Trade relations with Thailand are particularly intensive in the area of imports, where the country is the Czech Republic's 20th most important trading partner.

The Czech Republic's principal export commodities: dried milk, fuel pumps, arms and ammunition, turbo generators, artificial casings, steam turbines.

The Czech Republic's principal import commodities: automated data processing machines, electronic parts of audio and video technology, optical fibres, printed circuits, crude rubber, tyres, copper tubes.

Talks on an *Agreement on Economic Cooperation between the Czech Republic and Thailand* were successfully completed in 2008 and the text of the document has been approved by both sides. The agreement should be signed in 2009.

Cultural relations

To celebrate Czech National Day and the 90th anniversary of Czechoslovak statehood and to promote the Czech Republic in Thailand, the Embassy of the Czech Republic in Bangkok organised *Czech Republic Days 2008* (22-28 October). After the previous year's success, the main part of the event was again held in the Dusit Thani Hotel in cooperation

with Czech and Thai sponsors and with the support of the Czech Ministry of Foreign Affairs and Ministry of Industry and Trade and the CzechTrade organisation.

There are currently several dozen Thai students taking master's and doctorate studies at universities in the Czech Republic, a number of them self-funded. There is particularly strong interest in studying at Czech universities with an artistic focus.

The *Czech-Thai Society* has existed since 1998; in 2008 it was joined by the *Thai-Czech Association*, established under an initiative of the Embassy of the Czech Republic in Bangkok.

UZBEKISTAN

(Republic of Uzbekistan)

Czech-Uzbek relations centred on cooperation in the trade and economic field, which is increasing in scale. Czech-Uzbek relations, or rather Czech/EU relations with Uzbekistan, continued to be influenced by the European Union's continuing sanctions in 2008, which were narrowed to an arms embargo under a GAERC decision in October 2008.

Visits by representatives of Uzbekistan:

- 6-7 May 2008 – consultations by First Deputy Minister of Foreign Affairs I. Nematov;
- 9-10 September 2008 – visit by Deputy Minister of Defence R. Niyazov.

Economic relations

Uzbekistan is the Czech Republic's second most important trading partner in Central Asia. Overall, it is the Czech Republic's 81st biggest trading partner in terms of foreign trade turnover. Trade exchange between the two countries grew by 25% from 2007 to 2008. The joint *Czech-Uzbek Commission for Economic, Scientific and Technical and Cultural Cooperation* operates on the intergovernmental level.

The Czech Republic's principal export commodities: tyres, industrial machinery and plant equipment, medicaments and pharmaceuticals, washing and cleansing preparations.

The Czech Republic's principal import commodities: cotton textile fibres and yarns, textile products and accessories, products of non-ferrous and precious metals.

Development cooperation

In 2008, one project was implemented under the authority of the Ministry of the Environment of the Czech Republic, *Improvement of Sanitation in the Children's Sanatorium in Nukus*; the project's budget was CZK 600,000.

Four government scholarships were allocated to Uzbekistan for the 2007/2008 academic year; the offered quota was fully used. There were eighteen government scholarship beneficiaries from Uzbekistan studying at Czech public universities in 2008.

VANUATU

Development cooperation

In 2008, one small-scale local project worth CZK 0.5 million was coordinated by the Embassy of the Czech Republic in Canberra – the project consisted in the sending of a doctor to Vanuatu.

VIETNAM

(Socialist Republic of Vietnam)

Visits by representatives of the Czech Republic:

- 21-23 March 2008 – visit by Prime Minister M. Topolánek. The Prime Minister met with his Vietnamese counterpart Nguyen Tan Dung, President Nguyen Minh Triet, General Secretary of the Central Committee of the Communist Party of Vietnam Nong Duc Manh and the chairmen of the People's Committees of Hanoi and Ho Chi Minh City. In Hanoi he attended the ceremonial inauguration of a business forum, attended by Deputy Prime Minister and Minister of Foreign Affairs Pham Gia Khiem. In Ho Chi Minh City he met members of the *Prague Club*, Vietnamese graduates of Czechoslovak and Czech universities and vocational colleges. Prime Minister M. Topolánek's discussions with his partners focused on questions of the widening of mutual trade and economic exchange, cooperation in education and the granting of visas to Vietnamese citizens. The two sides signed an intergovernmental agreement on cooperation in education for 2008-2011 and a protocol on amendments to the existing investment promotion and protection agreement;

- 8-12 April 2008 – official visit by a delegation of the Committee on Environment of the Chamber of Deputies of Parliament, led by its vice-chairman V. Dlouhý. The purpose of the visit was to learn about the state of environmental protection in Vietnam;
- September 2008 – visit by Deputy Prime Minister and Minister for Regional Development J. Čunek. The minister presented tourism in the Czech Republic at the ASEM international forum;
- November 2008 – visit by a delegation of the Committee on Economic Affairs of the Chamber of Deputies of Parliament, led by Vice-chairman of the Chamber of Deputies V. Filip.

Mutual relations have for long been very good, primarily in the trade and economic field. Both sides express an interest in the further strengthening of relations, as evidenced by Prime Minister M. Topolánek’s official visit to Vietnam in March 2008. Vietnam is one of the Czech Republic’s eight foreign development cooperation priority countries.

Economic relations

The positive fact of the gradual growth of trade exchange remains overshadowed by the unfavourable trend of the very sluggish growth of Czech exports, which has resulted in a constantly increasing Czech balance of trade deficit with Vietnam. It is reasonable to expect that trade turnover will continue to grow and the Czech balance of trade deficit will shrink in consequence of the negotiations conducted by Czech firms during state visits to Vietnam by high-level state representatives of the Czech Republic in 2008 (Prime Minister M. Topolánek, Vice-chairman of the Chamber of Deputies V. Filip and ministers A. Řebíček a M. Říman).

Development cooperation

Vietnam is one of the biggest beneficiaries of Czech development assistance in terms of the total annual volumes of Czech development cooperation. In the years 2006 to 2010, the Czech Republic, in accordance with the EU’s development strategy, is focusing on the sectors of the environment, agriculture, labour and social affairs, and on supporting enterprise and the modernisation of industrial infrastructure.

Bilateral projects					
Project name	Implementing organisation	Implementation period	Drawdown in 2008 (CZK)	Total project budget (CZK thousands)	

			thousands)		
Industrial development	Building of a Centre for Higher Vocational Education and For Raising Professional Qualifications	Technical University of Liberec	2006-2010	5,000	25,000
	Assimilation of the Raw Material Base for Industrial Use in the Glass Industry	GET,a.s., Prague	2006-2010	5,500	13,000
	Development of Small Hydroelectric Plants for Rural Areas in the Form of Supplies of Technology	Strojírny Brno, a.s.	2006-2010	4,500	9,925
	Reconstruction and Modernisation of the Technical Equipment of Haiphong Hospital	Hospimed, s.r.o. Prague	2006-2010	19,955	27,440
	Technical and Methodological Assistance in the Establishment of a Faculty of Technical, Environmental and Agricultural Food Production Engineering	Czech University of Life Sciences in Prague	2006-2010	5,900	9,800
Social development	Promotion and Prevention of Healthy Sex and Reproduction, Dao Xa Province	Mgr. Jiří Kocourek	2008	1,999	16,999
	Social Integration of Risk Groups of the Population – Thua Hue Region	Mgr. Jiří Kocourek	2006-2009	3,379	7,549
	Promotion of Freshwater Fish Breeding	Czech University of Life Sciences, Prague	2008-2010	3,270	3,270
	Sustainable Development in the Community of Phong My	Czech University of Life Sciences in Prague	2006-2009	2,384	6,700
	Little Hanoi, Promotion of Development Awareness	Czech Centre, Prague	2008	50	1,390

	Anthology of Modern Vietnamese Stories, Promotion of Development Awareness	The Continents – Association for Cooperation with Africa, Asia and Latin America, Prague	2008	50	4,550
	Hlavatá and Collective: The History of Vietnam, Promotion of Development Awareness	Nakladatelství Lidové noviny, s.r.o., Prague	2008	40	40
Agriculture	Renewal and Sustainable Development of Forest in the Community of Phong My	Mott MacDonald	2007-2009	3,814	7,190
	Regional Waste Management Concepts in Central Vietnam	ETC Consulting Group,s.r.o.	2006-2008	2,286	6,289
	Improving Waste Water Management	DWW o.s.	2008	764	15,764
Environment	Rehabilitation of Thua Thien Hue Province Affected by AO/Dioxin Contamination	DEKONTA,a.s.	2006-2008	9,364	19,732
Total				68,255	174,638

Small-scale local projects under the Embassy of the Czech Republic					
Sector	Project name	Implementing organisation	Implementation period	Drawdown in 2007 (CZK thousands)	Total project budget (CZK thousands)
Embassy in Hanoi	New Medical Equipment for a Clinic for the Poor in Binh Thuan in Ham Thuan Bac Province	Ham Thuan Bac People's Committee	2008	718	718
	Elaboration of a Manual for Waste Management in Healthcare	ETC Consulting	2008	327	327
Total				1,045	1,045

Cultural relations

For the 2008/2009 academic year, Vietnam was included in a pilot project of government scholarships for study in the English language. Direct cooperation between Czech and Vietnamese universities is also developing.

The endeavour to find a suitable status for the Vietnamese community in the Czech Republic and prevent illegal migration is a significant aspect of bilateral relations at present.

The issuance of long-term visas to Vietnamese citizens was suspended towards the end of 2008 on the grounds of the considerable increase in the number of applicants. This matter falls under the authority of the Ministry of the Interior of the Czech Republic.

III. THE ECONOMIC DIMENSION OF THE CZECH REPUBLIC'S FOREIGN POLICY

1. Economic Diplomacy and Export Promotion Activities of the Ministry of Foreign Affairs

Economic diplomacy and pro-export activities

The promotion of exports and investment is one of the priorities of the Government of the Czech Republic. The government bases this approach on the fact that, in the conditions of the current financial crisis, economic depression and increasing globalisation combined with the Czech economy's high degree of openness, the country's prosperity is dependent on its ability to promote its economic interests internationally.

Economic diplomacy has a key role to play in this process. Economic diplomacy can be defined as a set of measures intended to promote government policy in the field of manufacturing, the movement and exchange of goods, services, labour and incoming and outgoing investments. Economic diplomacy thus helps create a positive image of the country throughout the world. Economic diplomacy also plays an important role in the process of formulating, promoting and protecting the interests of the Czech Republic in EU bodies.

Economic diplomacy, and its component *trade diplomacy*, is an important precondition for the success of Czech firms on foreign market, for supporting pro-growth factors in the vulnerable open Czech economy and, last but not least, the Czech Republic's standing in EU structures and when negotiating internal positions in the EU.

Economic diplomacy focuses on the following:

- promoting the government's economic policy abroad at the multilateral and bilateral level – visits by constitutional functionaries and representatives of economy ministries;
- working with honorary consuls, chambers of commerce, sectoral federations etc. (initiating cooperation between them and Czech partners, building up a network of

- contacts facilitating Czech entities' access to markets, verifying the opportunities for cooperation on third markets, supporting the formation of joint ventures etc.);
- actively working together with representatives of other EU countries in a particular region within the EU Delegation and also bilaterally – for example, supporting Czech firms' participation in EU projects in regions – with representations located in non-EU countries;
 - implementing Ministry of Foreign Affairs pro-export projects by organising business missions or the projects of Czech embassies – within the framework of multifaceted presentations of the Czech Republic as a significant partner in economic cooperation with the country of operation;
 - consulting and coordinating opinions on economic questions with partners as preparation for negotiations in Brussels – at representations located in countries that are EU members;
 - actively engaging in development cooperation;
 - monitoring the economic policies of the receiving state and informing headquarters about important changes in the economic and business environment;
 - putting forward proposals for how best to promote national interests (in the “understanding and strength” style);
 - drawing up the programme and accompaniment for government and parliamentary delegations;
 - initiating bilateral trade agreements, forming international and inter-ministerial working groups;
 - compiling summary territorial information (a comprehensive source of information for business and the state on the BusinessInfo web site);
 - actively supporting business activities (seminars, workshops, exhibitions and trade fairs, corporate presentations);
 - lobbying in the interests of specific firms;
 - ensuring that there is a smooth flow of information between businesses and state authorities;
 - preparing and organising Czech days in regions;
 - promoting development and increased cooperation at regional level within the framework of the programme of the European Union;
 - seeking out partners at the town and municipality level;

- contacts with representatives of international trade and economic organisations;
- supporting and developing contacts between science and research institutions, supporting cooperation between universities;
- promoting the Czech Republic;
- participating in conferences, lectures and workshops in the country of operation and in the Czech Republic.

Strategic management of the Ministry of Foreign Affairs in the field of economic diplomacy

Under the *Ministry of Foreign Affairs Strategic Management System*, economic diplomacy is one of the six pillars of the Ministry's foreign policy. The six are:

- creating opportunities for Czech companies to enter and succeed on international markets and for further influxes of investments to the Czech Republic;
- creating and implementing a systematic and effective public diplomacy strategy;
- developing a system to coordinate action between state bodies involved in economic and public diplomacy;
- promoting the economic interests of the Czech Republic in EU structures and its external economic relations;
- optimising and modernising activities shaping the positive image of the Czech Republic abroad;
- ensuring the adequate provision of public information (*Public Affairs*).

The Ministry of Foreign Affairs and the Ministry of Industry and Trade, whose powers are defined by the "*Competences Act*", play an indispensable role in conducting economic diplomacy. The Ministry of Foreign Affairs is the central body of state administration for foreign policy; it formulates the foreign policy concept and coordinates external economic relations. The Ministry of Industry and Trade is the central body of state administration for trade policy, foreign economic policy, foreign trade and export support. As the key protagonists in the promotion of trade and economic interests, the Ministry of Foreign Affairs and the Ministry of Industry and Trade cooperate within the framework of operative agreements on cooperation between the two ministries in matters connected with the implementation of foreign trade policy, foreign trade and export support in the work of the foreign service of the Czech Republic and on the coordination of the activities of subordinate

organisations which are part-funded from the state budget and whose work concerns foreign economic activities. Cooperation between the Ministry of Foreign Affairs and the Ministry of Industry and Trade is coordinated by *Permanent Working Groups*, which meet at the deputy minister level of the two ministries.

Promoting important economic interests abroad is increasingly becoming a political matter requiring negotiations at both the political and multilateral levels. The Ministry of Foreign Affairs as a whole must logically play one of the lead roles in taking these steps.

For trade diplomacy to be effective, it must have a clear vision and orientation, it must be effectively organised, equipped with sufficient resources, understood as an active part of the state's foreign and economic policy and created and conducted in partnership with the private sector. Thanks to the *Concept for a Unified Presentation of the Czech Republic*, a uniform system has been devised for presenting the Czech Republic abroad and building a positive image of the country as a modern, advanced democratic country, a reliable partner in trade relations and a suitable place for investment, and the necessary resources for this system have been defined.

Czech trade diplomacy possesses a number of these attributes. Its vision is contained in *Export Strategy of the Czech Republic for 2006-2010*. Czech economic diplomacy is able to make use of the network of embassies with trade and economic sections, as well as the international network of state agencies. At central level, it is supported by specialised departments, particularly at the ministries of foreign affairs and industry and trade, which regard the promotion of economic interests at an international level as one of their priorities. The Czech Republic's accession to the EU gave rise to an additional agenda related to the conduct of negotiations with Brussels when promoting and defending the Czech Republic's economic interests, which thus moved onto the multilateral level. Czech economic interests are being promoted increasingly from the level of economic diplomacy.

The synergy effect of the Ministry of Foreign Affairs' economic diplomacy derives from cooperation with other concerned ministries and their subordinate organisations.

In addition to the foreign affairs and industry and trade ministries, the *Ministry for Regional Development*, which is responsible for tourism and, within the EU framework, oversees the interests of local government bodies, also plays a role in building effective economic diplomacy. Tourism accounts for more than three percent of GDP and generates

foreign exchange revenues exceeding CZK 100 billion per annum. The Ministry for Regional Development also plays a very important role in implementing the EU's regional and structural policy, referred to as *economic and social cohesion policy*.

The *Ministry of Agriculture* is the central body of state administration for agriculture and conducts marketing activities to promote Czech agricultural products.

The *Ministry of the Environment* monitors the environmental impact of economic processes. It promotes Czech know-how and technologies abroad through foreign development cooperation programmes, chiefly in less developed countries. Amongst its other services, the Ministry maintains the *Database of Czech Environmental Technologies and Services* (www.env.cz/Envibase).

In general terms, there is an international element in the work of every central body of state administration to a greater or lesser degree. Consequently, every such body is either a co-architect or user of economic diplomacy. An example of this is the *Ministry of Culture*, which promotes the Czech Republic abroad both itself and through cultural institutes.

In total, there are 102 economic diplomats in economic sections at the 82 embassies of the Czech Republic in foreign countries. The Ministry of Foreign Affairs is responsible for embassies. Economic sections form an integral part of these embassies and their staff are subordinate to embassy heads. Expert management of economic sections falls within the competence of the Ministry of Industry and Trade.

The Ministry of Foreign Affairs currently uses the services of 149 Honorary Consuls. This number will be increased by a further 24 during this year and next year. The Ministry prepared a meeting of all Honorary Consuls of the Czech Republic in Prague in 2008. One of the challenges that was emphasised at this meeting is the need for Honorary Consuls to be more involved in promoting the commercial and economic interests of the Czech Republic. The importance of furthering Czech economic and commercial interests will be stressed when new Honorary Consuls are appointed and they will be asked to play a greater role in organising events to support exports and promote the Czech Republic.

Organisations which are part-funded from the state budget ("part-funded organisations") also play a key role in conducting economic diplomacy, not only through their

offices abroad, but also through the diverse range of services they provide in the Czech Republic itself.

CzechTrade, a part-funded organisation under the Ministry of Industry and Trade, is the government agency which supports trade. It has 33 offices in foreign countries.

CzechInvest, also a part-funded organisation under the Ministry of Industry and Trade, is the government agency which supports enterprise and investment. It has nine offices in foreign countries.

Czech Centres is a part-funded organisation under the Ministry of Foreign Affairs with 21 offices abroad. Its mission is to develop dialogue with the public in foreign countries in the fields of culture, education, trade and tourism and to help shape the Czech Republic's image as a modern and dynamic country.

CzechTourism, an organisation part-funded from the state budget under the Ministry of Regional Development, is represented by 26 offices abroad. Part of its work is carried out by foreign private entities. CzechTourism promotes the Czech Republic as a tourist destination, coordinates the state promotion of tourism with activities carried out by private-sector companies and develops the medium-term and current strategy for marketing tourism products on both domestic and foreign markets.

The joint-stock companies *Czech Export Bank (ČEB)* and *Export Guarantee and Insurance Company (EGAP)* operate in the field of financing and insuring state-supported exports.

Cooperation with business – Czech Council for Trade and Investment

Effective economic diplomacy must reflect the needs of businesses. The private sector must be involved in decision-making on the shaping and application of fundamental aspects of economic diplomacy. Consequently, the *Czech Council for Trade and Investment* was established as a permanent advisory and coordinating body of the Ministry of Industry and Trade.

Representatives of the trade and industry and foreign affairs ministries and of other bodies of state administration and their subordinate institutions sit on the Council with private sector representatives.

The Council is empowered to make proposals and recommendations that either ministry may utilise to improve the quality of state services. The Council also works with the relevant committees of both chambers of Parliament, with the Office of the President of the Republic and with the Office of the Government of the Czech Republic.

The Council's principal activities are:

- developing partner relations with the private sector;
- coordinating individual components of the Czech Republic's foreign policy;
- providing feedback on the private sector's satisfaction with the services of economic diplomacy;
- putting in place the right conditions for the effective promotion of Czech economic interests abroad;
- making use of the uniform brand of the Czech Republic when promoting the country around the world through trade and investment.

State services for exporters and investors

Special emphasis is placed on the quality and effectiveness of state services for businesses. These are not merely limited to the export of goods. The goal is to offer professional and high-quality services, to secure investments and to put in place a liberal trade policy which focuses on trade facilitation and the removal of barriers to foreign markets. These services should be available to the widest possible range of organisations and should meet the expectations placed on state services in a market economy.

The services are divided into several types: training, advice, information, assistance and presentation services, and export financing and insurance. The services are mainly provided through internet portals such as *Export Hotline*, *BusinessInfo.cz* and *Export.cz*, for example. A joint project team, comprising members from the Ministry of Industry and Trade and Ministry of Foreign Affairs, as well as from other ministries, agencies and the business community, is improving the export opportunities information system so that this information is presented to businesses in a uniform and easily searchable manner and the undesirable duplication of data, which previously existed in the system, is eliminated.

Last but not least, it is in the interests of state institutions to make the services they provide more accessible to businesses in the various regions of the Czech Republic – this is

a characteristic of developed countries. With this in mind, CzechTrade and the Czech Chamber of Commerce set up a joint project for the development of thirteen regional export points in the regions. Employees of these export points offer the export-promotion services of CzechTrade, the Export Guarantee and Insurance Company and the Czech Export Bank.

As part of its export-support work, the Ministry of Foreign Affairs has concluded cooperation agreements with the Defence Industry Association of the Czech Republic, the Czech Chamber of Commerce and the Confederation of Industry.

2. The Czech Republic's Economic Development in 2008

After a relatively long period of stable economic development in the Czech Republic, the year 2008 brought a fundamental turnaround. Although the Czech economy had already begun to weaken slightly in 2007, turbulence on the international financial market resulted in a palpable cooling in 2008, and especially towards the end of the year.

In the use of resources, GDP was now influenced less by industrial output for final consumption and more by production for investments into the generation of resources. Key macroeconomic indicators reveal that structural changes have taken place, most notably in the ratio between the domestic economy and international economic operations. The relationship between the development of domestic realised demand and external demand and the relationship between domestic and external sources of coverage of aggregate demand have changed.

Despite the slowdown, the Czech economy maintained higher growth in 2008 than western European states: the Czech Republic's aggregate economic position relative to the EU strengthened for a short time. The real increase in gross domestic product in 2008 (data from December 2008) was 4.2%. However, forecasts signalled a marked reduction in growth or even economic recession for western Europe and other developed industrial states. Consequently, Czech GDP growth slowed down, with impacts on both the relationship to the external environment – loss of dynamism of foreign trade in goods – and the internal economy resulting from conflicting changes in price levels. Consumer inflation exceeded the price growth in industry and export prices fell more rapidly than import prices. This fact brought a considerable worsening in exchange rates, which in turn led to palpable devaluation of national labour on foreign markets. The losses from exchange rate development compared

to the previous period was palpable; the main evidence of the structural change was the slower growth of the purchasing power of exports than import's intensity in terms of export resources.

The exchange rate influenced the koruna prices of both exported and imported goods; the koruna appreciated more in import operations than in export operations. The fall in price competitiveness on foreign markets accelerated with each new quarter. The Czech Republic moved from the *low-cost economy* category to the group of medium-income EU countries in terms of GDP per head in purchasing power parity. As far as transactions with foreign countries are concerned, the net outflow of primary incomes to them strengthened – mainly due to repatriated profits and wages of foreign workers. This caused the indicator of economic growth on a purely national basis to grow more slowly than GDP at current prices.

No more than two years ago, Czech economic growth was still determined by household expenditures and investments. In 2008, net exports made the greatest contribution to GDP growth; net exports were fundamentally more influential than a year earlier, even though throughout the vast majority of the period exports of goods from the Czech Republic took place in an environment of the strengthening koruna.

Nevertheless, foreign trade turnover fell in 2008 for the first time since the Czech Republic joined the EU and for only the second time in the country's history. The Czech Republic ended 2008 with its second biggest balance of trade surplus since the founding of the independent Czech Republic (albeit CZK 18.5 billion less than in 2007). The lower foreign trade turnover in 2008 was caused mainly by a fall in exports (exports fell year-on-year by 14.1% and imports by 9.1%). The decline in foreign demand will jeopardise export growth in the following periods.

The foreign trade surplus was the outcome of the positive values of the balance of trade (although these are gradually decreasing). In the commodity structure, the surplus in foreign trade in machinery and transport equipment and in semi-finished products and materials increased. The deficit in foreign trade in agricultural and food industry raw materials and products was reduced.

In the territorial structure of foreign trade, the position of EU 27 states weakened slightly (from 85.3% to 85.1%); only the Commonwealth of Independent States registered a palpable increase in share of total exports (from 3.7% to 4.3%).

The foreign trade results in 2008 were influenced primarily by:

- the fall in industrial output;
- the considerable weakening of external demand, particularly in the second half of 2008;
- the unfavourable development of exchange rates.

Household spending was nominally up on 2007, but in real terms high consumer inflation meant that this expenditure slowed down considerably and its contribution to growth was not even half that of the previous period. Price growth accelerated after a long period of stability: the rate of inflation expressed as the year-on-year average CPI reached 5.9%. The biggest reduction in the population's expenditure on consumption was registered in purchases of household fittings and furnishings. There was a slight increase in the coverage of domestic demand by domestic supply, but realised domestic demand weakened as a result of the slower growth in real disposable incomes, above all the fall in real wages in the public sector. Retail sales were down 6.3% (data from January 2009). It is therefore a reasonable assumption that the rate of household consumption will continue to fall.

There was a record number of new investment projects commenced in 2008. However, their value fell year-on-year by more than half – from CZK 71 billion to 30 billion. The new investments are expected to create over 14,000 new jobs, almost a third of them for university-educated workers. For the first time, research and development and services were the predominant areas of investment in the Czech Republic. These areas accounted for 63% of all investment projects. The biggest number of new investments was channelled into software development (21%); the second biggest sector was machine engineering with 37 projects; and the automobile industry, with 28 projects, only came in third. The problems on the world financial markets led to a fall in the number of approved investments at the end of the year: the Czech Republic lost 91 projects that the investors cancelled and 33 planned investments that the investors decided to relocate to another country. It follows that the traditional “driving forces” of the Czech economy – exports and the influx of foreign investments – will play a smaller role than in the past.

Year-on-year comparison confirmed the decline in the rate of growth of economic output: industrial output fell sharply by 17.4%, construction output by 5.6% (data from January 2009). Throughout the year, manufacture of electrical and optical instruments achieved good results; in addition, manufacture of transport equipment and manufacture and

repair of machinery and plant equipment also played a significant role. The biggest negative impact on growth came from the manufacture of food industry products and beverages and tobacco products.

The rate of unemployment reached 6.8% at the end of 2008, even though the labour-intensive Czech economy reduced the growth in unemployment for three entire quarters of 2008. Employment in the primary sector (agriculture, forestry, fisheries) decreased year-on-year; although the number of workers in the secondary sector (industry, construction) increased, the growth was substantially lower than in the previous year. There was strong employment growth in the tertiary sector (all services), especially in retail and repair of motor vehicles and consumer goods. The increase in total employment was confined to the category of persons with higher educational attainment levels. In this context, however, it should not be forgotten that a considerable proportion of jobs requiring basic or incomplete secondary education are held by foreign nationals. However, declining demand is certain to increase the number of people out of work.

IV. HUMAN RIGHTS IN THE CZECH REPUBLIC'S FOREIGN POLICY

European Union

In its activities within the European Union, the Czech Republic focuses on making its policy of promoting human rights and democracy throughout the world more effective. The objective is to increase the strength, cohesion and clarity of steps taken by the EU in this area and to ensure better use of existing mechanisms and tools. The Czech Republic draws on its own experiences with the process of social transformation and non-violent resistance to violations of human rights during the communist regime. The Czech Republic can now also make use of its expertise in transformation cooperation which it provides to other countries. Thematically, the Czech Republic monitors the situation of civil society and human rights defenders, both in its own transformation policy and in the EU. It also concentrates on strengthening the partnership between EU institutions and non-governmental organisations and on improving the effectiveness of the financial instruments used to support human rights and democracy.

COHOM – Council of the European Union Working Party on Human Rights

In 2008, the Czech Republic contributed actively to the formulation of the EU's human rights policy in the Council of the European Union Working Party on Human Rights (COHOM). COHOM prepares EU positions for sessions of the UN Human Rights Council, the 3rd Committee of the UN General Assembly, for human rights dialogue and consultations with non-EU countries, and for the EU's annual report on human rights and implementation of the EU guidelines on torture and the death penalty, on children in armed conflicts, on human rights defenders and on human rights. The Council of Ministers approved new guidelines on violence against women and amended versions of existing guidelines. COHOM has initiated dialogue with the African Union. The Council of Ministers approved the opening of dialogues with Argentina, Brazil, Chile, Colombia and Mexico. COHOM's attention has now also turned to the theme of democracy.

United Nations

Human Rights Council

The Czech Republic attended sessions of the *Human Rights Council (HRC)* as an observer. It participated in coordinating EU common positions on matters on the HRC's agenda. It helped coordinate the EU's common position and negotiations with other states on the resolution on freedom of expression. The Czech Republic supported the EU position in the following matters, among others: extension of the special procedures mandates, both thematic and country-specific; adoption of a resolution on the state of human rights in Myanmar/Burma; the convening of a special session and adoption of a resolution on the state of human rights in the Democratic Republic of the Congo; and disagreement with a resolution on the situation in the Palestinian Autonomous Territories on the grounds of the lack of balance in the text.

The Czech Republic was the subject of a *Universal Periodic Review*. This is a mechanism enabling the HRC to assess the state of human rights in all UN member states once every four years. In April 2008, a Czech delegation conducted dialogue in the *HRC Working Group* with UN states about specific problems and measures in the field of human rights in the Czech Republic. During the meeting, the delegation answered all the questions raised, for example on questions of discrimination against minorities, extremism, sterilisation of women, human trafficking, protection of the rights of children, and the use of so-called "cage beds" in social and health care facilities.

In June 2008, the HRC adopted its final report on the review of the Czech Republic. The report summarises the recommendations addressed to the Czech Republic during the interactive dialogue with individual states. It also contains the Czech Republic's reply. It describes the measures that the Czech Republic will take or is planning to take in the areas concerned by the recommendations or, where appropriate, explains that no measures are required.

63rd session of the 3rd Committee of the UN General Assembly – human rights questions

The Czech Republic voted in favour of the adoption of a number of resolutions on human rights, among them a resolution calling on states to declare a moratorium on the death

penalty. It also supported resolutions drawing attention to human rights violations in the DPRK, Iran and Myanmar/Burma; it actively lobbied against the removal of these resolutions from the agenda (*no action motion*). It also supported resolutions on the rights of the child and against religious discrimination. It represented the EU in negotiations on resolutions against trafficking in women and girls and on the unacceptability of practices contributing to the growth of contemporary forms of racism, racial discrimination, xenophobia and related intolerance. It voted against a resolution on the follow-up mechanisms of the World Conference against Racism in Durban; the reason was a provision which, in contravention of international human rights standards, facilitated restriction of the freedom of expression.

V. THE CZECH REPUBLIC'S FOREIGN CULTURAL AND INFORMATION POLICY

1. Presentation of the Czech Republic and its culture abroad

Czech culture forms a significant part of the presentation of the Czech Republic abroad – it is an important tool for realising Czech national interests abroad and developing contacts. Every year, Embassies, Consulates General, Permanent Missions and Czech Centres present Czech culture abroad in all its diversity through hundreds of cultural activities. This work takes local characteristics into account and is conducted in a way that ensures positive feedback for the further development of Czech culture and its culture industry, tourism, economy, investments, science and research and the support of Czech studies around the world.

Open Doors Day, held on 14 September 2008, was a significant contribution to raising the visibility of the work of the Ministry of Foreign Affairs, both abroad and at home. This contribution was particularly valuable when the Czech Republic was preparing for the presidency of the Council of the European Union. The *Department for Culture, Communication and Presentation (DCCP) of the Ministry of Foreign Affairs (DCCP)* used this opportunity to present its work and demonstrated examples of its exhibitions on the history of the Ministry's *Gratias Agit* award, *Czech Gems* and *A Tribute to PET Bottles*.

In accordance with a government resolution, the DCCP presented the Czech government with a *proposal for the creation of a unified visual style of state administration focusing on the ministries and the Office of the Government of the Czech Republic*. The further implementation of the submitted proposal depends on a decision by the Czech government.

Internet communication is an important tool for presenting a positive image of the Czech Republic around the world. Since 2006, the Czech Republic's visual marketing style, referred to as "*bubbles*", has been used on the official web site *www.czech.cz* operated by the Ministry of Foreign Affairs. This comprehensive portal provides a range of information about the Czech Republic, from a general presentation to daily news and detailed information on different areas. The portal can be accessed in six language versions – the Russian version was

added to Czech, English, French, German and Spanish in March 2008. The portal was visited by 2.5 million users in 2008. Moreover, in November 2008, it won two prestigious first-place awards in the Public Sector category of the *Crystal Magnifying Glass* survey and in the Tourism category of the *WebTop 100* survey.

Within the context of multicultural events in 2008, the Ministry of Foreign Affairs again took part in preparing and organising the traditional *Lidice International Children's Art Competition and Exhibition*. In collaboration with the Czech Centres, a subordinate part-funded organisation of the Ministry of Foreign Affairs, the DCCP prepared exhibitions marking the Czech Republic's significant anniversaries ending in an eight and the upcoming presidency of the Council of the European Union. To minimise costs, the vast majority of exhibitions were produced in electronic form on DVD. Information about travelling exhibitions and exhibitions on DVD was published at www.mzv.cz/kultura.

Significant cultural events with a broad reach in 2008 included the ceremonial opening of *Bohemian National Hall* in New York, the presentation of the interactive exhibition *Orbis Pictus, or the Gate to the World of Creative Human Imagination* in Vancouver, and the travelling exhibitions *68/69* and *Czech Press Photo*. The unveiling of the *Memorial to the Czechoslovak Legionnaires* at a ceremony in Mikhailov Cemetery in Yekaterinburg, Russian Federation, was an example of cooperation between departments and ministries (the Czech ministries of foreign affairs and defence and Parliament of the Czech Republic).

Film screenings rank among the most accessible tools for presenting the Czech Republic abroad. Embassies took part in international film festivals to bring Czech feature films, documentaries and animation to the attention of audiences in various countries. One example was *Czech Cinema – The Dream Goes On*, comprising the screening of the ten most successful Czech films, some of them older works, at the 32nd *Hongkong International Film Festival*. This project was co-organised by the Ministry of Foreign Affairs and the National Film Archive. Embassies of the Czech Republic also helped organise screenings of Czech films for the Czech communities in foreign countries.

In 2008, the DCCP provided embassies with documentary films about the Czech Republic and Czech feature films from 2005-2007. The Ministry of Foreign Affairs also participated in the organisation of the 15th *European Film Days* in the Czech Republic in 2008.

A project promoting and raising awareness of Czech literature abroad went ahead in 2008. Books are made available to the general public through cultural institutes, local libraries, schools, universities and book fairs. The presentation of books to individual organisations is generally combined with activities of a broader informational or presentational nature, or in some cases with a series of literary discussions at seminars about the Czech Republic. This promotion of Czech literature supplemented and developed existing distribution channels for Czech authors in the original language (for Czech communities and university departments for Czech studies around the world).

In 2008, six-country collaboration continued within the framework of the Central European Cultural Platform (Czech Republic, Slovakia, Poland, Hungary, Austria, Slovenia). The most significant project was the countries' joint participation in the *International Design Biennial* in Saint Étienne during the French presidency of the Council of the European Union.

In 2008, the DCCP continued to support Czech language teaching at foreign universities and colleges within the framework of the second year of the five-year programme to promote Czech cultural heritage. The DCCP also prepared its own project to promote Czech studies abroad. This project will be launched in 2009.

Last year, the Ministry of Foreign Affairs provided representative offices with a broad range of printed materials for use in presenting the Czech Republic abroad. These included a new brochure: *Czech Republic at a Glance* in seven language versions. The Ministry also continued to participate in the publication of the bimonthly *Welcome to the Heart of Europe*, which promotes the Czech Republic abroad in six language versions.

The Ministry of Foreign Affairs' *Gratias Agit Award* was conferred on fifteen individuals and three organisations from thirteen countries in 2008. The awards presentation ceremony was held at Czernin Palace on 3 October 2008. The Digest of Laureates is available at www.mzv.cz/kultura – Gratias Agit Award.

2. Media and Information

The overall media image of the Czech Republic in foreign media in 2008 can be described as balanced over the long term. Coverage was particularly intensive in European countries in the second half of 2008 in connection with the Czech Republic's approaching

presidency of the EU Council. The Czech Republic was most frequently mentioned in printed media and agency news reports, but less on television and radio.

Above all, foreign media reacted to the signing between the Czech Republic and the USA on the establishment of a radar site at Brdy, the *Lisbon Treaty* ratification process and the preparations for the Czech Republic's presidency of the EU Council. The media supplied positive information from the field of sport, most notably the achievements of Czech athletes and the *Summer Olympic Games* in Beijing and coverage of football news. The Czech Republic was frequently mentioned in cultural programmes and is viewed as an interesting cultural and historical destination with much to offer tourists, particularly the capital city Prague and Czech spa towns.

Business news reporting portrayed the Czech Republic as a country with a prospering economy, a reliable trading partner and a suitable place for foreign investment.

Czech embassies have also played an important role in shaping the positive media image of the Czech Republic abroad through actively organising presentations and cultural events and providing information to foreign media.

The Czech Republic received the greatest media interest in the European region, and especially in its nearest neighbours. The key topics were the debate on the construction of a US radar site, the 40th anniversary of the occupation of Czechoslovakia by Warsaw Pact troops, ratification of the *Lisbon Treaty*, the Czech Republic's readiness to take over the presidency of the EU, and the impacts of accession to the *Schengen area*. There was also media coverage of the Czech internal political situation, in particular the re-election of V. Klaus as president and the results of the October elections to the Senate and regional governments. In the second half of 2008, the media in western Europe paid greater attention to the Czech Republic in connection with the approaching presidency of the EU Council. Reporting in some countries reflected concerns about the Czech Republic's readiness to cope with the presidency. Commentaries appeared describing the Czech Republic as a country not particularly inclined towards further EU integration. By contrast, the Czech Republic is perceived very positively in countries with strong Euro-Atlantic integration ambitions.

The economic successes of the Czech Republic were reported in a positive light and the business environment was rated very favourably. High-level visits – both bilateral and in the context of the EU – were entire journalistic chapters in themselves, as were cultural events

staged or co-organised by Czech embassies and information about popular Czech sportspeople.

In Austria, there was relatively intensive media coverage of the Czech Republic. The reporting was essentially objective; nevertheless, in a number of cases, it is still tinged by stereotypical Austrian perceptions of the Czech Republic. There has been an increase, however, in the proportion of news about the Czech Republic's economic successes and the importance of mutual trade for Austria. As in previous years, media attention was dominated by the issue of the Temelín nuclear power station. Other topics referred to significantly were the missile defence site in the Czech Republic, ratification of the *Lisbon Treaty* and the internal political situation in connection with the Czech Republic's approaching presidency of the EU Council. The Czech Republic is also presented as an attractive tourist destination.

The media in Slovakia inform about the Czech Republic on a regular and up-to-date basis, primarily in news programmes. The coverage is broader in terms of both topics and genres than in other countries. Commentaries on "Czech themes" appear several times a week in the daily press, in addition to ordinary news coverage of political, economic, cultural and sporting events in the Czech Republic. Awareness about events in the Czech Republic has for long been sufficient in Slovakia, thanks to the accessibility of Czech media in the country.

Germany confirmed the growing media interest in the Czech Republic's internal affairs and foreign-policy positions in 2008. The Czech Republic is perceived as an established EU country which is becoming increasingly important for Germany. The main subjects of media attention were the establishment of a missile defence site in the Czech Republic, positive experiences with the enlargement of the *Schengen area* and the *Lisbon Treaty* ratification process. Articles assessing the Czech Republic's preparedness to take over the presidency of the EU Council began to appear at the end of the year.

The key issues about the Czech Republic in Poland were the debate over the establishment of the missile defence site, the waiving of the USA's visa requirements and the *Lisbon Treaty* ratification process. The Polish media's coverage about the preparations for the Czech presidency in the EU Council was mostly positive or neutral. Considerable space was given to reports on culture (the great popularity of Czech films), sport and tourist information. The Czech Republic's image in the Polish media was positive.

The most widely covered topics in the Russian Federation was the US missile defence site, the restriction of Russian oil supplies to the Czech Republic in July 2008, the Russia-Georgia conflict, and the 40th anniversary of the occupation of Czechoslovakia by Warsaw Pact troops. The Russian media carried standard coverage of the internal political situation in the Czech Republic and to a limited degree reported on the Czech Republic's upcoming presidency of the EU Council. As is customary, great attention was devoted to Czech sport. Another significant topic was the issue of Russian war graves in the Czech Republic.

The Czech Republic enjoyed considerable media attention in the United States of America. Political news coverage was dominated by information concerning the missile defence site in the Czech Republic. The media also covered the Czech Republic's membership of the EU, ratification of the *Lisbon Treaty* and the outlook for the Czech presidency in the EU Council. American media also dealt with the issue of visa asymmetry and new developments in this matter.

Canadian media report on the Czech Republic only very sporadically and mainly in connection with major foreign events. In 2008, the attention of the Canadian media focused mainly on the debate over the missile defence site in the Czech Republic. Journalists also turned their attention to immigration in the context of the growing number of Czech citizens seeking asylum in Canada. The enduring positive areas in Canada's media perception of the Czech Republic include culture, sport and tourism.

Reports on the Czech Republic in Central and South America were usually taken from international agencies, because no South American country has a correspondent permanently stationed in the Czech Republic. The Czech Republic is mostly seen in these countries as a developed member state of the EU with a well-established level of democracy, economic development and culture, and with internationally renowned sportspeople. It is also seen as a highly attractive tourist destination.

In the Middle East, the Czech Republic received most coverage in Egypt, Lebanon, Israel, Kuwait and the United Arab Emirates. The media in the Middle East view the Czech Republic as a country with a growing and prospering economy and a very interesting tourist destination; Czech spas and rehabilitation and recreation centres enjoy substantial popularity. The Czech Republic was mentioned most frequently in connection with the construction of

a missile defence site on its territory, the preparations for its presidency of the EU Council and bilateral events, chiefly in the field of economic cooperation.

Media coverage of the Czech Republic in Asia is not very frequent. This is primarily due to the Czech Republic's position outside the spectrum of this region's main media interests. Most of the reports are taken from international news agencies. Despite this, the Czech Republic is perceived as a country with a buoyant economy and rich culture. Media attention was paid to the talks on the missile defence site in the Czech Republic. The achievements of Czech athletes at the *Summer Olympic Games* in Beijing also aroused interest.

As in previous years, coverage of the Czech Republic in Sub-Saharan Africa was again sporadic. News about Czech sportspeople, above all footballers, constitutes the majority of the coverage. The exception to this was information about the plans for a missile defence system. The Czech Republic is perceived as part of the EU, which is one of the biggest providers of foreign development cooperation.

3. Internet Presentation of the Ministry of Foreign Affairs of the Czech Republic

The Ministry of Foreign Affairs of the Czech Republic administers an extensive information system composed of the principal presentation of the Ministry itself and 120 other presentations by Czech diplomatic missions. 108 of these are presentations of Embassies and Consulates General. The rest are presentations of Czech permanent missions, representations and delegations to international organisations, and of the *PRT Logar Mission* in Afghanistan and the *Czech-Polish Forum*.

In 2008, Decree No. 64/2008 Coll. implementing Act No. 365/2000 Coll., instructing the public administration authorities to publish information in a form accessible to disabled citizens, entered into effect. The Ministry of Foreign Affairs performed an overhaul of its web site, launching a new, modern system of content management in the course of 2008. The site design was also modified in line with the *Unified Visual Style of Presentation of the Czech Republic*.

The addresses of the websites of Czech embassies are written in a uniform format: *www.mzv.cz/city name in English*. Besides the Czech language version, the content is

presented in English or French or in the national language of the host state (there were 22 non-Czech versions in 2008). In the Czech language versions, the most popular sections were those containing economic and trade information, and chapters on visas and consular services. In the foreign language versions, sections on consular services were by far the most visited, followed by sections on economic and trade information and on current political reports and positions.

A presentation of the *Provincial Reconstruction Team in Logar Province in Afghanistan* has been in operation since March 2008 (www.prtlogar.cz). At the end of the year, the initial presentation was created for the *Czech-Polish Forum* established on the basis of the *Memorandum of Understanding* signed by the two countries' foreign affairs' ministries in 2008. At www.natoaktual.cz the Ministry of Foreign Affairs operates the *NATO Information Centre* news portal in cooperation with the *Jagello 2000* civic association and the *International Institute of Political Science of Masaryk University*.

The magazine entitled *Welcome to the Heart of Europe* is published in electronic form at www.theo.cz. This magazine is published in six language versions by the publisher Theo, in cooperation with the Ministry of Foreign Affairs, and serves to promote the Czech Republic internationally. At the initiative of the Ministry, previous issues from as far back as 2003 were made available in 2007 in *pdf* format on the website.

4. Czech Radio International Broadcasting

In 2008, Czech Radio ČRo7 – Radio Prague continued to implement the agreement on Czech Radio international broadcasting concluded between the Ministry of Foreign Affairs and Czech Radio. Broadcasts were in six languages - English, German, French, Spanish, Russian and Czech.

The broadcasting schedules alternates every half hour between news programmes by the different language sections, containing news and reports, and various "*thematic sections*". Serials have started being broadcast as well. As the number of people listening over the internet continues to grow, two new music programmes showcasing Czech music were launched. The Spanish section made and broadcast an exceptional twelve-part serial called *Del Pop al Punk*; a Czech version of this programme was offered to Czech community radio stations around the world. The Czech section provided new content for the *Listening to*

Literature section, which presents emerging Czech authors, often in the form of self-presentations.

The main topics in 2008 were the Czech Republic's historical anniversaries, the presidential, regional and Senate elections, the Olympics, the Czech Republic's accession to the Schengen area, the preparation for the Czech presidency of the EU Council and the 85th anniversary of the founding of Czech Radio.

The European radio project *Euranet* (www.euranet.eu) got underway in 2008; this replaced the previous *Radio E*, to which Radio Prague contributed in English, German, Spanish and French. The Euranet project, involving sixteen European radio stations from thirteen countries, is conceived as European radio for European listeners. Each radio station produces several contributions a week. The programmes, composed of the different stations' contributions, are made available to all participating stations.

One of Radio Prague's specific features is its focus on expatriates and Czech communities around the world. This comprises both broadcasts of *The Czech section's expatriate programming* and the operation of the www.krajane.net internet site and the creation of programmes for Czech community radio stations. As well as the internet site, Radio Prague produces programmes for fourteen Czech community radio stations in Australia, Croatia, Romania, Slovakia, Serbia, Ukraine and the USA. In 2008, 338 hours of programmes were sent to partner stations, 286 of them on CD and 52 hours on the internet.

The Czech section of Czech Radio 7 provides news coverage of all significant Czech expatriate events in the Czech Republic and surrounding area. Examples of these in the Czech Republic in 2008 were the *Expatriates and Exile* conference, the expatriate Czech folklore festival, and the traditional presentation of the *Gratias Agit Award*; outside the Czech Republic news reports were devoted to the conference on the year's *historical anniversaries* in Munich in October, meetings of expatriates in Geneva, Portugal and more.

Czech Radio leased time on shortwave transmitters in Russia, Great Britain, Africa, Canada and the USA to ensure better coverage of its target locations. Partner radio stations around the world use Radio Prague's programming on a non-commercial basis. Three stations in Russia, Ukraine and Moldova use the Russian-language programming in this way; two stations in Germany and Radio Ypsilon in Hollabrunn, the Netherlands, use the German-

language programming; and eight broadcasters in Spain and Latin America use the Spanish-language programming.

Systematic communication with listeners is an important promotional tool of Czech Radio 7. One speciality of radio is *QSL cards*, which enable shortwave stations to confirm that listeners have actually received the station. Every year a series of eight QSL cards with different themes is published. In 2008, a total of 21,000 responses were sent into Radio Prague, roughly the same number as in the previous two ears.

One traditional promotion of Radio Prague is the Big Listeners' Competition, which focused on sport in 2008. The individual language sections of Radio Prague organised other competitions.

Radio Prague is media partner to a number of traditional events in the Czech Republic (e.g. the *Festival of French Film*, the weekly newspaper *Prague Post's* drama competition) and expatriate events.

Radio Prague's website followed up the good results it achieved in previous years. Almost all indicators registered slight growth, and podcasting doubled, even; listener number stagnated, however. The number of visitors to the domain *www.radio.cz* increased by around 10% (with a record 1,130,000 in March 2008), thanks to the site's varied content, successful internet projects and effective linking to already published materials.

Website visitor numbers in 2008 (per month):

<i>www.radio.cz</i>	800,000 – 900,000 hits
<i>www.krajane.net</i>	17,000 – 18,000 hits
<i>www.romove.cz</i>	45,000 hits
<i>www.incentraleurope.radio.cz</i>	33,000 hits (the site is no longer operating)
<i>www.networkeurope.org</i>	5,000 hits
audio listener numbers on <i>www.radio.cz</i>	50,000
number of podcast downloads	550,000

5. Czech Centres

Czech Centres (CC) is an organisation part-funded by the Ministry of Foreign Affairs of the Czech Republic. Its mission is to develop the good name and positive image of the

Czech Republic abroad, actively to promote the Czech Republic's interests and, to this end, to use the tools of public diplomacy. Czech Centres' principal task is to present the Czech Republic abroad in the cultural, economic and tourism fields. One of the main priorities of CC in 2008 was preparing more than 80 events for the programme of cultural presentation abroad during the Czech Republic's presidency of the EU Council in the first half of 2009.

CCs organised 2,107 events in 2008, either independently or in cooperation with Czech and foreign partners, showcasing the Czech Republic as a country with creative potential and with a rich cultural tradition. Events at CCs abroad received more than 1.33 million visitors. Foreign media also reacted to the activities of CCs abroad, covering them in 3,952 newspaper, radio and television reports.

There were 23 CCs operating abroad in 20 countries on three continents in 2008. Besides Europe, CCs are also found in the USA, Japan and, since March 2008, in Argentina. The preparations for opening a Czech Centre in Israel went ahead. In October, the renovated Bohemian National Hall in New York, the new seat of the Czech Centre in New York, was ceremonially opened.

The spectrum of programmes offered in Czech Centres abroad appealed to fans of Czech art, traditional and modern music and fashion. CCs also hosted exhibitions, seminars and podium debates devoted to key historical anniversaries and other fundamental political and social milestones in the development of Czech society. The "*Fateful Eights*" anniversaries (1918/1948/1968) were reflected in the programme of almost all Czech Centres abroad. An exhibition of photographs on the theme of 1968 was seen by visitors to CCs in a number of cities in Europe and in the Bundestag in Berlin, where the exhibition was inaugurated in person by the prime ministers of the Czech Republic and the Slovak Republic M. Topolánek and R. Fico together with the German chancellor A. Merkel. The majority of CCs abroad commemorated the 60th anniversary of the adoption of the *Universal Declaration of Human Rights* with a project organised together with the *One World* festival of documentary films on human rights themes.

Another major theme of 2008 was the presentation of Czech architecture; projects promoting Czech design were also very successful. Czech theatre and cinema also played an important role in the promotion of Czech culture abroad. With considerable assistance from the Czech Centre in London, the *Fringe* international theatre festival in Edinburgh hosted an

official Czech presentation of dance and movement theatre. *The Golden Sixties*, an exhibition of Czech film posters and Czech films, took place in Moscow. Czech Centres abroad were also involved in screenings of new Czech films: at the ceremonial opening of the Czech Centre in Buenos Aires, for example, A. Nellis presented her film *Secrets*.

Czech Centres abroad devised a way to present Czech literature away from major book fairs. Young authors held regular meetings with their readers at the Czech Centres in Berlin, Dresden, Vienna, Moscow, The Hague and New York. The Czech Centre in Madrid prepared a long-term project of *Literary Excursions to Spain* with a view to helping establish contacts between Spanish institutions and Czech authors and translators.

The Czech Centre in Prague became a link between the Czech Republic and CCs abroad. It provided space for the realisation of interesting projects often instigated by Czech Centres abroad and made it possible to present its activities to foreign cultural institutes based in the Czech Republic. More than 50 events were organised in 2008. One of the most interesting was *Little Hanoi*, an exhibition of photographs by Š. Stein and S. Issa on the life of the Vietnamese community in the Czech Republic.

Czech Centres were also active in the fields of education and science; they provided information about studying in the Czech Republic, assisted foreign students of Czech studies and operated libraries of Czech literature in a number of locations. Besides these activities, Czech Centres abroad also continued organising Czech language courses, which were attended by 1,200 students in 2008.

The www.czechcentres.cz portal served to present Czech Centres, acquainting the general public with the mission of CCs abroad, their activities, the services they provide and their current programmes. The quarterly magazine *czEcho*, produced by the Czech Centres press department, proved to be an important means of communication making it possible to promote the highlights of individual CCs' programmes abroad.

Integral to the work of Czech Centres abroad was support for external economic relations and Czech exports, mainly in cooperation with the agencies *CzechTrade* and *CzechInvest*. Czech Centres operates the www.export.cz information server, which publishes territorial summaries, as well as information about current conditions for doing business, and demand and supply enquiries from Czech and foreign firms for both goods and services. Czech Centres offered interested parties from the Czech Republic assistance in staging

corporate presentations abroad. There were 143 of these during 2008. A Czech Centre information stand was operated at 20 trade fairs abroad and Czech Centres abroad were actively involved in or directly organised 36 specialist seminars. Czech House in Moscow, which is also part of the CCs network, offered specific services, making available the wide range of *Businesscentre* services and full facilities for Czech businesses. More than one hundred accredited Czech companies operated out of Czech House in Moscow during 2008. Tourism-related activities were conducted abroad mainly in cooperation with CzechTourism. Cooperation with regional authorities to provide a comprehensive presentation of the regions continued successfully.

In 2008, Czech Centres paid greater attention to implementing new projects created with support from the European Commission. An increasingly important role in European cultural policy is being played by *EUNIC*, the partnership of *European National Institutes for Culture*, of which Czech Centres is a member. Czech Centres thus successfully participated in *Alter Ego*, a European cultural project organised by EUNIC as part of the *European Year of Intercultural Dialogue*.

VI. CZECH EXPATRIATES

There are currently almost two million people abroad who claim Czech origins. Some of them are the descendents of Czechs who emigrated in the 19th and first half of the 20th century. They generally no longer speak Czech but retain an awareness of their origin and often have a sense of belonging to the Czech nation and the Czech state.

The largest percentage of expatriates are those forced to go abroad by the second world war, the communist takeover in 1948 and the occupation by Warsaw Pact forces in 1968. They and their descendents generally have fairly close ties with the Czech Republic. One entirely new group consists of Czechs who went abroad in the last twenty years. They live and work all over the world; there are tens of thousands of them and they maintain a very close relationship with the Czech Republic and the Czech environment. However, their needs and ideas about the nature of the Czech Republic's relationship with expatriates differ considerably from the needs and ideas of "traditional" expatriate groups.

The Ministry of Foreign Affairs of the Czech Republic appreciates all Czech expatriates' positive ties to their original home and strives to conduct meaningful and constructive dialogue with any interested Czech communities abroad.

One of the tasks of the *Department for Culture, Communication and Presentation (DCCP)* of the Ministry of Foreign Affairs is to maintain relations with Czechs abroad. The Department stepped up its communication and presentation activities in connection with the preparation of cultural events for the Czech Republic's upcoming presidency of the Council of the European Union. The office dealing with the Czech expatriate agenda remained part of this Department. By a decision of the Minister of Foreign Affairs, *Special Envoy for Czechs Abroad* V. Eisenbruk took charge of this office on 1 April 2008.

Within the Department, the agenda of the Ministry of Foreign Affairs' *Gratias Agit Award*, as the award laureates are not only Czechs abroad, and the agenda of Czech societies of friends, whose work mainly takes place in the Czech Republic, were transferred from the Expatriates Section to the Communication and Promotion Section.

Besides managing its own agenda, the Office of the Special Envoy for Czechs Abroad also works with other state administration authorities that are involved in the diverse range of issues concerning Czechs abroad, e.g. with the *Standing Senate Commission on Expatriates of*

the Parliament of the Czech Republic and the Expatriates Subcommittee of the Committee on Foreign Affairs of the Chamber of Deputies of the Parliament of the Czech Republic.

There were two significant meetings of Czech expatriates in 2008. On 14-15 September 2008, a traditional meeting of representatives of organisations of Czech communities abroad was held in the Karolinum, Prague. This meeting was followed up by the 2nd expatriates' folklore festival organised by the non-governmental organisation *Seven Rays* and held under the auspices of the Senate. A few days later, a congress of the *Society for Science and Art*, which associates Czech and Czechoslovak scientists and experts abroad, took place in Ružomberk, Slovakia.

2008 was the third year of the practical implementation of the *Support Programme for Czech Cultural Heritage Abroad for 2006-2010*. By its resolution No. 1622 of 14 December 2005, the Czech government undertook to provide more than CZK 50 million per annum for all kinds of support for expatriate communities and Czech language and literature teaching. Following an assessment of the implementation of the programme and in response to the wishes of Czech community clubs, the deadline for submitting projects was changed, a flexible system of working with projects was created and more is done to satisfy the considerable demand for the sending of teachers to Czech communities and for Czech language tuition.

In 2008 as in previous years, the intensive four-week *Czech language course for expatriates at Dobruška* attracted the greatest interest – it was attended by 58 participants and 5 self-funded students from 28 countries. One-term study stays were organised for expatriates and Czech language teachers were sent to Czech communities abroad. The third year of a two-week course in Prague on Czech language teaching methodology, which is specially designed to train members of Czech communities abroad to teach Czech, was rated very positively. 20 expatriate teachers from fourteen countries were trained in current questions of the development of the Czech language and in teaching methods in 2008.

One-term study stays for Czech expatriates at public universities in the Czech Republic are designed to maintain and spread knowledge of the Czech language and culture. In the 2007/2008 academic year, 28 students from nine countries were awarded scholarships to study Czech language and literature, Czech language and literature teaching, history, ethnology, history of art and theology.

Twelve Czech teachers were sent to expatriate communities. In the 2007/2008 academic year, they worked in nine countries: Argentina (one of whom travels to the Czech community in Paraguay), two in Brazil, one in Germany in the Lusatian Serbia region, two in Croatia, one in Russia, one in Ukraine and three in Romania, two of whom travel regularly to the expatriate community in Serbia). The teachers are sent to the Czech communities with a view to promoting knowledge of the Czech language and maintaining the Czech identity.

Their work is not confined solely to class-work, but also comprises broader educational and organisational assistance. Our pedagogues take part in preparing and presenting folklore performances, for example, musical and theatrical performances, work with children's groups, taking part in building libraries and helping the local expatriate press, and collecting documents about Czech community life.

The programme includes support for the work of Czech language and literature "lectorates" abroad. These are university departments open to anyone interested in Czech studies. Over CZK 17 million was earmarked for this work and for a one-off project to equip these departments in 2008. That sum also includes a contribution to an e-learning pilot programme for Czech language study over the internet.

One important part of the department's regular work is the administration of financial support for specific projects of foreign organisations with a link to the Czech Republic (expatriate clubs, societies of friends of the Czech Republic, associations of graduates from Czech universities and schools, and associations of Czech scholars).

In 2008, 163 expatriate clubs and societies of friends from 43 countries around the world applied for support from the Ministry of Foreign Affairs – CZK 10,576,000 was earmarked for these applicants' projects. Contributions towards Czech expatriate magazines published on either a national or regional basis, information bulletins and other club publications, contributions for independently run Czech language lessons in associations, collecting archive materials, building club libraries, ethno-cultural presentations during traditional festivals, exhibitions, dance and music performances, discussion meetings for expatriate children, etc. accounted for a considerable portion of this support. The executed projects were often linked to the "*Eights*" anniversaries.

Besides the aforementioned money donations to club projects, expatriate communities – especially for the needs of expatriate schools, interest groups and courses – were provided

with course books, teaching aids and other in-kind donations through Czech embassies and consulates. Some Czech embassies maintain local Czech libraries or video libraries, enable regular meetings of Czech community members, help teach Czech etc. Expatriates are of course invited to cultural and social occasions, just as diplomats participate at key events in expatriate communities.

An important demonstration of the long-term interest in Czechs abroad is the Czech Republic's aid earmarked for repairs of schools and cultural facilities of Czech communities. A total of CZK 10,404,000 was earmarked for this aid in 2008. The funds were used by expatriates in Australia, Argentina, Bosnia and Herzegovina, Serbia, Croatia, Ukraine, Israel and the USA. In two cases, extraordinary emergency aid was provided for expatriates affected by natural disasters – storm damage to the roof and sanitary facilities of the Czech-Indian elementary school in Esperanza, Paraguay, was repaired; and in Cedar Rapids (Iowa, USA), the *Czech and Slovak National Museum and Library* (completed and opened in 1995), Sokol clubhouse and other buildings in the local Czech Village district that were destroyed by floods were repaired.

For the eighth consecutive year, the Department of Culture, Communication and Presentation and the Special Envoy for Czech Abroad continued to cooperate with the publisher of *České listy* (“Czech Newspaper”). Since January 2007, the magazine has no longer been issued as a monthly in printed form, but became available online at www.czech.cz/ceskelisty (including an electronic archive of back issues). Also since January 2007, the popular four-page *Expatriate Panorama* section has become part of the Czech language version of a printed bimonthly called *Welcome to the Heart of Europe*. In view of the sustained interest in *České listy* in paper form, a *České listy Yearbook 2008*, containing the most interesting articles and information from the past year, was published.

One of the key standing tasks of the DCCP is to keep records of Czech expatriate clubs, societies of friends of the Czech Republic and similar organisations of various kinds abroad. The assembled information can be found in the form of a clearly laid out four-part directory on the Ministry of Foreign Affairs' website at www.mzv.cz/kultura. The information is updated every month. The www.krajane.net internet portal, a source of information for Czech expatriates and a discussion forum open to all, has been in operation for two years now. The portal is administered by Czech Radio (Radio Prague – Czech Radio 7).

VII. THE INTERNATIONAL LAW, COMMUNITY LAW AND CONSULAR DIMENSIONS OF THE CZECH REPUBLIC'S FOREIGN POLICY

1. The International Law Dimension of the Czech Republic's Foreign Policy

In line with its powers, the Ministry of Foreign Affairs monitors the Czech Republic's compliance with its commitments under international law and the evolution of international law. It makes every effort to contribute to the development of its standards in the globalising world, taking into account all its problems and challenges.

The Czech foreign policy priority in 2008 was the negotiation of bilateral agreements with the USA on the establishment of a United States radar site in the Czech Republic and the status of their armed forces. Two international agreements formed the legal basis for the establishment of the US missile defence site in the Czech Republic. The first is the *Main Agreement between the Czech Republic and the United States of America on Establishing a United States Ballistic Missile Defence Radar Site in the Czech Republic* (the “*Main Agreement*”). It was signed in Prague on 8 July 2008 by the foreign affairs ministers of the Czech Republic and the USA. The Senate approved the *Main Agreement* on 27 November 2008; debate of the *Main Agreement* in the Chamber of Deputies was commenced and immediately interrupted in October 2008.

The second agreement, which is under the authority of the Ministry of Defence of the Czech Republic, is the *Agreement between the Czech Republic and the United States of America on the Status of United States Forces Present in the Territory of the Czech Republic* (hereinafter “*SOFA*”). *SOFA* was signed in London on 19 September 2008 by the defence ministers of the Czech Republic and the USA. In Parliament it is being debated in parallel with the *Main Agreement*.

The third agreement related to the establishment of a United States radar site in the Czech Republic and which also falls under the authority of the Ministry of Defence of the Czech Republic is the *Framework Agreement between the Government of the Czech Republic and the Government of the United States of America on Cooperation in the Field of Missile*

Defence, signed in Prague on 31 October 2008. Once effective, it will enable Czech businesses to participate in building the missile defence system.

The Ministry of Foreign Affairs strove to complete the ratification of the *Rome Statute of the International Criminal Court*. By the end of 2008, 108 states were party to the Rome Statute. The Czech Republic is the only EU country that has not ratified it yet. Support for the International Criminal Court is an important part of the EU Common Foreign and Security Policy.

On 13 April 1999, the Permanent Representative of the Czech Republic to the UN signed the *Rome Statute* on behalf of the Czech Republic. After nine years of expert-level and political discussion, on 23 January 2008, the Czech government granted consent for the ratification proposal. By broad political consensus, on 16 July 2008, consent for ratification was granted by the Senate of Parliament. The Chamber of Deputies of Parliament granted consent for ratification on 29 October 2008. And in December 2008, the President of the Republic was requested to sign the instrument of ratification.

The Czech Republic systematically monitors the work of the *International Law Commission* in its preparation of proposals concerning the codification and development of international law. In discussions on the report of the International Law Commission in the Sixth Committee of the UNGA in autumn 2008, representatives of the Czech Republic delivered addresses on a number of topics; in May 2008, the Czech Republic also sent the UN secretariat a written statement on the topic of *Reservations to Treaties*.

During 2008, the Ministry of Foreign Affairs, in cooperation with other ministries, sent the relevant international organisations a periodic report on implementation of the *Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict* (1954) and its two protocols (1954, 1999) and a report on implementation of the *Rome Statute of the International Criminal Court*.

In 2008, the Ministry of Foreign Affairs initiated several preparatory negotiations concerning the constitution of an *international humanitarian law commission*. The Czech Republic is a state party to a number of international documents that bind it to submit reports on the implementation of *international humanitarian law (IHL)* instruments to international bodies. However, the Czech Republic is of the opinion that IHL priorities have not been

properly identified yet. The constitution and work of such a commission would help the Czech Republic fulfil its IHL commitments more effectively.

The Czech Republic also achieved success in the field of space law in 2008. The Czech candidate Professor V. Kopal was elected chairman of the Legal Subcommittee of the *UN Committee on the Peaceful Uses of Outer Space (COPUOS)* for the 2008-2010 term.

Besides obligatory contributions to international organisations, in 2008 the Ministry of Foreign Affairs provided CZK 651,000 in voluntary contributions towards the work of the international criminal tribunals (ICTY, ICTR, Special Tribunal for Lebanon, Special Tribunal for Sierra Leone), as well as providing financial support to the International Law Commission, the Hague Academy of International Law and the International Committee of the Red Cross (CZK 7,155,000).

The negotiation of additional international treaty documents of a presidential and governmental nature went ahead in 2008.

The question of succession to treaties concluded during the existence of Czechoslovakia (1918-1992) was negotiated with the few remaining states. A succession agreement with Iraq entered into effect in 2008 and talks with Afghanistan entered the final phase (expected to be resolved in the first half of 2009).

The Czech Republic is obliged to bring all its international law commitments into line with EC/EU law. In June 2005, the Ministry of Foreign Affairs therefore started the process of renegotiating the Czech Republic's agreements on the promotion and reciprocal protection of investments with non-EU countries. In 2008, protocols amending investment agreements were signed with Croatia, the DPRK, Moldova, Romania, Ukraine and Vietnam; such protocols were also discussed at expert level and prepared for signing with Jordan, Morocco and Turkey. Furthermore, in 2008, investment agreements were signed with states that previously had no such agreement with the Czech Republic – Bahrain, Yemen, Cambodia and Syria.

Conversely, bilateral investment agreements with EU member states became for the most part unfounded upon the Czech Republic's accession to the EU. At the turn of 2008 and 2009, the Czech Republic therefore notified 22 EU member states of proposals to terminate bilateral investment agreements by an exchange of diplomatic notes.

Double taxation avoidance treaties with Ethiopia and New Zealand entered into force in 2008; such treaties were negotiated and signed with Armenia and Syria. Double taxation avoidance treaties are prepared for signing with Turkmenistan, Kyrgyzstan, Cyprus and the People's Republic of China.

Bilateral agreements on the settlement of debts were signed with Cambodia and Syria in 2008.

Negotiations are ongoing with a number of states on economic cooperation agreements to replace trade treaties that had to be terminated due to the exclusive competence of the EC in the realm of trade policy. Agreements with Argentina, Indonesia, Peru and the Republic of South Africa entered into force in 2008; an agreement was signed with Brazil.

In the field of aviation, negotiations are taking place on new aviation agreements comprising requirements for the maximum possible liberalisation of aviation relations, including the relevant Community provisions. Aviation agreements with Egypt and Singapore were finalised at expert-level in 2008. In road transport, an agreement with Austria was negotiated on the connection of the Czech high-speed road R52 and Austrian A5 motorway.

In 2008, the amendment of the *Agreement on Matters of Common Interest concerning Nuclear Security and Protection from Radiation* with Austria entered into force.

In the field of police cooperation, agreements were signed with the USA and Belgium. A readmission agreement with Vietnam entered into force, as well as a number of arrangements concerning the regime at border crossings in connection with the start of the full application of the Schengen *acquis* by the Czech Republic.

The *National Security Office* negotiated a number of bilateral treaties on the mutual protection of official secrets. Treaties were signed with Finland, Norway, Austria, Macedonia/FYROM, Slovenia, Slovakia and Sweden. Treaties on the protection of official secrets with Bulgaria and Portugal entered into force in 2008.

In the field of social security, a treaty with the Republic of Korea entered into force and a treaty was signed with Japan. In the cultural field, the Czech side completed the approval process for a cultural agreement with Austria and regular programmes of cooperation were negotiated with Egypt, India and Poland, for example.

Bilateral ministerial treaties on cooperation in the field of environmental protection were signed in 2008 with Azerbaijan and Colombia. A treaty on cooperation in the implementation of the *UN Framework Convention on Climate Change* and its *Kyoto Protocol* was signed with Japan (emissions trading).

An agreement on the Czech Republic's accession to the *Convention for the Establishment of a European Space Agency* entered into force.

A number of multilateral treaties also entered into force for the Czech Republic in 2008. These include the *International Labour Organisation Convention* No. 138 on the minimum age for admission to employment of 1963 (entry into force for the Czech Republic on 26 April 2008). In addition, the *Community Guarantee to the European Investment Bank (EIB)* concerning EIB loans for construction projects in African, Caribbean and Pacific states entered into force.

In 2008, the Czech Republic also signed various multilateral treaties, e.g. the *Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary* and the *Convention on Cluster Munitions*. The Czech Republic also accepted the *UNESCO Convention for the Safeguarding of Intangible Cultural Heritage*.

In keeping with tradition, the Czech Republic participated in the *Treaty Event* in New York, which usually takes place in autumn. During this event in 2008, the *International Tropical Timber Agreement* was signed and the instruments of ratification of the *Optional Protocol to the Convention on the Safety of United Nations and Associated Personnel* were handed over.

In addition, protocols on the accession of Albania and Croatia to NATO were signed.

The Czech Republic also accepted amendments to certain multilateral treaties, e.g. the *Convention Establishing a Customs Cooperation Council*, the *Articles of Agreement of the International Monetary Fund*, the *Convention and Operating Agreement on the International Mobile Satellite Organisation*, the *Convention on the International Telecommunications Satellite Organisation*, the *Constitution and Convention of the International Telecommunication Union*, the *Convention on the Physical Protection of Nuclear Material*, and signed new additional protocols to the *Constitution of the Universal Postal Union* and the new *Universal Postal Convention*. The Czech Republic also acceded to a trilateral guarantee

agreement between EU member states, Euratom and the International Atomic Energy Agency on the implementation of the *Treaty on the Non-proliferation of Nuclear Weapons*.

2. Community Law Dimension of the Czech Republic's Foreign Policy

Within the Ministry of Foreign Affairs, the *Community Law Department (CLD)* monitors and analyses the development of the EC/EU law and draws up opinions on matters of Community law for the purposes of the Czech Republic's foreign policy. Its work in 2008 included assessment of the compliance with Community law of draft national legislation and negotiated international treaties coming under the responsibility of the Ministry and interpretation of the relevant provisions of Community law. In 2008, the majority of the expert opinions drawn up regarding interpretation of Community legislation concerned the EU's external relations, Common Foreign and Security Policy and the internal market (in particular the free movement of persons, goods and capital).

The dominant aspect of Community law in 2008 was the *Lisbon Treaty* ratification process. The internal ratification process in the Czech Republic began on 29 January 2008, when the *Lisbon Treaty* was put before the Chamber of Deputies and Senate of Parliament for the granting of consent for ratification.

Shortly afterwards, some members of Parliament expressed doubts as to whether the *Lisbon Treaty* conforms to the Czech constitution. At its session on 24 April 2008, the Senate of Parliament decided to petition the Constitutional Court of the Czech Republic to assess the conformity of the *Lisbon Treaty* with the constitutional order of the Czech Republic pursuant to Article 87 (2) of the Constitution of the Czech Republic.

At the request of the Office of the Government of the Czech Republic, the Department drew up the legal argumentation which formed the basis for the government's statement on the Senate petition. After an oral hearing, the Constitutional Court of the Czech Republic ruled on 26 November 2008 (Judgement Pl. ÚS 19/2008) that the provisions of the *Lisbon Treaty* referred to by the Senate of Parliament are not inconsistent with the constitutional order of the Czech Republic. At the end of the year, the *Lisbon Treaty* was again put before Parliament for further debate.

In January 2008, the proposal of the Ministry (CLD) was approved; this will influence the internal discussion of international treaties negotiated within the EU for several years to come. On 9 January 2008, the Czech government adopted the new *Government Guidelines for the Negotiation of International Treaties in the Context of the European Union and Their Internal Scrutiny Procedure* (hereinafter the *Guidelines*), as an annex to government resolution No. 6. These Guidelines set out a binding procedure to be followed by the Czech government and central authorities when conducting negotiations and internal scrutiny procedure of international treaties concluded within the EU framework. Compared to the previous rules, the *Guidelines* finally reflect the specific procedures for the negotiation and internal scrutiny of international treaties in accordance with Articles 24 and 38 of the *Treaty on European Union*. These *Guidelines* also lay down a legal basis for establishing a database of EU international treaties that will be incorporated into the ISAP (*Information System for Approximation of Law*) electronic database.

The Community Law Department carried out legal linguistic review of a number of treaty documents in 2008. Most notably, these included a raft of the “EPAs” (*Economic Partnership Agreements*) with ACP (Africa/Caribbean/Pacific) states. In connection with legal linguistic review, at the end of 2008 the Department developed an initiative designed to centralise and rationalise legal linguistic review in the Czech Republic. For this purpose, negotiations were opened with the *Compatibility Department of the Office of the Government of the Czech Republic* in an effort to make use of its experience with legal linguistic review of EC/EU regulations and to involve this department more in the process of legal linguistic review of treaty documents.

3. Consular dimension of the Czech Republic’s foreign policy

In 2008, the Czech consular service continued to contribute to the fulfilment of the tasks and goals of the Czech Republic’s foreign policy. In order to make the fulfilment of tasks more effective, on 1 June 2008 the Consular Department was divided into two departments whose powers are mutually complementary. The new *Consular Department* handles consular relations with individual states and the practical conduct of consular agendas at embassies vis-à-vis Czech citizens. Among other things, it deals with the agenda of travel documents, granting visas to diplomats, informing the public in connection with travel to

foreign states and Czech citizens who get into difficulties abroad. The *Consular Policy and Methodology Department* deals mainly with conceptual matters of the consular service; it ensures the application of EU/Schengen regulations concerning consular work; it coordinates visa work at embassies; and it draws up opinions and other materials for internal and international talks on migration questions.

The Czech Republic became a full member of the Schengen area on 21 December 2007. 2008 was therefore the first year when Czech embassies issued visas valid for all Schengen states and when a visa issued by another Schengen state authority enabled its holder to enter and stay in the Czech Republic. In connection with accession to Schengen, a slight fall in the number of applications for short-term visas was registered, specifically 8% fewer applications than in 2007. Conversely, there was an increase of 7.5% in the number of applications for long-term “national” visas. The total number of visa applications received and processed by Czech embassies in 2008 was more than 650,000. The issuing of Schengen visas increased the demands on the staff of embassies’ visa departments and on the methodological work of the headquarters of the Ministry of Foreign Affairs. Staffing of the visa departments at selected embassies in the Russian Federation, Ukraine, Vietnam and Egypt was increased.

Questions of the application and further development of the Schengen *acquis* were also addressed. The principal questions were the use of outsourcing in the visa process, which has been used at all Czech embassies in the Russian Federation since autumn 2008, and the preparations for the launch of the *Visa Information System*, which is a system for processing visa applications with biometric elements for identification purposes.

For the Czech Republic as a Schengen member, visa facilitation agreements between the EU and Ukraine, Moldova, Serbia, Montenegro, Bosnia and Herzegovina, Albania and Macedonia/FYROM entered into force on 1 January 2008. The main aim of these agreements is to simplify the procedures for issuing short-term visas to certain categories of persons, including speeding up the process as a whole and reducing visa fees from EUR 60 to 35 across the board.

Certain aspects of the visa process were tightened up to protect the Schengen area from illegal migrants and the abuse of reasons for stay, whereby the Ministry of Foreign Affairs coordinated its steps with other central authorities, above all the Ministry of the Interior. The Ministry of Foreign Affairs participated in the attempts to address the situation

of foreign nationals who had lost their jobs as a result of the economic crisis and found themselves completely unprovided-for. Tasks set at governmental level were carried out in this area. The *Analytical Centre for Protection of State Borders and Migration*, which is composed of representatives of the concerned state authorities, serves as a platform for information exchange and cooperation on migration.

In the area of migration, the Ministry of Foreign Affairs continued to be actively involved in a pilot project entitled *Active Selection of Skilled Foreign Workers*, which the government assessed as beneficial and decided to extend. During 2008, a *Green Cards* project was prepared with a view to securing the kind of workers the Czech labour market lacks. The project was launched at the beginning of 2009.

The Ministry of Foreign Affairs managed to achieve significant successes in attaining visa reciprocity in 2008.

Official negotiations on the abolition of visa requirements for Czech citizens travelling to the United States of America were completed. The talks had been opened at the start of 2007. In the middle of 2007, the US Congress passed a bill modifying the conditions for participation in the USA's *Visa Waiver Program*. US president G. W. Bush signed the legislation on 3 August 2007. The enactment of the legislation had been preceded by intensive diplomatic activity by the Czech Republic.

The legislation laid down several conditions for the abolition of visa requirements, mainly in the field of security. During 2008, the Ministry of Foreign Affairs worked intensively with the Ministry of the Interior to fulfil these conditions. Consequently, US Secretary of Homeland Security M. Chertoff was able to announce on 27 October 2008, during his visit to Prague, that the Czech Republic had successfully satisfied the security conditions. The Czech Republic was therefore added to the Visa Waiver Program with effect from 17 November 2008. On this symbolic day for the Czech Republic, a further five European Union countries were added to the Visa Waiver Program: Estonia, Lithuania, Latvia, Hungary and Slovakia.

Citizens of the Czech Republic can thus travel to all of North America without visas, as Canada abolished its visa requirements for Czech citizens shortly before the end of 2007.

The indispensable role of Czech honorary consulates in the consular service of the Czech Republic is also worth mentioning. In 2008, there were a total of 150 honorary consulates of the Czech Republic operating in countries all over the world; fourteen of those were Honorary Consulates General. It should be stressed that honorary consuls, as the name suggests, are not state officials of the Czech Republic. The exercise of this function is honorary and unpaid. In fact, honorary consuls themselves cover the cost of operating their offices.

On 1-3 June 2008, the first-ever meeting of honorary consuls of the Czech Republic was held in Prague, attended by 125 honorary consuls in total. The programme comprised specialist presentations, social functions and cultural events. The specialist part of the event focused mainly on trade and economic matters.

The participants were also received by Prime Minister M. Topolánek in Liechtenstein Palace on Monday 2 June 2008, and by P. Sobotka, President of the Senate of Parliament, on 3 June 2008.

The meeting helped strengthen the honorary consuls' ties to the Czech Republic and deepened their expertise. Last but not least, the meeting was an expression of the Czech Republic's appreciation of them personally.

The Czech consular service is directly involved in the protection of the interests and rights of individuals in difficult situations, often far from home. One integral part of this is the handling of routine consular tasks by the consular sections of Czech embassies abroad. Alongside this routine work, the provision of care for Czech citizens who find themselves in crisis situations, frequently with their life or health in danger, and are dependent on the assistance of consular staff, is a task of the utmost importance. For this reason, the consular service is rightly referred to as the "shop window" of the Czech foreign service.

VIII. THE CZECH FOREIGN SERVICE

1. Staffing

In 2008, as in previous years, staff at Czech embassies abroad were rotated according to the *Rotation Plan*. In total, 233 staff were assigned to embassies, 200 of them for long-term postings and 33 short-term (up to one year).

Under inter-ministerial agreements between the Ministry of Foreign Affairs, the Ministry of Industry and Trade, the Ministry of Defence and the Ministry of the Interior, the necessary number of staff of trade and economic sections, Czech defence attachés and interior ministry liaison officers were assigned to Czech embassies. 347 additional staff were taken on in 2008 to cover the work requirements stemming from the Czech Republic's presidency of the Council of the EU.

National Contact Point

The Personnel Department, the *National Contact Point (NCP)*, administers the websites www.mzv.cz/nkm and www.mzv.cz/kariéra. These websites provide information about recruitment competitions for posts in international governmental organisations and European Union institutions. The NCP continued to select and nominate election observers for the Organisation for Security and Cooperation in Europe (OSCE) and the European Union (EU). In May 2008, a team of Czech election experts was sent to Georgia at the direct invitation of the Central Electoral Commission of Georgia. The NCP organised training for election observers abroad and was also involved in staffing the Czech Republic's participation in EU civilian crisis missions.

Specific work and results in respect of the principal international governmental organisations

European Union

On its website, the NCP provided an information service to candidates for recruitment competitions for the posts of assistant, administrator, head of department and director. In addition, the NCP published up-to-date offers of vacancies for the positions of seconded

national experts and nominated candidates. The NCP also organised a recruitment competition in the *Junior Experts in Delegation* programme, successfully recruiting two candidates.

In 2008, the NCP was actively involved in selecting and sending Czech citizens on EU civilian missions. Candidates for these EU missions could benefit from a new article on the website www.mzv.cz/kariera entitled *International Governmental Organisation Civilian Missions*, with the emphasis on EU missions.

In cooperation with the Ministry of Foreign Affairs Department for Human Rights and Transformation Policy, the NCP sent observers to EU election observation missions. Overall, 15 long-term and 20 short-term election observers were sent. Eight new observers were trained through the Ministry of Foreign Affairs.

UN

In respect of the UN, the NCP's chief task in 2008 was providing information on its website about vacancies and recruitment competitions to the *UN Development Programme (UNDP)* and the *UN Children's Fund (UNICEF)*.

OSCE

The number of Czech participants in OSCE missions ranged from eight to twenty in 2008, which was slightly fewer than in the previous year. Throughout the year, the National Contact Point organised nominations and was in charge of the internal Ministry procedure for approval of the extension of the participation of Czech citizens in OSCE field missions in the Balkans and the Caucasus. Since April 2008, a Czech citizen has held a post in the OSCE secretariat in Vienna. The NCP continued to send observers on OSCE election missions in 2008. In total, the NCP sent 67 short-term OSCE election observers and one long-term observer to the countries of the former Soviet Union and the Balkans. The NCP also organised a recruitment competition for the *Junior Professional Officer* programme, in which 35 candidates applied.

Miscellaneous

During 2008, the NCP was in charge of organising recruitment competitions for the head and members of the civilian part of the Provincial Reconstruction Team (PRT) in Logar,

Afghanistan. In autumn 2008, the NCP, in cooperation with the Department of Human Rights and Transformation Policy, organised training for new election observers for EU election observer missions.

2. Diplomatic Academy

In 2008, the *Diplomatic Academy (DA)* concentrated on training diplomats in modules at basic, advanced and individual levels and providing language and computer skills training. Special attention was paid to training staff prior to the Czech Republic's presidency of the Council of the EU through courses, seminars, placements abroad and language tuition.

The DA participates in the processing and international exchange of information on diplomatic training. In 2008, it took part in organising the 3rd module of the 9th year of the *European Diplomatic Programme (EDP)* and, together with the French foreign affairs ministry, co-organised the 10th EDP for the 2008/2009 academic year. It also organised the 7th year of the international *European Studies Summer School* for foreign diplomats and Czech state administration staff at Horažďovice.

Basic training modules

Basic diplomatic training (DA 1)

27 students completed basic diplomatic training in 2008. Twelve students graduated from the DA on 1 September 2008. Exceptionally, fifteen students began basic diplomatic training at the earlier date of 15 August 2008. In connection with the preparations for the Czech Republic's presidency of the Council of the EU, this training was also completed earlier, on 19 December 2008. This group's theoretical training was briefer, but the students underwent the full course of lectures and seminars to improve knowledge of international relations, diplomacy, security policy and economic relations, and practical courses to assimilate communication, negotiation and psychological skills and abilities. The students also took a special course in crisis situations and went on an excursion to Brussels.

Advanced diplomatic training (DA 2)

2008 was the tenth year of DA2 (its programme is modified to meet the current requirements of senior diplomats). Eight diplomatic staff started the DA2 module in 2008; the

21 admitted in the previous two terms continued their studies; and fourteen employees of state administration attended selected courses by agreement. Six students completed advanced diplomatic training in 2008.

Individual course for junior diplomats (DA IN)

50 junior diplomats started DA IN in 2008 and the 57 admitted in the previous year continued their studies. All the students have an individual programme of courses and seminars corresponding to their work experience at the Ministry of Foreign Affairs to date and their prior education. 23 students successfully completed the course in 2008.

Computer training

In 2008, 887 Ministry staff received training on 239 standard computer courses – MS Word, MS Excel, MS Power Point, the Windows environment, Internet, Lotus Notes, Filing Service and a “pre-posting” course for staff about to be posted to embassies. 145 members of staff just starting work completed computer literacy tests. Exceptionally, 24 web editing system courses were organised, with 143 members of staff trained in this subject.

Language tuition

201 Ministry employees passed standardised language exams in English, French, German, Russian and Spanish at MFA grades 1 – 4, with a further eight passing exams in other languages (e.g. Portuguese, Italian, Polish, Hungarian). Special attention was paid to French language teaching in 2008. Twelve Ministry employees took an intensive six-month beginners’ course; twelve management employees attended an intensive fourteen-day course abroad; and individual language courses were provided for 38 management employees.

Training in EU affairs and prior to the Czech Republic’s presidency of the Council of the EU

In 2008, the Diplomatic Academy took part in the 9th year of the European Diplomatic Programme (EDP). The principal theme was *Neighbourhood Policy and Energy Challenge – Two Priority Issues for the EU*. On 25-29 August 2008, the DA held the 8th year of the European Studies Summer School intended for Czech and foreign diplomats and employees of state administration. The lectures and discussions on the central theme of *Europe after the Lisbon Treaty: a New Order or Business as Usual?* were conducted by Czech and foreign

instructors provided up-to-date information to 56 participants from the Czech Republic and abroad (Bosnia and Herzegovina, Brazil, Bulgaria, Egypt, Chile, Croatia, India, Israel, Costa Rica, Mexico, Moldova, Palestinian Autonomous Territories, Peru, Romania, Russia, Serbia, Venezuela).

In the middle of May 2008, twelve students started a special two-month diplomatic training course focusing on the preparations for the Czech Republic's presidency of the Council of the EU; they completed the course in the middle of July 2008. After practical placements in the Ministry of Foreign Affairs' political departments, they started work on the Czech Republic's permanent missions, carrying out tasks related to the exercise of the presidency.

Intensive training for diplomats and administrative employees prior to the Czech Republic's presidency of the Council of the EU focused mainly on the compulsory institutional and language training. This entailed the assimilation of negotiation and communication skills, leading working groups, knowledge of the practical and procedural aspects of negotiating within EU structures, decision-making processes, relations between EU institutions and coordination at the national level. 242 Ministry staff took 849 courses in total. Besides compulsory training, the DA also organised placements for Ministry and embassy staff at the Permanent Representation in Brussels.

3. The Ministry of Foreign Affairs' Budget and Operations

Budget and drawdown of the Ministry of Foreign Affairs budget heading in 2008

The expenditure side of the Ministry of Foreign Affairs budget heading was influenced by the following activities in 2008:

- preparations for the Czech Republic's presidency of the Council of the EU in 2009;
- performance of foreign service tasks and implementation of the Czech Republic's foreign policy concepts;
- the increased cooperation with international organisations, including the honouring of financial commitments in respect of these organisations;
- supporting and implementing economic diplomacy projects;

- modernisation of the visa process in line with EU requirements and the Schengen Agreement and gradual introduction of biometric and security elements in passports and travel documents;
- the provision of a reliable consular and visa service;
- ensuring the security of embassies and personnel abroad and protecting the Ministry's classified information in accordance with Act No. 412/2005 Coll., on protection of confidential information and on security eligibility;
- improving the operational security and reliability of the Ministry information system and its certification for the handling of classified information;
- the provision of humanitarian aid to foreign countries;
- the implementation of foreign development cooperation and transformation cooperation projects.

Overview structured according to binding budget indicators

				CZK thousands
	2008 approved budget	2008 adjusted budget	2008 actual	% actual/ budget 2008
Summary indicators				
Total incomes	50,000	50,000	631,045.06	1,262.09
Total expenditure	6,783,616	7,414,861	7,098,745.83	95.74
Specific indicators				
Specific indicators – incomes				
Non-tax incomes, capital incomes and received subsidies	50,000	50,000	631,045.06	1,262.09
Specific indicators – expenditure				
Expenditure on performance of the Ministry's tasks of which:	6,783,616	7,414,861	7,098,745.83	95.74
expenditure linked with the exercise of CZ PRES	284,088	288,404	254,132.76	88.12
transformation cooperation	0	45,000	44,205.41	98.23
humanitarian aid	0	72,737	70,595.96	97.06
contributions to international organisations and financial donations to selected organisations abroad	1,192,606	1,192,606	1,151,692.48	96.57
promotion of Czech cultural heritage abroad	0	30,980	30,280.07	97.74
international radio broadcasting	68,000	68,000	68,000.00	100.00
top-level state visits	0	40,000	39,681.80	99.20
security and biometric elements in travel documents	0	33,000	81,966.89	248.38
finances for the participation of Czech citizens in civilian missions	0	26,000	18,752.24	72.12

Provincial Reconstruction Team, Afghanistan	80,000	80,000	25,112.39	31.39
other expenditure on performance of the Ministry's tasks	5,158,922	5,538,134	5,314,325.83	95.96
Cross-cutting indicators				
Employees' salaries and other payments for work done	668,360	735,522	733,802.13	99.77
Obligatory insurance paid by the employer	233,925	257,432	255,635.28	99.30
Employees' salaries	662,822	727,284	725,668.95	99.78
Transfer to the Cultural and Social Services Fund	13,256	14,546	14,542.51	99.98
Pay of representatives of the state and certain authorities	1,407	1,407	1,389.66	98.77
Expenditure on research and development including programmes co-financed by the EU	21,697	21,697	18,152.32	83.66
of which: total from the state budget	21,697	21,697	18,152.32	83.66
of which: total institutional expenditure	14,274	14,274	14,274.00	100.00
total special-purpose expenditure	7,423	7,423	3,878.32	52.25
covered by income from finances of foreign organisations	0	0	0.00	
Programmes within the competence of the providers				
Public contracts	7,273	7,273	3,870.32	53.21
International R&D cooperation	0	0	0.00	0.00
Foreign development cooperation	7,966	187,416	158,318.94	84.47
Ensuring preparedness for crisis situations pursuant to Act No. 240/2000 Coll.	6,200	6,200	3,294.47	53.14
Expenditure on programmes co-financed by the EU excl. CAP	13,000	13,000	0.00	0.00
of which: from the state budget	13,000	13,000	0.00	0.00
covered by income from the EU budget	0	0	0.00	0.00
Expenditure on financing asset replacement programmes	1,238,428	1,218,673	1,175,977.90	96.50

NB: The adjusted budget for the Ministry of Foreign Affairs' expenditure primarily constitutes an increase by finances budgeted in the Treasury Administration and gradually released into the Ministry budget (humanitarian aid, transformation and development cooperation, expenditure on top-level state visits, finances for biometric elements in travel documents). The high realisation of budget incomes is caused by a transfer of CZK 480,951,000 from the reserve fund. Other incomes are unplanned incomes and transfers from part-funded organisations from the sale of real estate and movable property.

Incomes

The state budget for 2008 set a total figure of CZK 50,000,000 for income under the Ministry of Foreign Affairs heading. Total incomes amounted to CZK 631,045,060, including a CZK 480,951,000 transfer from the reserve fund. Incomes excluding transfers from the reserve fund were CZK 150,094,060, of which transfers from part-funded organisations from the sale of assets amounted to CZK 56,226,000.

Besides budgeted incomes, in 2008 the Ministry paid CZK 755,635,385,750 into the state budget in the form of fees charged for administrative acts by the consular sections of embassies.

Selected expenditures of the Ministry of Foreign Affairs budget heading

Expenditure linked to preparations for CZ PRES

Based on government resolution No. 741 of 27 June 2007, CZK 284,088,000 was released into the Ministry of Foreign Affairs budget heading for expenditure linked to the preparations for CZ PRES. During the year, the budget was increased by CZK 4,316,000 for extra staffing of the Embassy of the Czech Republic in Rome and the Permanent Representations in Geneva and New York (five ministry experts). These finances were released into the Ministry budget heading from other state budget headings. The drawdown of finances allocated for the preparations for CZ PRES was CZK 254,132,760.

Expenditure on transformation cooperation

In 2008, finances of CZK 45,000,000 were released into the Ministry of Foreign Affairs budget. CZK 44,205,410 of these finances were drawn down, primarily for projects in priority countries: Belarus, Bosnia and Herzegovina, Georgia, Iraq, Cuba, Moldova, Myanmar/Burma, Serbia and Ukraine.

Humanitarian aid expenditure

In 2008, a total of CZK 75,000,000 was earmarked for humanitarian aid. During the year, CZK 2,263,000 was transferred by budgetary measures into the chapter of the Ministry of the Interior for humanitarian aid provided by the Fire Rescue Service to Albania, China, Ukraine, Romania, Moldova and Georgia. Of the adjusted budget of 72,737,000, the Ministry of Foreign Affairs drew down CZK 70,595,960.

Contributions to international organisations and financial donations to selected institutions abroad

The budget approved for contributions to international organisations and financial donations to selected institutions abroad was CZK 1,192,606,000; the total drawdown was CZK 1,151,692,480. Expenditure on obligatory contributions amounted to CZK 819,276,560, and voluntary contributions and financial donations to institutions abroad CZK 332,415,920.

Promotion of Czech cultural heritage abroad

A total of CZK 30,980,000 was released for the promotion of Czech cultural heritage. In accordance with government resolution No. 1622 of 14 December 2005, this amount was used for the cultural projects of Czech expatriate clubs and societies of friends of the Czech Republic abroad and for maintenance and repairs of Czech community schools, club houses, small monuments and other elements of Czech cultural heritage abroad. CZK 30,280,070 of the allocated amount was drawn down.

International broadcasts by Czech Radio

CZK 68,000,000 was budgeted and drawn down to finance international broadcasting by Czech Radio. The funding of this broadcasting takes place in accordance with government resolution no. 573 of 10 September 1997.

Expenditure on top-level state visits

A total of CZK 100,000,000 was earmarked in the Treasury Administration for expenditure on top-level state visits in 2008. Over the year, the Ministry of Foreign Affairs requested the release of a total of CZK 40,000,000 into its budget. Total drawdown was CZK 39,681,800.

Expenditure on security and biometric elements in passports and travel documents

In 2008, CZK 33,000,000 was earmarked in the Ministry of Foreign Affairs heading for security features and biometrics in passports and travel documents, in line with government resolution No. 740 of 15 June 2005. Total drawdown amounted to CZK 81,966,890, of which CZK 48,966,890 was transferred from the reserve fund.

Funding for the involvement of Czech citizens in civilian missions run by the EU and other international governmental organisations

In 2008, a sum of CZK 120,000,000 was earmarked in the Treasury Administration budget heading for the involvement of Czech citizens in civilian missions run by the EU and other international governmental organisations. CZK 26,000,000 was released into the Ministry of Foreign Affairs budget, of which CZK 18,752,240 was drawn down.

Provincial Reconstruction Team – Afghanistan

A total of CZK 80,000,000 was earmarked in the budget for this purpose in 2008. Total drawdown was CZK 25,112,390. CZK 54,887,610 was not utilised. The low drawdown was caused by the very complicated political and security situation in the location, which slowed down the execution of certain projects. The projects will be carried out in 2009.

Expenditure on foreign development cooperation (FDC)

CZK 7,966,000 was earmarked for expenditure on FDC. These finances constituted the funding for the operation of the *Czech Development Agency*, an organisational component of the state. During the year 2008, that amount was increased by CZK 179,450,000, CZK 99,450,000 of which was earmarked for FDC projects, CZK 60,000,000 for development assistance for the Palestinian Autonomous Territories and CZK 20,000,000 for reconstruction and development assistance for Georgia. Following these changes, the total budget was CZK 187,416,000 and total drawdown was CZK 158,318,940.

Research and development support

CZK 21,697,000 was earmarked for research and development in 2008; of that sum, institutional expenditure amounted to CZK 14,274,000 and special-purpose expenditure CZK 7,423,000. The full institutional funding of CZK 14,274,000 was drawn down the *Institute of International Relations*, a public research institute. The draw down of special-purpose expenditure on research and development was CZK 3,878,320, CZK 409,000 was drawn down by the International Relations Institute.

Ensuring preparedness for crisis situations pursuant to Act No. 240/2000 Coll.

CZK 6,200,000 was budgeted for this purpose in 2008, of which CZK 3,294,470 was drawn down. The finances were used for the pre-posting training of staff sent abroad, for purchases of walk-through metal detectors, protective vests and helmets, satellite hardware,

radio stations for the embassies in Kabul and Kinshasa and for drawing up and updating evacuation plans.

Expenditure on financing asset replacement programmes

After adjustments, the budget for expenditure on asset replacement programmes was CZK 1,218,673,000. Total expenditure on all programmes was CZK 1,175,977,900. The main influence in the year 2008 was the suspension of investments as a result of the preparations for the Czech presidency of the Council of the EU. The most important actions were the renovation of Czech House in Moscow and Bohemian National Hall in New York and some information and communication technologies projects, e.g. the introduction of biometric elements and security features in passports and travel documents and the Extranet and VIS projects.

Organisations part-funded by the Ministry of Foreign Affairs

The Ministry of Foreign Affairs is the founder of four part-funded organisations:

- *Diplomatic Service* administers and manages state and private property that is used primarily by foreign embassies in the Czech Republic. Among other things, it performs agency work for the Ministry of Foreign Affairs. Drawdown for the operation of Diplomatic Service was CZK 32,000,000; an investment subsidy of CZK 10,650,000 was drawn down; and CZK 11,600,000 was released from the reserve fund for investments. Diplomatic Service paid into the state budget CZK 55,790,000 from the sale of real estate.
- *Czech Centres* promote the Czech Republic and develop cultural and trade contacts through the network of Czech Centres abroad. Czech Centres paid into the state budget CZK 436,000 from the sale of real estate. The contribution towards the operations of Czech Centres in 2008 was CZK 114,525,000.
- *Štířín Castle* provides conference, accommodation, hospitality and sports services. A contribution of CZK 13,600,000 towards its operation was awarded in connection with the clear-up of the damage caused by a natural disaster and to cover costs in connection with the fall in expected revenues from the organisation's principal activity. The organisation drew down CZK 29,502,000 released from the reserve fund for construction of a waste water purification plant.
- *The Office of the Commissioner General for EXPO 2005* sees to the preparation and realisation of Czech participation at the world EXPO in Shanghai. Government resolution No. 601 of 21 May 2008 approved funding for this work. Drawdown for the

operation of the Office was CZK 26,000,000 and an investment subsidy of CZK 1,813,000 was drawn down.

Final evaluation

Developments in the drawdown of expenditure in the year 2008 corresponded to the specific features and requirements of the work of the Ministry of Foreign Affairs, in line with the tasks and objectives that make up the Czech Republic's foreign policy. 2008 was the last year of preparations for the Czech Republic's presidency of the Council of the EU in 2009 – this has a significant impact on the Ministry's expenditure and expenditure on staffing. A number of security measures were implemented at embassies in selected locations in connection with the global threat of terrorism. The situation surrounding the performance of tasks of the Logar PRT in Afghanistan was complicated in consequence of the local security, political and economic conditions, and this ultimately resulted in lower drawdown of the special-purpose finances.

APPENDICES

Overview of the Czech Republic's diplomatic relations as at 31 December 2008

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Afghanistan	1937	1993	Kabul	Prague
Albania	1927	1993	Tirana	Prague
Algeria	1962	1993	Algiers	Prague
Andorra	no diplomatic relations	1996	Madrid	Vienna
Angola	1975	1993	Luanda	Berlin
Antigua and Barbuda	no diplomatic relations	1997	Caracas	London
Argentina	1924	1993	Buenos Aires (HC Presidencia Roque Sáenz Peña, HC Mendoza)	Prague
Armenia	1992	1993	Tbilisi	Vienna
Australia	1972	1993	Canberra (CG Sydney, HCG Melbourne, HC Perth, HC Adelaide)	Warsaw (HC Prague)
Austria	1920	1993	Vienna (HC Graz, HC Innsbruck, HC Salzburg, HC Klagenfurt, HC Linz)	Prague
Azerbaijan	1992	1993	Tbilisi	Prague
Bahamas	no diplomatic relations	2005	Havana	not designated
Bahrain	1990	1993	Riyadh	Berlin
Bangladesh	1972	1993	Delhi (HC Dacca)	Berlin
Barbados	1977	1996	Caracas	London
Belarus	1992	1993	Minsk	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Belgium	1919	1993	Brussels (HC Antwerp, HC Liège, HC Namur)	Prague
Belize	no diplomatic relations	1996	San José (HC Orange Walk Town)	not designated (HC Prague)
Benin	1962	1993	Abuja	Berlin (HC Prague)
Bolivia	1935	1993	Lima (HC La Paz)	Vienna
Bosnia and Herzegovina	1992	1993	Sarajevo	Prague
Botswana	1968	1997	Pretoria	London
Brazil	1918	1993	Brasilia (CG São Paulo, HC Manaus, HC Joinville, HC Recife)	Prague
Brunei	1992	1995	Jakarta	not designated
Bulgaria	1920	1993	Sofia (HC Varna)	Prague
Burkina Faso	1968	1993	Accra	Vienna
Burundi	1963	1993	Nairobi	Moscow
Cambodia	1956	1993	Bangkok	Warsaw
Cameroon	1990	1993	Abuja (HC Douala)	Moscow
Canada	1942	1993	Ottawa (CG Montreal, CG Toronto, HC Calgary, HC Vancouver, HC Winnipeg)	Prague
Cape Verde	1975	1993	Accra (HC Praia)	Berlin
Central African Republic	1970	2008	Kinshasa	Paris
Chad	1967	1994	Abuja	Moscow
Chile	1924	1993	Santiago	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
China (PRC)	1930 1949	1993	Beijing (CG Hong Kong, CG Shanghai)	Prague
Colombia	1934	1993	Bogotá (HC Barranquilla, HC Cartagena de Indias, HC Medellín)	Vienna
Comoros	1977	1995	Nairobi	Moroni
Costa Rica	1935	1993	San José	Prague
Croatia	1992	1993	Zagreb	Prague
Cuba	1920	1993	Havana	Prague
Cyprus	1960	1993	Nicosia (HC Limassol)	Prague
Democratic Republic of the Congo	1960	1993	Kinshasa	Prague
Denmark	1920	1993	Copenhagen (HC Aarhus)	Prague
Djibouti	1977	1997	Addis Ababa (HC Djibouti)	not designated
Dominica	no diplomatic relations	1996	Caracas	not designated
Dominican Republic	1942	1993	Caracas (HC Santo Domingo)	Brussels (CG Prague)
East Timor		2002	Jakarta	not designated
Ecuador	1935	1993	Bogotá (HC Guayaquil, HC Quito)	Warsaw
Egypt	1922	1993	Cairo (HC Alexandra)	Prague
El Salvador	1930	1994	San José (HC San Salvador)	Berlin
Equatorial Guinea	1970	1993	Abuja	Berlin
Eritrea		1993	Addis Ababa	Berlin
Estonia	1922	1993	Tallinn (HC Tallinn)	Prague
Ethiopia	1944	1993	Addis Ababa	Berlin
Fiji	1970	1996	Canberra	not designated

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Finland	1921	1993	Helsinki (HC Tampere)	Prague
France	1918	1993	Paris (HC Lille, HC Lyon, HC Nancy, HC Nantes)	Prague
Gabon	1976	1993	Abuja	Libreville
Gambia	1972	1993	Accra (HC Banjul)	Brussels
Georgia	1992	1993	Tbilisi	Prague
Germany	1920 GDR 1949 FRG 1973	1993	Berlin (CG Dresden, CG Munich, HC Dortmund, HC Frankfurt am Main, HC Hamburg, HC Nuremberg, HC Rostock, HC Stuttgart)	Prague
Ghana	1959	1993	Accra	Prague
Greece	1920	1993	Athens (HC Heraklion, HC Piraeus, HC Rhodes, HC Thessaloniki)	Prague
Grenada	1979	1993	Caracas	not designated
Guatemala	1927	1993	Mexico (HC Guatemala City)	Vienna (HC Prague)
Guinea	1959	1993	Accra (HC Conakry)	Berlin
Guinea Bissau	1973	1993	Accra	Brussels
Guyana	1976	1993	Caracas (HC Georgetown)	London
Haiti	1943	2005	Caracas	not designated

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Holy See (Vatican)	1920	1993	Vatican	Prague
Honduras	1930	1993	San José (HCG Tegucigalpa)	Berlin
Hungary	1922	1993	Budapest	Prague
Iceland	1946	1993	Oslo (HC Reykjavik)	Vienna (HCG Prague)
India	1947	1993	Delhi (CG Mumbai)	Prague
Indonesia	1955	1993	Jakarta (HC Bali, HC Makassar, HC Surabaya)	Prague
Iran	1925	1993	Tehran	Prague
Iraq	1933	1993	Baghdad	Prague
Ireland	1947	1993	Dublin	Prague
Israel	1948	1993	Tel Aviv (HCG Tel Aviv, HC Eilat, HC Haifa, HC Jerusalem)	Prague
Italy	1918	1993	Rome (HC Venice, HC Florence, HC Milan, HC Naples, HC Palermo, HC Udine, HC Genoa, HC Ancona)	Prague
Ivory Coast	1984	1993	Accra	Berlin
Jamaica	1975	1993	Caracas	Berlin (HC Prague)
Japan	1920	1993	Tokyo (HC Kobe)	Prague
Jordan	1964	1993	Amman	Vienna
Kazakhstan	1992	1993	Astana	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Kenya	1964	1993	Nairobi	The Hague
Kiribati	no dipl. relations	2007	Kuala Lumpur	not designated
Kosovo	no dipl. relations	2008	Pristina	not designated
Kuwait	1963	1993	Kuwait City	Prague
Kyrgyzstan	1992	1993	Astana (HC Bishkek)	Vienna (HC Prague)
Laos	1962	1993	Bangkok	Warsaw
Latvia	1922	1993	Riga	Prague
Lebanon	1946	1993	Beirut	Prague
Lesotho	1982	1993	Pretoria	Rome
Liberia	1972	1993	Accra (HC Monrovia)	not designated
Libya	1960	1993	Tripoli	Vienna
Lithuania	1922	1993	Vilnius	Prague
Luxembourg	1922	1993	Luxembourg	Prague
Macedonia (FYROM)		1994	Skopje	Vienna
Madagascar	1976	1993	Addis Ababa	Moscow
Malawi	1991	1993	Harare	Berlin
Malaysia	1971	1993	Kuala Lumpur (HC Johor Bahru)	Prague
Maldives	1975	1993	Delhi	not designated
Mali	1960	1993	Algiers (HC Bamako)	Berlin
Malta	1968	1993	Rome (HC Naxxar)	Valletta (HC Prague)
Mauritania	1965	1993	Rabat	Moscow
Mauritius	1976	1993	Pretoria (HC Port Louis)	Berlin (HC Prague)
Mexico	1922	1993	Mexico City (HC Guadalajara, HC Monterrey, HC Tijuana)	Prague
Micronesia	no diplomatic relations	2004	Manila	not designated
Moldova	1992	1993	Chisinau	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Monaco	no diplomatic relations	2008	Paris	Berlin
Mongolia	1950	1993	Ulaanbaatar	Prague
Montenegro		2006	Belgrade	not designated
Morocco	1959	1993	Rabat (HC Casablanca, HC Fes)	Prague
Mozambique	1975	1993	Harare	Berlin
Myanmar/Burma	1955	1993	Bangkok	Berlin
Namibia	1990	1993	Pretoria	Moscow
Nauru	no diplomatic relations	2007	Manila	not designated
Nepal	1959	1993	Delhi (HC Kathmandu)	Berlin (HC Prague)
Netherlands	1919	1993	The Hague (HCG Amsterdam)	Prague
New Zealand	1958	1993	Canberra (HC Auckland)	Berlin (HC Prague)
Nicaragua	1930	1993	San José (HC Managua)	Berlin (HC Prague)
Niger	1975	1995	Accra (HC Niamey)	Bonn
Nigeria	1961	1993	Abuja	Warsaw
DPRK	1948	1993	Pyongyang	Prague
Norway	1921	1993	Oslo (HC Bergen, HC Trondheim)	Prague
Oman	1990	1993	Riyadh	Vienna
Pakistan	1950	1993	Islamabad	Prague
Palau		2003	Manila	not designated
Palestinian Autonomous Territories	1983	1993	Ramallah (liaison office to the Palestinian Autonomous Territories)	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Panama	1929	1993	San José (HC Panama)	Berlin (HC Prague)
Papua New Guinea	no diplomatic relations	1995	Jakarta (HC Port Moresby)	not designated
Paraguay	1936	1993	Buenos Aires (HC Asunción)	Vienna (HC Prague)
Peru	1922	1993	Lima	Prague
Philippines	1973	1993	Manila (HC Davao)	Prague
Poland	1919	1993	Warsaw (CG Katowice, HC Szczecin, HC Poznań)	Prague
Portugal	1920	1993	Lisbon (HC Porto, HC Funchal, HC Faro)	Prague
Qatar	1990	1993	Kuwait	Budapest
Republic of Congo	1964	1993	Kinshasa	Berlin
Romania	1919	1993	Bucharest	Prague
Russia	1934 (USSR)	1993	Moscow (CG Yekaterinburg, CG St. Petersburg, HC Khanty-Mansiysk, HC Nizhniy Novgorod)	Prague
Rwanda	1965	1998	Nairobi	Berlin
Samoa	no diplomatic relations	1995	Canberra	not designated
San Marino	1991	1993	Vatican	San Marino
Saudi Arabia	no diplomatic relations	1995	Riyadh (HC Jeddah)	Prague
Senegal	1967	1993	Rabat	Berlin
Serbia		2003	Belgrade	Prague
Seychelles	1976	1993	Nairobi (HC Victoria)	Victoria (HC Prague)

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Sierra Leone	1963	1993	Accra	Moscow
Singapore	1973	1993	Singapore	Singapore (HC Prague)
Slovakia		1993	Bratislava	Prague
Slovenia	1992	1993	Ljubljana	Prague
Solomon Islands	no diplomatic relations	1996	Canberra	Brussels
Somalia	1960	2002	Nairobi	Moscow
South Africa	1991	1993	Pretoria	Prague
South Korea	1990	1993	Seoul	Prague
Sovereign Military Order of Malta	1939	1993	Vatican	Prague
Spain	1919	1993	Madrid (HC Barcelona, HC Benidorm, HC Oviedo, HC Tenerife, HK Jerez de la Frontera, HK Palma de Mallorca)	Prague
Sri Lanka	1957	1993	Delhi (HC Colombo)	Vienna (HC Prague)
Sudan	1956	1993	Cairo (HC Khartoum)	Vienna
Suriname	1976	1993	Caracas	not designated
St. Kitts and Nevis	no diplomatic relations	1993	Caracas	not designated
St. Lucia	no diplomatic relations	1996	Caracas	not designated
Sao Tomé and Príncipe	1975	1993	Luanda	not designated
St. Vincent and the Grenadines	no diplomatic relations	1995	Caracas	not designated
Swaziland	1991	1993	Pretoria	Brussels
Sweden	1920	1993	Stockholm (HC Göteborg, HC Malmö)	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
Switzerland	1919	1993	Berne (HC Basel, HC Zürich, HC Locarno)	Prague
Syria	1946	1993	Damascus (HC Aleppo, HC Latakia)	Prague
Tajikistan	1992	1993	Tashkent	Vienna (HC Prague)
Tanzania	1961	1993	Nairobi	Berlin
Thailand	1974	1993	Bangkok	Prague
Togo	1960	1993	Accra (HC Lomé)	Paris
Tonga	no diplomatic relations	2007	Canberra	not designated
Trinidad and Tobago	1979	1997	Caracas (HC Port of Spain)	not designated
Tunisia	1959	1993	Tunis	Prague
Turkey	1924	1993	Ankara (CG Istanbul, HC Antalya, HC Izmir)	Prague
Turkmenistan	1992	1993	Moscow	Vienna
Tuvalu	no diplomatic relations	2005	Kuala Lumpur	not designated
Uganda	1962	1993	Nairobi	Moscow
Ukraine	1922	1993	Kiev (CG Lvov, CG Donetsk)	Prague
Uruguay	1921	1993	Montevideo (HC Punta del Este)	Prague
United Arab Emirates	1988	1993	Abu Dhabi	Vienna
United Kingdom	1918	1993	London (HCG Edinburgh, HC Cardiff, HC Belfast)	Prague

Country	Diplomatic relations established with the former Czechoslovakia	Diplomatic relations established with the Czech Republic	Seat of the competent mission of the Czech Republic	Seat of the competent mission of the given state for the Czech Republic
USA	1919	1993	Washington D.C. (CG Chicago, CG Los Angeles, CG New York, HCG Atlanta, HCG Fort Lauderdale, HCG Houston, HCG Philadelphia, HCG San Francisco, HC Anchorage, HC Boston, HC Buffalo, HC Kansas City, HC Minneapolis, HC New Orleans, HC Portland, HC San Juan)	Prague
Uzbekistan	1992	1993	Tashkent	Berlin
Vanuatu	no diplomatic relations	2002	Canberra	not designated
Venezuela	1929	1993	Caracas (HC Maracaibo)	Prague
Vietnam	1950	1993	Hanoi (HC Ho Chi Min City, HC Haiphong)	Prague
Yemen	YAR 1956 PDRY 1968	1993	Sana'a	Prague
Zambia	1965	1993	Harare	Berlin
Zimbabwe	1981	1993	Harare	Vienna

NB:

- 1) State as at 31 December 2008.
- 2) The table does not give information about periods during which diplomatic relations were suspended.
- 3) The missions listed are the highest-ranking resident missions. Consulate Generals (CG), consulates headed by an honorary consular officer (HC), and Consulate Generals headed by an honorary officer (HCG) are given in brackets.
- 4) The data on diplomatic relations correspond to the current state of research.
- 5) The table does not show the differences between the establishment of diplomatic relations at envoy and ambassador level.

Heads of Missions of the Czech Republic as at 31 December 2008

1. Missions headed by ambassadors and chargés d'affaires

city country	head of mission	date on which agrément granted	date on which credentials presented
Abu Dhabi United Arab Emirates	JEŘÁBKOVÁ Věra ambassador	30. 8. 2005	10. 4. 2006
Abuja Federal Republic of Nigeria <u>Competence:</u> Nigeria Benin Chad Cameroon Equatorial Guinea Gabon	SIRO Jaroslav ambassador	17.12.2007 18.12.2007 7.4.2008	15.2.2008 7.8.2008
Accra Republic of Ghana <u>Competence:</u> Ghana Togo Sierra Leone Liberia Ivory Coast Niger Burkina Faso Gambia Guinea Guinea-Bissau	KŘENEK Miroslav ambassador	27. 9. 2005 17. 8. 2007 12. 5. 2006 3. 1. 2008 19.11.2007 29.11.2007 1. 6. 2006 27. 6. 2006 14.3.2007	29. 3. 2006 6. 5. 2008 28.11.2008 8.4.2008 7. 12. 2006 11. 12. 2006 (copy of cred.)
Addis Ababa Federal Democratic Republic of Ethiopia <u>Competence:</u> Ethiopia Djibouti Madagascar Commission of the African Union UN Economic Commission for Africa	DOBIÁŠ Zdeněk ambassador	29. 8. 2005 24. 2. 2006 12. 4. 2007	19. 12. 2005 15. 5. 2006 8. 5. 2006 14. 4. 2006
Algiers People's Democratic Republic of Algeria	ŠARAPATKA Milan ambassador		

city country	head of mission	date on which agrément granted	date on which credentials presented
<i>Competence:</i> Algeria Mali		24. 12. 2005 16. 5. 2006	14. 2. 2006 29. 6. 2007
Amman Hashemite Kingdom of Jordan	HOLOUBKOVÁ Ivana ambassador	10. 9. 2006	5. 6. 2007
Ankara Republic of Turkey	FILIPÍ Eva ambassador	20. 8. 2004	13. 12. 2005
Astana Republic of Kazakhstan <i>Competence:</i> Kazakhstan Kyrgyzstan	KOPECKÝ Bedřich Ambassador	13.2.2008 11.4.2008	5.5.2008 26.8.2008
Athens Hellenic Republic	MOTTLOVÁ Hana ambassador	5. 7. 2006	4. 10. 2006
Baghdad Republic of Iraq	VOZNICA Petr ambassador	16. 8. 2005	26. 9. 2005
Bangkok Kingdom of Thailand <i>Competence:</i> Thailand Cambodia Laos Myanmar	HOTĚK Ivan ambassador	6. 9. 2006 23. 1. 2007 21. 11. 2006 29. 6. 2007	26. 8. 2007 19. 4. 2007 31. 1. 2007 9. 7. 2008
Beijing People's Republic of China	GREPL Vítězslav ambassador	4. 6. 2004	24. 9. 2004
Beirut Republic of Lebanon	ČÍŽEK Jan ambassador	27. 7. 2006	1. 9. 2006
Belgrade Republic of Serbia <i>Competence:</i> Serbia Montenegro	HUBÁČKOVÁ Hana ambassador	5.12.2007 4.2.2008	18.3.2008 16.5.2008
Berlin Federal Republic of Germany	JINDRÁK Rudolf ambassador	13. 10. 2006	11. 12. 2006
Bern Swiss Confederation	LAZAR Boris ambassador	28.1.2008	11.4.2008
Bogotá Republic of Colombia <i>Competence:</i> Colombia Ecuador	KREJČÍ Zdeněk ambassador	25. 9. 2006 10.10.2007	31. 1. 2007 27. 3. 2007
Brasília Federative Republic Of Brazil	JANČÁREK Ivan ambassador	6.3.2008	6.11.2008
Bratislava Slovak Republic	GALUŠKA Vladimír ambassador	16. 8. 2004	4. 10. 2004
Brussels Kingdom of Belgium	MÜLLER Vladimír ambassador	4. 5. 2006	10. 10. 2006

city country	head of mission	date on which agrément granted	date on which credentials presented
Brussels Permanent Representation to the EU European Union	VICENOVÁ Milena ambassador		
Brussels Permanent Delegation to NATO	FÜLE Štefan ambassador		11. 7. 2005
Bucharest Romania	DOKLÁDAL Petr ambassador	9. 8. 2006	10. 10. 2006
Budapest Republic of Hungary	PLÍŠEK Jaromír ambassador	27. 7. 2006	5. 10. 2006
Buenos Aires Argentine Republic <i>Competence:</i> Argentina Paraguay Uruguay	ZAJAC Štěpán ambassador	10. 9. 2007 1. 10. 2007 4. 8. 2008	
Cairo Arab Republic of Egypt <i>Competence:</i> Egypt Sudan	STÁŠEK Miroslav ambassador	21. 9. 2006 15. 11. 2006	4. 12. 2006 31. 7. 2007
Canberra Commonwealth of Australia <i>Competence:</i> Australia New Zealand Fiji Samoa Solomon Islands Vanuatu Tonga Cook Islands	CHMIEL Juraj ambassador	18.10.2007 17. 12. 2007 17.12.2007 14.3.2008 28.1.2008	26. 2. 2008 23.4.2008
Caracas Bolivarian Republic of Venezuela <i>Competence:</i> Venezuela Dominican Republic Grenada Barbados Guyana Jamaica Trinidad and Tobago Suriname Antigua and Barbuda Dominica	SLAVICKÝ Stanislav ambassador	7.4.2008 28.10.2008 17.9.2008 29.10.2008 21.10.2008 18.9.2008 15.9.2008 15.9.2008	18.8.2008

city country	head of mission	date on which agrément granted	date on which credentials presented
St. Lucia St. Kitts and Nevis St. Vincent and the Grenadines Haiti		25.9.2008 10.9.2008 3.10.2008	
Chisinau Republic of Moldova	KYPR Petr ambassador	28. 2. 2006	14. 7. 2006
Copenhagen Kingdom of Denmark	LYČKA Zdeněk ambassador	15.4.2008	7.7.2008
Damascus Syrian Arab Republic	ULIČNÝ Tomáš ambassador	3. 9. 2006	2. 11. 2006
Delhi Republic of India <u>Competence:</u> India Bangladesh Sri Lanka Nepal Maledives	KMONÍČEK Hynek ambassador	1. 5. 2006 11. 7. 2006 5. 7. 2006 4. 6. 2006 31. 5. 2006	13. 11. 2006 15. 2. 2007 5.10.2007 30.4.2008 8. 1. 2007
Dublin Ireland	KAFKA Tomáš ambassador	28.4.2008	2. 9. 2008
Geneva Permanent Mission Office of the UN and other international organisations based in Geneva	HUSÁK Tomáš ambassador		24. 2. 2006
The Hague Kingdom of the Netherlands	MAREŠ Petr ambassador	7. 7. 2006	25. 10. 2006
Hanoi Socialist Republic of Vietnam	KRÁL Michal ambassador	24.4.2008	15.8.2008
Harare Republic of Zimbabwe <u>Competence:</u> Zimbabwe Malawi Mozambique Zambia	ZAHRADNÍČEK Luděk chargé d'affaires		
Havana Republic of Cuba Commonwealth of The Bahamas	KORSELT Vít chargé d'affaires ambassador extraordinary and plenipotentiary	27. 11. 2006	
Helsinki Republic of Finland	KOTZY Vladimír ambassador	17. 2. 2006	18. 5. 2006
Islamabad Islamic Republic of Pakistan	KALFÍRT Jaroslav chargé d'affaires		
Jakarta Republic of Indonesia <u>Competence:</u> Indonesia	ŘEZÁČ Pavel ambassador	18. 10. 2006	30. 1. 2007

city country	head of mission	date on which agrément granted	date on which credentials presented
Brunei East Timor Singapore		17. 4. 2007 1. 3. 2007 6.10.2008	
Kiev Ukraine	BAŠTA Jaroslav ambassador	8. 6. 2007	10. 12. 2007
Kinshasa Democratic Republic of the Congo	FILIPENSKÝ Jan ambassador	23. 11. 2007	7.2.2008
Kuala Lumpur Malaysia <i>Competence:</i> Malaysia Tuvalu Papua New Guinea Kiribati	FÜRY Jan ambassador	14.5.2008 24.7.2008 27.6.2008	16.9.2008
Kuwait State of Kuwait <i>Competence:</i> Kuwait Qatar	VÁVRA Martin ambassador	24.8.2008 3.11.2008	1.12.2008
Lima Republic of Peru <i>Competence:</i> Peru Bolivia	ZEMANOVÁ Věra ambassador	17. 3. 2006 18. 5. 2006	1. 6. 2006 2. 4. 2007
Lisbon Portuguese Republic <i>Competence:</i> Portuguese Republic Cape Verde	ŠKERŮK Ladislav ambassador	6. 9. 2004	5. 11. 2004
Ljubljana Republic of Slovenia	HLAVSOVÁ Ivana ambassador	18. 8. 2005	8. 9. 2005
London United Kingdom of Great Britain and Northern Ireland	WINKLER Jan ambassador	10. 8. 2005	21. 10. 2005
Luanda Republic of Angola <i>Competence:</i> Angola São Tomé and Príncipe	VÁLKY Vladimír chargé d'affaires	22. 11. 2006 15.4.2008	14. 11. 2007 10.11.2008
Luxembourg Grand Duchy of Luxembourg	LUKEŠOVÁ Kateřina ambassador	3. 11. 2006	14. 12. 2006
Madrid Kingdom of Spain <i>Competence:</i> Spain Andorra	KOŠATKA Martin ambassador	3. 6. 2004 23. 6. 2004	20. 12. 2004 17. 3. 2005

city country	head of mission	date on which agrément granted	date on which credentials presented
UNWTO			President of France 5. 5. 2005 Bishop of Urgell 3. 4. 2006 credentials presented to Secretary-General
Manila Republic of the Philippines <i>Competence:</i> The Philippines Palau Micronesia Nauru	LUDVA Jaroslav ambassador	24. 8. 2005 20. 4. 2006	17. 10. 2005 17. 9. 2006 19. 11. 2007
Mexico United Mexican States <i>Competence:</i> Mexico Guatemala	HAVLÍK Jiří ambassador	20.9.2007 20.2.2008	8.5.2008 2.10.2008
Minsk Republic of Belarus	KARAS Jiří chargé d'affaires		
Moscow Russian Federation <i>Competence:</i> Russia Turkmenistan	KOSTELKA Miroslav ambassador	6. 9. 2005 4. 11. 2005	3. 2. 2006 19. 4. 2006
Nairobi Republic of Kenya <i>Competence:</i> Kenya Burundi Comorros Rwanda Seychelles Tanzania Uganda Eritrea UNEP UNCHS	FUCHSOVÁ Margita ambassador	26.11.2007 16.6.2008 16.1.2008 25.2.2008	16.4.2008 22.7.2008 5.11.2008
New York Permanent Mission United Nations	PALOUŠ Martin ambassador		11. 9. 2006

city country	head of mission	date on which agrément granted	date on which credentials presented
Nicosia Republic of Cyprus	BONDY Jan ambassador	21. 12. 2006	18. 5. 2007
Oslo Kingdom of Norway <i>Competence:</i> Norway Iceland	NOVÝ Luboš ambassador	27. 4. 2007 15. 5. 2007	23. 8. 2007 12. 1. 2008
Ottawa Canada	ŽEBRAKOVSKÝ Karel ambassador	11.9.2008	21.10.2008
Paris <i>Competence:</i> French Republic Monaco	FISCHER Pavel ambassador	30. 4. 2003 4.3.2008	4. 11. 2003 16.9.2008
Paris Permanent Mission to the OECD Organisation for Economic Cooperation and Development	DYBA Karel ambassador		credentials presented on 10. 10. 2007
Paris Permanent Mission to UNESCO United Nations Educational, Scientific and Cultural Organisation	JANYŠKA Petr Permanent Representative of the Czech Republic		credentials presented on 21. 9. 2006
Pretoria Republic of South Africa <i>Competence:</i> Republic of South Africa Botswana Namibia Mauritius Lesotho Swaziland	POHL Martin ambassador	28. 8. 2007 30. 11. 2007 29.1.2008 13. 12. 2007 22.4.2008 9.5.2008	4. 10. 2007 27.2.2008 26.3.2008 4.3.2008 29.10.2008
Pristina Republic of Kosovo	HŘEBÍČKOVÁ Janina chargé d'affaires		
Pyongyang Democratic People's Republic of Korea	TOMČO Martin ambassador	23. 3. 2006	29. 6. 2006
Rabat Kingdom of Morocco <i>Competence:</i> Morocco Mauretania Senegal	BURIL Tomáš ambassador	31.10.2007 23.11.2007 20.11.2007	29.2.2008 23.6.2008 9.7.2008
Riga Republic of Latvia	PŠTROSS Tomáš ambassador	30. 8. 2007	27. 11. 2007
Riyadh Kingdom of Saudi Arabia <i>Competence:</i>	MARŠÍČEK Josef acting head HLADÍK Lubomír		

city country	head of mission	date on which agrément granted	date on which credentials presented
Saudi Arabia Bahrain Oman	ambassador designate (since 6.1.2009)		
Rome Republic of Italy <i>Competence:</i> Italy Malta	ZAVÁZAL Vladimír ambassador	29. 8. 2006 4. 10. 2006	15. 12. 2006 21. 12. 2006
Sana'a Republic of Yemen	VRABEC Jozef ambassador	3.11.2007	18.3.2008
Santiago de Chile Republic of Chile	KUBÁNEK Zdeněk ambassador	5.11.2007	26.3.2008
San José Republic of Costa Rica <i>Competence:</i> Costa Rica Honduras Nicaragua Panama Salvador Belize	JAKOBEC Milan ambassador	3. 12. 2004 16. 2. 2005 26. 1. 2005 7. 3. 2005 11. 4. 2005 14. 1. 2005	17. 5. 2005 5. 7. 2005 14. 10. 2005 16. 2. 2006 27. 4. 2006 25. 7. 2005
Sarajevo Bosnia and Herzegovina	KUDĚLA Jiří ambassador	18. 8. 2005	12. 9. 2005
Seoul Republic of Korea	OLŠA Jaroslav, jr. ambassador	19.3.2008	4. 9. 2008
Skopje FYROM	BRAUN Jozef ambassador	29.10.2007	20.3.2008
Sofia Republic of Bulgaria	KLEPETKO Martin ambassador	18. 7. 2006	3. 11. 2006
Stockholm Kingdom of Sweden	KÁRA Jan ambassador	11. 9. 2007	28. 11. 2007
Strasbourg Permanent Mission Council of Europe	SVOBODA Pavel ambassador		credentials presented on 2. 5. 2007
Tallinn Republic of Estonia	LANGER Alexandr ambassador	6.5.2008	28.8.2008
Tashkent Republic of Uzbekistan <i>Competence:</i> Uzbekistan Tajikistan	KOPECKÝ Robert ambassador	22.10.2008	
Tbilisi Georgia <i>Competence:</i> Georgia Armenia	JESTRÁB Ivan ambassador	21.12.2007 29.2.2008	24.4.2008 19.6.2008
Tehran	KOUŘIL Jan		

city country	head of mission	date on which agrément granted	date on which credentials presented
Islamic Republic of Iran	acting head		
Tel Aviv State of Israel	ŽANTOVSKÝ Michael ambassador	10. 11. 2003	9. 2. 2004
Tirana Republic of Albania	FIALKOVÁ Markéta ambassador	30. 8. 2007	12. 10. 2007
Tokyo Japan	NOVOTNÝ Jaromír ambassador	28. 3. 2006	25. 7. 2006
Tripoli Great Socialist People's Libyan Arab Jamahiriya	ŠTRAUCH Dušan ambassador	31. 10. 2005	25. 12. 2005
Tunis Republic of Tunisia	PŘÍVRATSKÝ Jaromír ambassador	13. 10. 2003	20. 5. 2004
Ulaanbaatar Mongolia	JÍLEK Václav ambassador	16.4.2008	21.7.2008
Vatican Holy See <i>Competence:</i> Holy See Sovereign Military Order of Malta San Marino	VOŠALÍK Pavel ambassador	30.4.2008 30.6.2008 9.7.2008	27.9.2008
Vienna Republic of Austria	KOUKAL Jan ambassador	26. 9. 2006	28. 11. 2006
Vienna Permanent Mission Office of the UN, OSCE and other international organisations based in Vienna IAEA OSCE UNODC CTBTO UNIDO	POČUCH Ivan ambassador		credentials presented on 27. 8. 2004 24. 8. 2004 14. 9. 2004 17. 8. 2004 17. 8. 2004
Vilnius Republic of Lithuania	BUCHTA Alois ambassador	8. 8. 2005	26. 9. 2005
Warsaw Republic of Poland	SECHTER Jan ambassador	5.5.2008	22. 7. 2008
Washington D.C. United States of America	KOLÁŘ Petr ambassador	20. 9. 2005	2. 12. 2005
Zagreb Republic of Croatia	KÜHNL Karel ambassador	23. 7. 2007	16. 10. 2007
Republic of Azerbaijan with seat in Prague	MATULA Radek ambassador	6.6.2008	4. 7. 2008

2. Consulates General

country	head of Consulate General
Donetsk Ukraine competence: provinces of Donetsk, Luhansk, Kharkiv, Dnipetrovsk, Zaporizhia, Chernihiv, Autonomous Republic of Crimea	MURGAŠ Antonín consul general
Dresden Federal Republic of Germany competence: federal states of Saxony, Saxony-Anhalt, Thuringia	PODIVÍNSKÝ Tomáš consul general
Hong Kong People's Republic of China competence: Special Administrative Regions Hong Kong and Macau	HYKL Rudolf consul general
Chicago United States of America competence: states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wisconsin	SKOLIL Marek consul general
Istanbul Republic of Turkey competence: provinces of Istanbul, Ardahan, Artvin, Balıkesir, Bartın, Bayburt, Bilecik, Bolu, Bursa, Canakkale, Corum, Edirne, Erzurum, Giresun, Gümüşhane, Kars, Kastamonu, Kırklareli, Kocaeli, Ordu, Rize, Samsun, Sakarya, Sinop, Tekirdağ, Trabzon, Zonguldak	ŠTĚPÁNEK František consul general
Los Angeles United States of America competence: states of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming	KUMERMANN Daniel consul general
Lviv Ukraine competence: provinces of Volyn, Rivne, Chernivtsi, Lviv, Zakarpathia, Ivano-Frankivsk, Ternopil	HRADIL Ladislav consul general
Munich Federal Republic of Germany competence: federal states of Bavaria, Baden-Württemberg	BORŮVKA Karel consul general
Montreal Canada competence: provinces of British Columbia, Nova Scotia, New Brunswick, Prince Edward Island, Quebec	JESLÍNKOVÁ Jaroslava consul general
Mumbai Republic of India competence: union states of Andhra Pradesh, Goa, Gujarat, Karnataka, Kerala, Maharashtra, Tamil Nadu; union territories of Dadra, Nagal Haveli, Daman and Diu, Pondicherry, Lakshadweep	DRDÁKOVÁ Eva consul general
New York United States of America	ŽIGOVÁ Eliška

competence: states of Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont	consul general
St. Petersburg Russian Federation competence: St. Petersburg; provinces of Arkhangelsk, Leningrad, Murmansk, Novgorod, Pskov, Vologda; Republic of Karelia, Republic of Komi, Nenets Autonomous District	BARTOŠ Lubor consul general
São Paulo Federative Republic of Brazil competence: states of São Paulo, Paraná, Santa Catarina, Rio Grande do Sul, Mato Grosso do Sul, Rio de Janeiro, Minas Gerais, Espírito Santo	KÁZECKÝ Stanislav consul general
Sydney Commonwealth of Australia competence: Commonwealth of Australia (except Australian Capital Territory – capital of Canberra, Victoria and Tasmania), New Zealand, Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Independent State of Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu	KOLÁŘ Vít consul general
Shanghai People's Republic of China competence: provinces of Jiangsu, Zhejiang, Anhui and the city of Shanghai	MAZÁNEK Bohumil consul general
Toronto Canada competence: part of the province of Ontario, provinces of Manitoba and Saskatchewan	KRPAČ Richard consul general
Yekaterinburg Russian Federation competence: republics of Altay, Buryatia, Sakha (Yakutia, Tuva, Khakassia; territories of Altai, Khabarovsk, Kamchatka, Krasnodar, Primorsky, Zabaykalsky; provinces of Amur, Irkutsk, Kemerovo, Kurgan, Magadan, Novosibirsk, Omsk, Sakhalin, Sverdlovsk, Tomsk, Tyumen, Chelyabinsk, Jewish Autonomous; autonomous districts of Khanty-Mansi, Chukotska, Yamalo-Nenets	RAMEŠ Miroslav consul general

3. Other types of mission

mission	head of mission
Liaison Office Ramallah	ŠILHAVÝ Ivo head of liaison office
Czech Economic and Cultural Office (CECO) Taipei	DOLEČEK Jaroslav head of CECO

4. Consular Offices of the Czech Republic in 2008

Seat of Consular Office	Term of office of Consular Office
Barcelona	1. 7 – 31. 8. 2008
Marseille	1. 7. – 31. 8. 2008
Split	15. 6. – 15. 9. 2008
Rijeka	15. 6. - 15. 9. 2008
Burgas	30. 6. – 7. 9. 2008
Podgorica	15. 6. – 15. 9. 2008 (extended to 15. 9. 2009 in connection with CZ PRES)

5. Branches of Embassies of the Czech Republic

country	type of branch	seat of branch
Iraq	Liaison Office of the Commercial Department of the Embassy of the Czech Republic	Erbil
	Liaison Office of the Commercial Department of the Embassy of the Czech Republic	Basra
Kazakhstan	Branch Office of the Embassy of the Czech Republic	Almaty
Greece	Office of the Embassy of the Czech Republic, Thessaloniki Branch (Czech- Hellenic Board)	Thessaloniki