1. Basic Information

1.1 Désirée Number: CZ2003/004-338.06.03
1.2 Twining Number: CZ03/IB/SO/03
1.3 Title: Completion of Institution Building for Labour Inspection
1.4 Sector: Employment, Social Affairs, Health
1.5 Location: Czech Republic

2. Objectives

2.1 Overall objective
To enable the Czech Republic to take on the obligations of membership, incl. adherence to the aims of political, economic and monetary union.

2.2 Project purpose
Within the finalisation of the preparations for the Czech Republic’s membership in the EU to enable the complete and effective enforcement of the EC acquis in Occupational Health and Safety (OHS) in the Czech Republic, via clear information strategy, improved lifelong learning system and monitoring system.

2.3 Accession Partnership and NPAA priority
(and implementing measures envisaged by the Action Plan for AP priorities related to strengthening administrative and judicial capacity)

Accession Partnership 2002
Social policy and employment
Complete alignment of the EC legislation, in particular in the field of equal treatment for women and men and health and safety acquis, and increase enforcement efforts of the whole social legal acquis. Strengthen relevant institutional structures, in particular labour inspectorates. Continue adopting legislation in line with the anti-discrimination acquis and prepare for its implementation.
Action plan for reinforcing the Czech Republic’s administrative and judicial capacity in its chapter No. 13 mentions OHS under Priority 1.

2.4 Contribution to National Development Plan
n.a.

2.5 Cross Border Impact
n.a.

3. Description

3.1 Background and justification
This Project should provide expertise to support MoLSA with the enforcement of occupational health and safety standards in the Czech Republic, strengthening the capacity of CR to strategically prepare for and to ensure effective enforcement of the acquis and ILO documents in this area.

Since 1993 a system of mandatory insurance of employers’ liability for work accidents and occupational diseases has been in place in CR and insurance companies pay out compensation in the event of work injuries or occupational diseases. The existing system does not create financial reserves and has no direct organisational link to the existing systems of prevention, rehabilitation and re-training. The insurance system essentially provides full defrayal of damages, which weakens the stimulation to ensure work safety, both on the part of employers and their employees.

The short-term objective of the Government in the field of OHS prioritises the introduction of a fully harmonised legislative framework (legal and institutional), integrating and up-grading existing regulation
and institutional arrangements, as the basis for strengthened and effective administration of OHS. This requires the following measures:

- Preparation of new/revised legislation and implementation regulation, by-laws etc. (in line with the relevant ILO conventions);
- Raising personnel qualifications (specialised training);
- Further research on OHS, international best standards etc..

A comparative analysis of the *acquis with the existing Czech legislation in the OHS field* has recently been made by MoLSA. At the beginning of January 2000, after a process of consultation, the amendment of the Labour Code – harmonising the Framework Directive 89/391/EEC and all except one relevant individual directive – was finalised and submitted to Parliament for discussion and approval.

Following amendment of the Labour Code, the Czech Occupational Safety Office (COSO), an institution governed by the Ministry of Labour and Social Affairs, will prepare a draft Act on Labour Inspection, plus will need to prepare assorted enforcement guidelines, based on the revised legislation and comparative analysis. It is supposed that the Law will be effective from January 1, 2004. The main principles of it are:

- In 2003 the legislation harmonisation process will be finished and the phase of effective enforcement should follow. This will require the state administration bodies are prepared.
- The system of Labour Inspection bodies will be redefined with a new State Labour Inspection Office established.
- Newly defined rights and responsibilities of inspectors and of inspected bodies.
- Assessment of compliance with Czech and EU legislation.

Further comparative analysis, of the *models of managing safety and health protection at work in EU Member States*, is also being completed. This will form the basis for formulating and proposing the model of the occupational health and safety management to be used in the CR.

CR also monitors the situation in the EU Member States, in particular the latest policy challenges for safety and health in the workplace as identified in Helsinki in November 1999, where a group of new risks has been defined as follows:

- Ageing of working population;
- Change in the structure of employment;
- Restructuring (outsourcing, self-employment, new forms of job contracts, lack of job security);
- Increased contact in workplaces with the outside work (impact on working conditions);
- Violence in the workplace (women, young people, temporary workers).

The proposed investment part of the project is concerning the existing 8 Regional Labour Inspectorates (RLIs) with 399 employees (including 241 inspectors) plus the planned increase both the number of RLI branches and inspectors in 2003. The situation concerning the equipment and its financing from state budget/Phare is in the table in section 3.4.

### 3.2 Linked activities

The project CZ 9903.02/3 - *Strengthening of Occupational Health and Safety Standards Enforcement* was implemented through twinning. The European twinning partners i.e. the Dutch Labour Inspectorate together with the central policy services of the Ministry of Social Affairs end Employment, co-operating in the project with the UK Health and Safety Executive, supported COSO in the process of adopting European regulations and standards in such a way that they can be incorporated in existing or will result in new legislation and will start the restructuring process necessary to conduct a well equipped administration that can support the proper enforcement of new and adjusted regulations. This Project finalised legal harmonisation and the clear definition of responsibilities. This project included the purchase of audio equipment for one training centre in RLI Usti nad Labem. In prepared project this activity will continue in other RLIs. Experience from previous project will be used during preparation of technical specification.

The project CZ/99/IB/CO-04 - *Occupational Health and Safety under Phare CONSENSUS III programme*. This project complemented the Phare 99 project and was focused at (i) Personnel management and (ii) Planning and management of inspection. Expected outputs are: formulation of personal policy,
policy of staff recruitment, and personal development. This project did not have any links to planed activities.

The Project CZ 0008.01 (2000/IB/SO/02) - **Strengthening Regulation/Enforcement of Occupational Health and Safety Acquis.** Objective of this twinning project which is a follow-up to above mentioned projects is to enable the complete enforcement of the EC acquis in OHS via supporting the establishment and operational functioning of an Integrated Labour Inspection with separated performance of inspection over the safety of technical facilities provided by the Labour Inspectorate. This project includes also an investment part. It contains equipment needed for inspections – PCs, communication technology, vehicles, camcorders, cameras, etc. The purchase of new equipment will cover new activities which RLIs will ensure and will complement old equipment from the 90s. See table in 3.4.

3.3 Results
This twinning and supplies project addresses an AP priority and aims to ensure a sustainable strengthening of the capacity of MoLSA and Czech Occupational Safety Office (COSO) to enforce the OHS standards. The project should result in carried out information campaign, improved lifelong system of the OHS inspectors and COSO’s knowledge management system and further improved infrastructure for improvement of the monitoring functions.

Twinning
- Information campaign designed and implemented, based on previous achievements under preceding twinning project
- Improved lifelong learning system of the OHS inspectors and COSO’s knowledge management system

Supply of equipment
Equipment purchased to further improve monitoring system and essential infrastructure for improvement of the monitoring functions

3.4 Activities

(1) Twinning Package (0.40 M€):
1 year Pre Accession Adviser (located at COSO); approximately 7 man-months of Short-Term Experts.

- Design and implementation of campaign for public, employers and employees, testing new approaches;
- Defining a system and tools for improvement of monitoring system both at national and company level. This will represent taking over some responsibilities at present carried out by the District Labour Offices, new rights and responsibilities of the Labour Inspection and inspected bodies and pro-active measures and tools to improve working conditions.
- Analysis of lifelong learning system of OHS inspectors and proposing appropriate presentation of OHS information, especially for SMEs, curricula of the courses, study materials. To extend present training model by a block which will accept changes in the new Labour Inspection Law and new Civil Service Law (new approaches to the LI performance) and will include basic OHS thesis usual in EU

(2) Supply of equipment (0.35 M€ Phare; 0.21 M€ Czech co-financing)
Procurement and installation of essential equipment needed for inspections and monitoring system (hardware and software: 5 database servers + UPS (4 for regions + 1 COSO), 10 licenses of database SW + 175 client database licences, 100 PCs, 80 notebooks, 50 printers, 138 communicators), following needs analysis done by COSO in cooperation with MoLSA and NTF. The seemingly high number of mobile electronics (notebooks, communicators) is justified by the fact that inspectors work mostly in the inspected companies and organisations and the said equipment allows them to use the inspection software and be in connection with the COSO inspection system. The equipment will be delivered and installed in existing 8 RLIs and ca. 4 new branch offices.
3.5 Lessons learned
The conclusions and recommendations of recent monitoring reports have been considered within the preparation of this project.

4. Institutional Framework

Ministry of Labour and Social Affairs (MoLSA)
MoLSA is a central department of the State administration and is responsible for labour relations, occupational safety, employment and training, collective bargaining, civil service, wages and other forms of remuneration, pensions and sickness insurance, social protection, family and child affairs, care for vulnerable groups and other issues of wage and social policy. The number of MoLSA staff is ca 550 persons.

Czech Occupational Safety Office (COSO)
The scope of activities of the COSO is defined by the Act No. 174/1968 Coll. on the State Professional Inspection over Safety at Work. In accordance with this Act, the COSO reports to the MoLSA and manages the Occupational Safety Inspectorates and State Professional Inspection organisations established by the MoLSA. The COSO is headed by its Chairperson, the Occupational Safety Inspectorates are headed by Senior Inspectors. These officials are appointed and recalled by the Minister of Labour and Social Affairs.

The COSO and regional Occupational Safety Inspectorates have sufficient legal powers to enforce valid legal regulations – similar to the powers of comparable authorities in EU countries. The Occupational Safety Inspectorates are authorised to remedy improper conditions by means of administrative proceedings, and to enforce such remedies (set deadlines for removing defects, remove defective machinery from operation, forbid incorrect technology or work activities, impose sanctions on individuals as well as enterprises). Inspectors have been introduced to and educated in the labour inspection system of EU member countries, according to the relevant EC directives, for several years now; a new model of inspection is being prepared, and the process of securing the necessary technical resources for labour inspection is gradually being completed. The number of COSO staff is ca 450 persons including the regional branches.

5. Detailed Budget (mil.€)

<table>
<thead>
<tr>
<th>Project Components</th>
<th>Phare Support</th>
<th>National Cofinancing *</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total Phare (=I+IB)</td>
</tr>
<tr>
<td>Twinning</td>
<td>0.35</td>
<td>0.40</td>
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<tr>
<td>Supply of Equipment</td>
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<td>0.40</td>
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<tr>
<td>Total</td>
<td>0.35</td>
<td>0.40</td>
<td>0.75</td>
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</tbody>
</table>

*) There will be parallel co-financing - Budget Chapter 313 – MOLSA, Budget Years 2003/2004

6. Implementation Arrangements

6.1 Implementing Agency
The CFCU will be the Implementing Agency. Project implementation will be under direct responsibility and co-ordination of the Ministry of Labour and Social Affairs, in consultation with COSO.

6.2 Twinning
Twinning is envisaged with MoLSA as the beneficiary institution and COSO as the ultimate beneficiary.
Twinning: 1 year Pre Accession Adviser (located at COSO); approximately 7 man-months of Short-Term Experts for analysis, recommendation and overall coordination and delivering the project outputs. MS experts must have minimum 5 years of practical experience in the subject matter of the Project.

The Contact person at MoLSA is Mr Miroslav Fuchs, Deputy Minister of the European Integration and International Relations Section, Ministry of Labour and Social Affairs, tel. +420 2 21922300, fax +420 2 21922223, e-mail miroslav.fuchs@mpsv.cz.

The Contact Person at COSO is Mr Jaromír Elbel, Chairman, tel. +420 2 2192 4208, fax +420 2 2221 2102, e-mail jaromir.elbel@cubp.cz

6.3 Non-standard aspects
n.a.

6.4 Contracts
(1) Twinning Covenant 0.40 M€
(2) Supply of Equipment 0.35 M€

7. Implementation Schedule

7.1 Start of tendering/call for proposals
Supply of Equipment 3Q/2003
Twinning 1Q/2003

7.2 Start of project activity
Supply of Equipment 1Q/2004
Twinning 4Q/2003

7.3 Project Completion
4Q/2004

8. Equal Opportunity
Equal opportunity principles and practices in ensuring equitable gender participation in the project will be guaranteed.

9. Environment
n.a.

10. Rates of Return
n.a.

11. Investment Criteria
n.a.

12. Conditionality and Sequencing
This project will build upon the achievements of the previous projects CZ99.03.02/3, CZ/99/IB/CO-04 and CZ00.08.01.

ANNEXES TO PROJECT FICHE

1. Logframe planning matrix
2. Detailed implementation chart
3. Contracting and disbursement
## LOGFRAME PLANNING MATRIX

**Project title:** Completion of Institution Building for Labour Inspection  
**Beneficiary institution:** MoLSA  
**Programme number:** CZ2003/004-338.06.03  
**Contracting period expires:** 31/10/2005  
**Disbursement period expires:** 31/10/2006  
**Total budget:** 0.96 M€  
**Phare budget:** 0.75 M€

### Overall objective  
**Objectively verifiable indicators**  
Ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union  
**Sources of Verification**  
Acknowledgement by the European Commission

### Project purpose  
**Objectively verifiable indicators**  
The complete and effective enforcement of the EC acquis in OHS in the Czech Republic, via clear information strategy, improved lifelong learning system and monitoring system.  
- Increase of the OHS system performance as a result of the improvement of its basic subsystems. Capacity of inspection's subsystems will raise by 20%.  
- Increase of the COSO and RLIs performance by the end of the project.  
- Increase of the number of regional branches at the level of NUTS III by 6 by the end of project.  
**Sources of Verification**  
COSO records and statistics, analysed ex-ante, mid term and ex-post

### Results  
**Objectively verifiable indicators**  
- Information campaign designed and implemented, based on previous achievements under preceding twinning project  
- Improved lifelong learning system of the OHS inspectors and COSO’s knowledge management system  
- Equipment purchased to further  
**Sources of Verification**  
- The campaign implemented by the end of the project (ca. 30,000 leaflets, ca. 5 TV spots a 3 minutes, ca. 10.000 inspection manuals etc.);  
- Proposed changes incorporated into the existing system of training of OHS inspectors by the end of the project;  
- More efficient monitoring system,

### Assumptions  
- Other parts of the acquis implemented and enforced to fulfil the 3rd Copenhagen criterion.  
- Continued co-operation between all partners involved.
improve the monitoring system and essential infrastructure for improvement of the monitoring functions

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
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</table>
| • Design and implementation (realised from Czech Budget) of campaign for public, employers and employees, testing new approaches;  
• Defining a system and tools for improvement of monitoring system This will represent taking over some responsibilities of District Labour Offices, new rights and responsibilities of the Labour Inspection and inspected bodies and pro-active measures and tools to improve working conditions.  
• Analysis of lifelong learning system of OHS inspectors and proposing appropriate presentation of OHS information, especially for SMEs, curricula of the courses, study materials  
• Purchase of equipment essential for increased performance of inspection activities | **Twinning and Training Package (0.40 M €):**  
1 year Pre Accession Adviser (located at COSO); approximately 7 man-months of Short-Term Experts.  
**Supply of equipment 0.56 M €**  
Phare 0.35 M€ + 0.21 M € co-financing]  
Procurement and installation of essential equipment needed for inspections and monitoring system (hardware and software: 5 database servers + UPS (4 for regions + 1 COSO), 10 licenses of database SW + 175 client database licences, 100 PCs, 80 notebooks, 50 printers, 138 communicators), following needs analysis done by COSO in cooperation with MoLSA and NTF | • Government commitment to the provision of the necessary counterpart resources  
• Co-financing by the Czech side  
• Utilisation of results of previous projects |

**Preconditions**
## DETAILED IMPLEMENTATION CHART

**Completion of Institution Building for Labour Inspection**

<table>
<thead>
<tr>
<th>Action</th>
<th>Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<td>J</td>
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<tr>
<td>Completion</td>
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<td><strong>Supply of Equipment</strong></td>
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<td>Start of tendering</td>
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<td>Start of Implementation</td>
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<td>Completion</td>
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ANNEX 3

CONTRACTING AND DISBURSEMENT SCHEDULE

Cumulative Quarterly Contracting Schedule (mil. €)

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<tr>
<th>Project</th>
<th>1Q/02</th>
<th>1Q/02</th>
<th>3Q/02</th>
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Cumulative Quarterly Disbursement Schedule (mil. €)

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<th>1Q/02</th>
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<th>4Q/02</th>
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