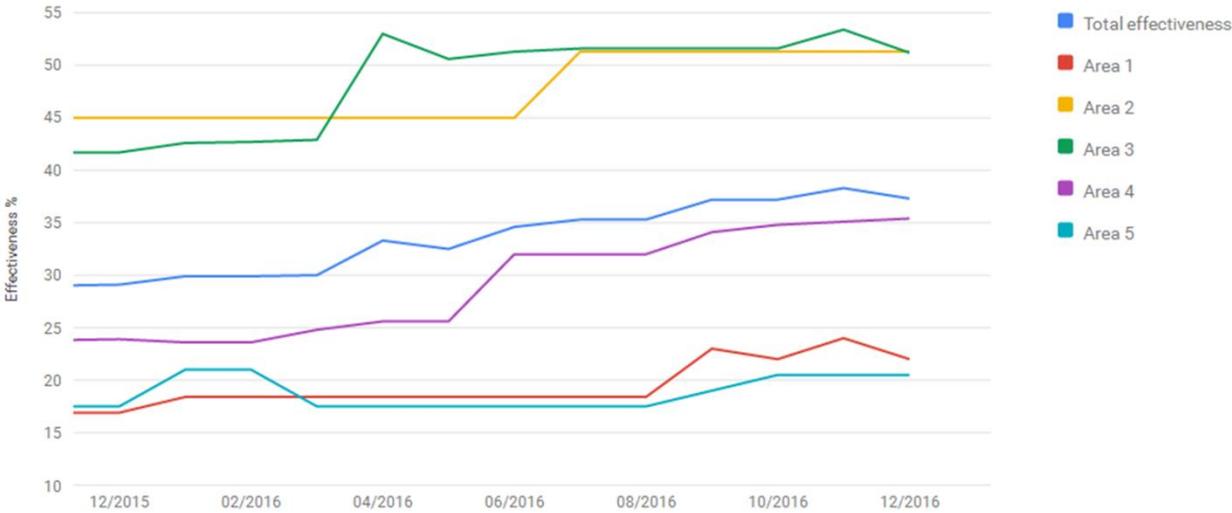


THE YEARBOOK OF ANTICORRUPTION BAROMETER 2016



Areas of interest - over time



2016	AREA 1: Control of politicians	AREA 2: Transparent financing of political parties	AREA 3: Non-corrupt and professional public administration	AREA 4: Transparent and effective public investment	AREA 5: Abolition of anonymous ownership	TOTAL
January	18,4 %	45,0 %	42,6 %	23,6 %	21,0 %	29,9 %
February	18,4 %	45,0 %	42,7 %	23,6 %	21,0 %	29,9 %
March	18,4 %	45,0 %	42,9 %	24,8 %	17,5 %	30,0 %
April	18,4 %	45,0 %	53,0 %	25,6 %	17,5 %	33,3 %
May	18,4 %	45,0 %	50,6 %	25,6 %	17,5 %	32,5 %
June	18,4 %	45,0 %	51,3 %	32,0 %	17,5 %	34,6 %
July	18,4 %	51,3 %	51,6 %	32,0 %	17,5 %	35,3 %
August	18,4 %	51,3 %	51,6 %	32,0 %	17,5 %	35,3 %
September	23,0 %	51,3 %	51,6 %	34,2 %	19,0 %	37,2 %
October	22,0 %	51,3 %	51,6 %	34,8 %	20,5 %	37,2 %
November	24,0 %	51,3 %	53,4 %	35,1 %	20,5 %	38,3 %
December	22,0 %	51,3 %	51,2 %	35,4 %	20,5 %	37,3 %
CHANGE	+ 3,6 %	+ 6,3 %	+ 8,6 %	+ 11,8 %	- 0,5 %	+ 7,4 %

Review of 2016, forecasts for 2017 and other observations

What happened in 2016? In the field of fight against corruption in the Czech Republic, the year of 2016 was the year of reversals. The positive reversal in the area of systemic approach, the negative reversal in the area of corruption detection and punishment. As far a systemic approach is concerned, 2016 was the first year when a bigger than a small portion of anticorruption laws were adopted which should make corruption less attractive. On the one hand, new rules on financing of political parties, new antimoney laundering rules together with the institution of registers of beneficial owners, new Public Procurement Act and the Parliament almost managed to adopt the new regulations on conflict of interest of politicians – in December the Act was however vetoed by the president so that another vote - which could overrule the presidential veto – will take place in the Lower Chamber of the Parliament in early 2017. Nevertheless, its amendment which, if adopted, would severely limit its effectiveness is already waiting in the Lower Chamber. On the other hand, the constitutional Act extending the competences of the Supreme Audit Authority, in spite of the re-start of debates about the adoption of this Act in the Lower Chamber in December. At the same time, the preparation of draft proposals of the Act on nomination of supervisory board members of enterprises providing public services, the Act on whistleblowing and the Act on internal control and management of public finances started. Although we would need all these three Acts to be adopted very badly, their preparation are rather “pro forma” efforts as none of the drafts in their existing version will bring any progress. The negative reversal occurred in the area of corruption prosecution and justice procedures. Despite conviction of Marek Dalík in the Pandur case, the justice system showed that it is ill-equipped for handling cases of systemic corruption – such as, in the Rath case, Nagyová-Nečasová case, Vidkun case etc. Moreover, the way in which the summer police reform was implemented could have a serious damaging impact on the ability and willingness of police departments to prosecute corruption criminal acts, notwithstanding the December raid against corruption camorra operated by North-Bohemian godfathers. However, this operation was performed on the basis of previously obtained proofs and testimonies and one cannot avoid asking whether it was not delayed due to the aforementioned summer police reform.

What do we expect in 2017? The central political topic of 2017 will be the elections: first, the elections of the Lower Chamber of the Parliament and, then, at the end of 2017 and in the beginning of 2018, the presidential elections. As far as the parliamentary elections are concerned, it will be only on us, the people, whether we will get scared by the picture of an external enemy or whether we will require from politicians responsible and accountable public policies. In the latter case, solution of corruption problems could be one the main election topics. As to the presidential elections, one of the key issues will be questions of its financing. Previous presidential elections showed that the transparency in their financing was their metaphoric heel of Achilles. The problem is lies largely in the gap in the respective regulations which do not prohibit either financing of presidential candidates from the abroad or by Czech companies with non-transparent owners from the abroad. When making forecasts, one should not forget that Czechs, next to certain winter sports, are world champions in circumvention of regulations: hence, efforts will have to be spent in order to bring the adopted laws into practical application. Also it will be necessary to defend a number of adopted anticorruption regulations from being dismantled. From the discussions on the European level coming in 2017 we can expect requirements for regulation of offshore advisors. The EU will doubtlessly also open the painstaking issue of providing public contracts and subsidies to companies engaged in aggressive tax planning through tax havens. The Anticorruption Barometer became in

2016 the yardstick for corruption measuring and source of information about corruption in the Czech Republic – thanks to its English version European, international, academic and non-governmental institutions as well as media and certain political parties.

JANUARY 2016

Public space continued to be dominated by the refugee crisis. This topic together with a heavy smoke after the fusillade of wits – luckily not from kalashnikovs but from the president – and parliamentary obstructions which turned parliamentary discussion into never ending soap operas created such a dense fog in the political debate that it could have been cut into pieces and sold on the market. No wonder that such an important message as the one indicating that the volumes and amounts of public contracts attributed directly to pre-selected firms without organising open tenders reached again the levels seen before 2010 when the Czech Republic was occupying top positions among EU member states in this infamous competition slipped through the cracks. Nobody got either interested in the finding that almost 80 % of EU subsidies are granted back to the state-owned institutions which then often re-distribute them to pre-selected „favoured“ firms: the reason for establishing this two phase process is to by-pass strong European controlling mechanisms which apply to the first phase, but not to the second one. This is, on the one hand, a result of the need to „pump out“ as much of EU funds as possible, and on the other hand, a consequence of perhaps an artificially created feeling of immediate danger to justify acquisitions of various new weapons and armour. In any case, such approach generates a breeding ground for corruption and clientelism. These facts cut back to certain extent the optimism resulting from the progress in the corruption perception index of Transparency International where the Czech Republic moved from the 53th place (in 2014) to the 37th (in 2015) which is undoubtedly due to the past changes at the key posts of the state prosecution and visible results of this body. One can also praise that some of the proposals of important anticorruption laws, such as the draft of the Public Procurement Act or Act on Conflict of Interest, have moved forward in the Lower Chamber of the parliament, although under a different speed and in diverging directions. Last but not least, in the light of the affair of hacked emails of the prime minister, it may be worth discussing again the issue of cybersecurity in the political arena. It is indeed paradoxical that when politicians communicate with various „lobbyists“, they use all forms of encrypted communication to stay as much as possible in secret out of the reach of law enforcement authorities. By contrast, when it comes to functioning of the state, they ignore basic internet security principles. The desired reality should, however, work the other way round: communication of politicians responsible for the functioning of the state apparatus should take place in a safe mode, but has to be accessible to the law enforcement authorities in case of reasoned suspicion of corruption or other criminal activity and providing that these authorities obtained the necessary permissions. Encrypted communication should be strictly regulated, at least as far as public officials are concerned: inspiration can be taken from the recent proposals presented in the United Kingdom or California.

FEBRUARY 2016

Although in February there was quite something going on in the Czech politics, the public debate continued to be dominated by "the kalashnikov competition" - a race among the politicians about who fires a more eccentric statement to the media and thus gets more the attention from the general public. This twitterization of politics shifts the decision-making about important public

policies outside the political discourse and democratically elected institutions. That's also why the report of the GRECO group of the Council of Europe which assessed the financing of political parties evaluated the situation in the Czech Republic in this area as globally unsatisfactory. Out of nine previously recommendations concerning financing of political parties none was fully addressed since 2011; the fulfillment of these recommendations remained only partial with a long list of reservations and in a number of aspects even that partial fulfilment is conditioned by a successful adoption of certain law proposals. How many of these proposals will survive the legislative process is currently unknown. More than by the migration crisis our society is threatened by the lack of trust in political parties and politics in general which is closely linked to failed prosecutions of corruption cases which are sometimes difficult to be explained. The Hala affair, concerning a former high official from of the public enterprise for construction of streets and highways (Ředitelství silnic a dálnic) previously charged with corruption, came to an ignominious end. The lack of evidence about his alleged previous corruption was supposed to be compensated by the indictment of child porn possession of which Mr. Hala lead to his clearance by the court. This case points to a systemic problem which appeared also in the course of prosecution of certain other corruption cases, such as the Nagyová or Rittig affairs): the current set up of evidentiary rules makes it very difficult or even impossible to obtain proof about acts of corruption. Hence, there are only few court sentences for corruption which helps spreading a socially harmful opinion that corruption pays off. In cases where acts of corruption are finally proved, such as in the Kusnierz case concerning diversion of funds and public contract rigging in the region of North-Western Bohemia, only individual fault is established without dismantling the existing – systemically more dangerous – clientelist networks. As demonstrated by the latest development of this Kusnierz case, those networks can be revealed and corroborated by the relevant evidence, if effective rules about whistleblowing had existed ... which is unfortunately still not the case.

MARCH 2016

March brought the bizarre political cabaret of last months back to normal. Again we have an affair linked to corruption which endangers the very existence of the current government. The case of Čapí hnízdo (Stork Nest) provided an ugly picture of not only the ways in which EU funds are spent, but also about the functioning of Czech public institutions. Czech Republic as a family firm with unclear owners drawing down public funds – unfortunately hardly any picture would portray the Czech state better. The approach to EU funds as a source of financing of immediate consumption rather than long-term investment into country's future does not bring too much hope either. The absence of control of whether EU funds are disbursed to those who are entitled to such them sharply contrasts with sometimes an obsessive supervision of the tiniest formal details in the process of granting and subsequent utilization of subsidies from public budgets. The absence of at least functional division of competence of bodies supposed to check the way in which EU funds are used, on the one hand, and the political management of the ministry of finance which is responsible for distribution of funds from the state budget, on the other hand, completes this rather sad jigsaw. A better mood was not brought back also by the traditionally wild voting on the new Act on public procurement in the Lower Chamber of the Parliaments. A number of „inventions“ extending the corruption space managed to sneak into the voted version. The only positive anticipation can thus be expected from the rather low-key proposal of the Act on services creating trust in electronic transactions which could both technically and practically contribute to higher transparency of functioning of public institutions as far as the citizens' access to the information about those institutions is concerned.

APRIL 2016

The affair of the month influencing the Czech as well as the international political scene is without any doubt the Panama Papers scandal. The leaked papers from one of the world's largest offshore advisors reveal not only gigantic tax avoidance, but also the methods of shady political business via anonymous owned companies. Channelling of public funds to tax havens is an underestimated and neglected area on which the Anticorruption Barometer has been trying to shed light for a long time. The Panama case has triggered a number of important and not always pleasant questions: How is it possible that services consisting in advising how to evade tax and hide true owners of companies, in particular those benefiting from public funds, is not regulated in any way? How is it possible that the state does not check that taxpayers' money do not end up on private accounts in tax havens? And how is it possible that companies owned from non-transparent countries can finance political parties or audit financing of electoral campaigns and that legislative proposals in the pipeline do not deal with it? The disclosure of beneficial owners will indeed become the reality with respect to winners of public tenders under the freshly adopted new Act on public procurement. This Act - after having been subject to the traditional mutilation in the Lower Chamber - ran through the Senate and then once again through the Lower Chamber surprisingly smoothly. However, this is not sufficient. If we learn the beneficial owners of companies receiving public funds, it is unacceptable that they would be based in non-transparent exotic destinations as it is highlighted in the recently adopted resolution of the European Parliament prepared by the Czech MEP Niedermayer. After a long waiting time two drafts of a brand new whistleblowing acts appeared in April: the first was coined by minister Dienstbier (the minister for legislation, human rights and gender equality), the other by minister Babiš (the minister of finance). Two parallel drafts prepared by the government coalition are a no good omen; it can be just another way how to prevent the adoption of the much needed regulation. Last but not least, it is necessary to mention a small, but interesting study published by the NGO Oživení about wasting of public funds on the improvement of media image of municipalities on social networks and in other new media which may suggest new ways of diversion of public money. Without any attention passed the conference about corruption in the private sector and state-owned enterprises organised in Prague by the European Commission.

MAY 2016

Covered in a cigarette smoke coming from Czech restaurants as portrayed by the Czech media, without wider attention and discussion the constitutional amendment extending the powers of the Supreme Audit Authority (SAA) to supervise also regions, municipalities, companies owned by them and certain other public institutions was rejected by the Senate after having waited for this vote there for more than two years. Senate's rejection is a grand debacle of anticorruption efforts to set up a system which would reduce the corruption space in the Czech Republic. The current unsatisfactory situation - under which citizens pay taxes, but in respect of a sizeable chunk of them there is no possibility of verification by a politically independent authority whether they were spent legally, effectively, efficiently and for a legitimate purpose - will continue. The argument that mayors will get overburdened by an additional layer of controls somehow forgets to mention that the existing surveillance system failed to detect serious malpractices, misallocations, diversions or misappropriations of public funds. And one does not talk of peanuts. The existing legal limitations prevented the SAA, for example, to check the way in which CZK 7 billion (EUR 260 million) out of the total of CZK 27 billion (EUR 1 billion) disbursed on the works extending the A-line of the Prague metro

were spent. Such sums are by no means unimportant for political entrepreneurs and related clientelist networks. This already shows the picture of local authorities overwhelmed with new administrative controls in different colors as we are no longer speaking of unfortunate councillors from a town in the middle of nowhere having to face another check of the couple of minor invoices from another central body. Anticorruption rhetorics and ethics of politicians before elections and their concrete decision-making are once and again very far apart. On the one hand, this confirms the usefulness of the Anticorruption Barometer which tries to measure the discrepancy between the words and acts of politicians in the fight against corruption, on the other hand, it trims down hopes for establishing basic standards of a transparency and accountability of politicians towards citizens. The fact that there is still a long way to go to reach these standards is proven by the ongoing development of past cases – final conviction of Marek Dalík (although not on corruption, but on the fraud charge), continuing prosecution of the Storknest EU subsidy case, the suspicion that a part of the public monies spent on the Blanka tunnel in Prague found their way to Panama - as well as by newly open cases of the alleged irresponsible management of state debt in which the ministry of finance is accused of having taken part in speculation transactions on financial markets with public money and conclusion of disadvantageous hedging contracts with a number of financial institutions.

JUNE 2016

Gloomy forecasts for the month of June got finally fulfilled half way only, since the reality surpassed all expectations and revealed to be even murkier. Corruption prosecution and law enforcement in the most serious cases of organised crime returned ten or even fifteen years back to the mud of the epoque of Šlouf, Gross and Langer. Quick and dirty reorganisation of top police units – prepared outside any long-term strategy, not consulted with anyone and introduced just before the summer holidays time – is a striking example how politics and state administration eroded by systemic corruption functions. To top it all, the parliamentary committee which shall prosecute this „police reform“ which will be chaired by Pavel Blažek. The appointment of this politician into the function of the justice minister in the past, made at the time with a rocket-speed, aimed at nothing less at than saving high state prosecutors who had been blocking corruption prosecution and preventing the inauguration of the current high state prosecutor Ms. Lenka Bradáčová. Although following the public pressure, he did not manage to complete his mission, few persons believe he will put any serious efforts to keep functioning and politically independent Department of organised crime prosecution, which has recently been the most successful prosecuting police department and the main victim of the aforementioned „reorganisation“. Whether the initiators of this „reorganisation“ acted on their own behalf or upon instruction of someone from the political backstage, the fact is that corruption prosecution in the Czech Republic has been paralysed and strongly politicised. Some positive news in this „black June“ represent the progression of the long-time delayed reform of financing of political parties in the legislative process in the Lower Chamber and further tightening of the Act on conflict-of-interest.

JULY 2016

The wild month of June during which politicians managed to destroy the functioning of the department charged with prosecution of corruption and organised crime was turned into a calm month of July. This allows a short reflection on the benefits which the European Union brought to the Czech Republic in the area of fighting corruption. And they are indeed not insignificant. The first is

the legal definition of corruption for public officials and the obligation to enforce it. The second are the rules for transparent public procurement and a pressure on their observation – it will be interesting to follow what will happen with the re-attributed public contract on highway toll which was granted in violation of EU laws requiring open competition tender. Other important laws which we would not have without Brussels is the Civil Servants Act, Antimoney Laundering Act or the rules monitoring the spending of EU funds on works of public interest. Last but not least one has to mention - although the general public probably does not know that – that a large number of past as well as present cases of corruption investigation were initiated by the European Commission and the pressure exerted in parallel to bring those investigations to some meaningful end. On the regulatory field one registered several positive news in July. Thanks to the entry into force on 1st July of the Act on register of public-private contracts, first bunches of contracts concluded by different public administrations with private firms saw the daylight. As expected activists immediately started to delve into, analyse and compare those published contracts, thus, creating a public pressure on an effective management of public funds. Also the reform of the financing of political parties and electoral campaigns successfully passed the Lower Chamber and entered the Senate without large bruises and with a number of partial improvements.

AUGUST 2016

A drowsy holiday season of the month of July turned at the end of summer into a remarkably quick galop dance. The political ensemble managed to do a big leap forward and in the Czech context also a relatively sizeable step forward towards a less corrupt environment. And frankly, politicians should receive accolades for having approved the reform of political parties financing, despite the fact that a part of the reform on electoral financing was returned by the Senate with amendments to the Lower Chamber for the final vote. However, what was approved is the introduction transparent accounts, a new public authority for the control of party financing, restriction on the amount of donations to the party from one person or a very important limitation on party loans from individuals and companies by which the latter can obtain significant political influence. Newly, parties will be able to take loans only from banks on standard market conditions. The second part of the reform concerning the electoral laws regulating, for instance, registration of third party individuals directly paying for electoral advertisements so that they do not appear in the party accounting documents, limits for total costs of different types of campaigns or labelling of political advertisements will still have to undergo the final vote in the Lower Chamber of the Parliament. Yet, one has to temper this positive assessment by certain reservations. In spite of the reform, it will still be possible to finance political parties via companies with anonymous owners. Companies owned by political parties – by its very nature a strange and unique Czech animal which surprises many foreign observers – through which it is possible to secretly fund parties, unfortunately escaped stricter regulation. Sanctions for violation of the rules remain weak so they will not be deterrent. The question which stays unanswered is the enforcement of the newly adopted rules, which – as the latest presidential elections showed – is key to the real transparency supposed to ensure equal and fair competition. Despite these shortcomings the reform of political parties financing can be called a success. Let's thus hope that the campaign for the regional and Senate elections which entered in August into its hot phase, but which will not be covered by the aforementioned reform, will be the last non-transparent electoral campaign in our country.

SEPTEMBER 2016

The Anticorruption Barometer monitoring the progression and effectiveness of adopted and prepared anticorruption measures celebrated in September one year of its functioning. In this period the Barometer assembled, and analysed 3500 articles about corruption in the Czech Republic and it checked how 140 parameters were fulfilled in adopted laws and its implementation within the year of its existence the Anticorruption Barometer was presented at number of domestic and international conferences and it became a source of information about corruption in the Czech Republic both for European and international Institutions. From the one year experience which the Anticorruption Barometer one can draw several conclusions. The positive one is that a number of anticorruption laws were adopted in the last year: the total value of Anticorruption Barometer rose thanks to this by about 9% from the initial value of 27% up to the current value hovering around 36%. Nevertheless, we see constant efforts in the process of adoption of anticorruption laws to limit their effectiveness as well as to create loopholes allowing for their circumvention. Recently the Reconstruction of the state initiative has published how MP's and senators voted for different anticorruption laws and amendments: it is an interesting reading indeed, in particular now before the elections. Hence, a large space for the fight against corruption still remains, the overall anticorruption potential is fulfilled only from one-third: the biggest reserves are in the area of effectiveness of public investments and transparency of corporate ownership. Also, not everything has to be resolved by legal regulations, sometimes voluntary efforts of politicians to behave in a transparent manner, for example, by means of electronic public diary where they would put their meetings with various lobbyists. The second conclusion one can make out of the yearly experience with the Anticorruption Barometer is an absolute lack of interests from the state, businesses as well as mercenaries to invest into a relevant social science research in the area of public policy. Without these investments, no wonder that we are incapable of settings indicators enabling to assess whether the purpose of public investments was achieved as it was deplored by the Supreme audit authority in one of its recent reports. This is being confirmed by the 2016 – 2017 Global Competitiveness Report issued in September by the World Economic Report. Overall, the Czech Republic did not advance in comparison to the last year evaluation, it remained at the 31st place (of 138 countries). Moving up in the ranking was prevented by dysfunctional public institutions: under the "Institutions" pillar Czech Republic ranked 54th – in sub-disciplines it occupied 51st place in irregular payments and bribes, 77th in transparency of law-making, 92nd place in the sub-discipline public trust in politicians, 105th place in diversion of public funds and finally it ranked at 111th place in the category administrative burden of government regulations (out of 138 countries). In September the Lower Chamber approved the amendments to the Act on conflict of interest and the Anti-money Laundering Act. Whereas the first sent a hopeful message that the interconnection of business and politics must have its limits, the latter due to its lack of transparency has neutralised the possibility of effective enforcement of the prohibition of government members to hold more than 25 % interest in companies owning media or receiving public subsidies – exactly this prohibition was supposed to be the key tool to prevent the excessive interconnection of business and political power. All at all, what we, thus, have is a scoreless tie.

OCTOBER 2016

End of October was highly politically charged by the criticism for (non) attribution of state honours by the President and the ritual dances around the official position to China. It showed that the rudeness

and irrationality against which already the first president Masaryk warned are conquering more and more ground in the public space. Incompetence in distinguishing between private and official matters, lack of professionalism, blunt lying or obscuring clear and objective facts becomes a usual business also in areas covered by the Anticorruption Barometer. The Barometer tries to show whether or not politicians are telling truth in relation to their anticorruption efforts and if they do whether their words are followed by acts. This can be illustrated on the case of recent amendments to the Antimoney Laundering Act and Act on public registries. These Acts were finally adopted in October by the Senate and despite the declared transparency these Acts were approved in the version which precludes any access of the public to the future register of beneficial owners of companies. In this case, not only the acts of politicians refute their words, but they expose the Czech Republic to the risk of being prosecuted for an incorrect transposition of the EU Antimoney Laundering Directive which required a public access to this new register. The inquiry committee of the Lower Chamber of the Parliament investigating the very bizarre summer reorganisation of high-level police departments was supposed to deliver its opinion by the end of October. Instead it requested the extension of its mandate until January. Hence, it appears that it will prosecute, prosecute and prosecute... On October 1st the new Public Procurement Act entered into force. Next weeks and months will show how successful it will be in reducing corruption practices.

NOVEMBER 2016

The Parliament approved the Act on conflict of interest. It is a necessary and useful regulation. It should at least partly limit the linking of business and politics, which was set up in the beginning of 90th and became a systemic component of the transformation process. This business-politics relationship skews the creation and functioning of political parties, disturbs market competition and reduces the attractiveness of our country for foreign investors. It is nevertheless paradoxical that the „more stringent version“ of this Act which received a nickname „lex Babiš“ passed through the Parliament only because it was targeted against the finance minister which based its political career on fighting clientelist networks. What is even more paradoxical that this more severe amendment was prepared by the MP Chvojka which replaced minister Dienstbier. And what is most paradoxical is that this amendment is perhaps intentionally constitutionally non-conform: thus, although one got into the spotlight by „fighting Babiš“ the effective result will be „zero“. Minister Dienstbier who wrote and submitted the Act on conflict of interest was sacked from the government at the moment when the Parliament managed to approve it. If we assess the three year performance of minister Dienstbier in the office, one has to mention that he managed to put the systemic and preventive fight against corruption on the move on all fronts – the already mentioned Act on conflict of interest, Act on financing of political parties, Act on extension of competence of the Supreme Audit Authority (rejected), legislative drafts of the regulation of whistleblowers and nomination of persons into the supervisory boards of enterprises providing services of public interest etc. – with the participation of academic, civic and NGO sector. Last but not least, even if it did not make the headlines, it is important to highlight the analysis on how regions manage public investments of the NGO Oživení and recommendations on how to improve the process of public investing.

DECEMBER 2016

The period before Christmas was filled in by the discussion on the well-known evergreens. First by the debate, which begins to be tiresome, about the exemptions from the Act on registers on public-private contracts. It is fascinating how much energy certain politicians manage to spend on trying to stop or limit the Act which most of the voters like irrespective of their political preferences and which starts to bring tangible and visible results in the field of management of public funds. Similar thoughts sneak in with the renewed parliamentary debates of the Act on extension of competences of the Supreme Audit Authority. Again an Act which in can in substantive way contribute to a better administration of public money spending, again efforts across the political spectrum to block it. Again we can expect, on the one hand, a gloomy presentation of poor mayors from small villages crushed under the burden of audit controls; and on the other hand, the picture of high level political entrepreneurs engaged in public contracts, such as building of additional lines of Prague metro, benefiting from the lack of competence Supreme Audit Authority to oversee spending of municipal budgets, such as that of Prague for building the new metro lines. At the end of the year a report on corruption in the EU, including in the Czech Republic, can be expected. The 2014 edition of this report produced by the European Commission did not provide a nice reading. In spite of certain improvements in the fight against corruption and adoption of systemic measures since this last report - as reported by the Anticorruption Barometer – thanks to which one can expect a more positive evaluation of the Czech Republic in the upcoming version of this EU Anticorruption Report, one cannot ignore a recent deterioration of in the willingness of law enforcement authorities to prosecute and take legal actions against corruption behavior.