REPORT on the Free Movement of Workers in the Czech Republic in 2005

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Introduction

The year 2005 was the second year of the Czech Republic's membership in the European Union (EU). After alignment of national legal provisions with the acquis communautaire during previous years there was a new phase launched when the harmonised legislation has been subject to further amendments according to developments of the European law and practice of the Court of Justice. These amendments reflect newly adopted pieces of the European law which were negotiated with either passive (under the status of an observer) or active participation of the Czech Republic.

Chapter I Entry, residence, departure

The conditions for entry, residence and departure of all foreigners on the territory of the Czech Republic are given by the Alien's Act. The rules on free movement of persons were implemented into this Act in 2004 (EU enlargement), which now contains the provisions regarding third country national (hereinafter TCN), and provisions containing more favourable treatment for EU nationals and their family members compared to the rest of the foreigners in the country. The Alien's Act was amended several times in 2005, the changes were aimed both to the part of the law containing provisions on TCN and also to the part containing the provisions on EU nationals and their family members. There have been one large amendment to the Alien's Act, adopted in 2005 as Law No. 428/2005 Coll. (in force since November 24, 2005), and several partial amendments, the changes have been written into the text of the report with the remark. Also a large draft amendment to the Alien's Act was prepared in 2005; the draft harmonises the Alien's Act with the Directive 2004/38/EEC of 20 April 2004. The Czech government plans to prepare a new Act on aliens, the Minister of Interior was charged by the government to prepare a new legislative intention till the April 30, 2006.

The Alien's Act (AA) in 2005:

Entry

Text(s) in force

- Act No. 326/1999 Coll. of Laws., on Residence of Alien's on the Territory of the Czech Republic as amended (Alien's Act)
- Act No. 325/1999 Coll. of Laws, on Asylum and on the Change of Law No. 238/1991 Coll. of Act on the Police of the Czech Republic (Asylum Act)
- Act No. 221/2003 Coll. of Laws, on Temporary Protection
- Act No. 310/1999 Coll. of Laws, on Temporary Stay of Foreign Armed Forces in the CR

Requirements for entry

All foreigners/aliens⁵ are entitled to enter the Czech Republic through a border crossing at the place and time as specified for border control. A foreigner is obliged to submit documents required by the Alien's Act.

- The *EU national* is obliged to submit a valid travel document (e.g. passport or identity card) (Sec. 5 and Sec. 6 (2) of AA).

Act No. 326/1999 Coll., Alien's Act, as ammended. The Alien's Act is not applied to an alien who a) applied for protection by the Czech Republic in the form of asylum, and to refugees, unless provided otherwise by the Alien's Act or a special legal regulation, b) remains in the territory on the basis of a special legal regulation which governs the temporary stay of foreign armed forces in the Territory, c) applied for temporary protection, or has been granted temporary protection, unless provided otherwise by the Alien's Act or a special legal regulation. See Sec. 2 Alien's Act. Available at:

http://portal.gov.cz/wps/portal/_s.155/701/.cmd/ad/.c/313/.ce/10821/.p/8411?PC_8411_number1=326/1999

&PC 8411 l=326/1999&PC 8411 ps=10#10821.

² Provisions on admission, residence and departure of a European Union national apply also on nationals of a state bound by an agreement with the EC and on nationals of a state bound by the Treaty on European Economic Area unless this Treaty stipulates otherwise. See Sec. 1 (3) Alien's Act.

³ The draft amendment harmonises the Alien's Act with the Directive 2004/38/EC. It is currently being debated in the Parliament, and the transposition seems that may not be fully met. As this report should be focused on the year 2005, the authors of this report will concentrate on this draft amendment only partly.

⁴ Usnesení vlády ČR ze dne 24. srpna 2005 č. 1055 (Government Decree No. 1055, August 24, 2005), available at http://wtd.vlada.cz/vyhledavani/vyhledavani_usnes.htm. There are no more official documents available till 31.12.2005.

An alien means a natural person who is not a Czech national. See Sec. 1 Alien's Act.

- The third country national (also the TCN *family members* of EU citizens) is obliged to submit a valid travel document; a visa, if required; a document confirming sufficient financial resources for the stay on the territory or a certified invitation; a certificate of medical insurance; a document confirming accommodation; to prove financial resources for the costs of departure of the Czech Rep.; to provide details within the extent required by an application for a visa and to complete and sign the state border crossing report. The duty to provide above mentioned documents does not apply to those, who already hold visas or permissions to stay on the territory of the Czech Republic (Sec. 5 of AA). This part does not meet the judgement of the Court of Justice in *MRAX* (C-459/99).

Refusal of entry

The police will refuse entry to the territory if e.g. an alien fails to meet the obligation to submit documents required by the Act (as mentioned above), his/her visa was has been cancelled by the issuing body or has expired; he/she is an undesirable person; the alien stated untrue information about the purpose of his stay in the territory or there is a well-founded suspicion that the alien intends to carry out profitable activity in the territory in an unauthorized manner; there is a well-founded fear that the alien might endanger the security of the state, violate public order seriously or obstruct the exercise of decisions of courts or administrative decisions etc. (Sec. 5 of AA).

This part of the legislation is contrary to the judgement of the Court of Justice in MRAX (C-459/99) as it allows for the rejection of TCN family members if they do not submit requirements of the Alien's Act (do not posses a visa etc.); the section will be subject to changes proposed on the September 7, 2005 in the draft amendment No. 1107 (see below).

The provisions of the law stating that police will refuse entry to the territory if the alien stated untrue information about the purpose of his stay in the territory or there is a well-founded suspicion that the alien intends to carry out profitable activity in the territory in an unauthorized manner were changed by the amendment during the year 2005, and the provision shall not apply to *EU nationals* since November 24, 2005 (the entry of the amendment into force).

The police issue an administrative decision on the refusal of admission, if admission is denied to an *EU national*. Similar procedure applies to denial of admission of *family member of an EU national* if the EU national resides on the territory on the basis of temporary residence permit or permanent residence permit (the decision is not issued if the denial of entry is based on the decision of a court on the penal expulsion or decision on administrative expulsion) (Sec. 9 (4)). Decision on refusal of entry of *EU national* or a *TCN family member* is issued in an administrative procedure according to the provisions of the Administrative Proceedings Code (a remedy is possible).

Draft legislation, circulars, etc.

New large draft amendment to the Alien's Act was presented to the Parliament on September 7, 2005:⁷

Changes regarding requirements for entry

The draft, inter alia, transposes the judgment of the Court of Justice in MRAX (C-459/99). The draft changes the requirements for entry for *family members of EU nationals*; they should have a possibility to enter upon the same conditions as the EU nationals (and with a valid visa, if required). The draft also supplements the legislation and allows the *EU national* to prove his/her identity and the fact, that he/she is an EU national with other document than a travel document, if he does not possess one or can not provide one; and to allow the *family member of EU national*, if he/she does not possess the travel document or can not provide it, to prove his identity and the conjugal ties by another document (Proposal of Sec. 6 (2), 6 (10)).

⁶ Zákon č. 428/2005 Sb., kterým se mění zákon o pobytu cizinců (Law No. 428/2005 Coll., which changes the Alien's Act: See Sec. 9 (1) (k).

⁷ Draft amendment No. 1107, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1107.

The provisions of the Alien Act stating, that the police shall deny entry of an alien, if there is a well-founded fear that the alien might endanger the security of the state, violate public order seriously or obstruct the exercise of decisions of courts or administrative decisions are still in power in this wording, although the Court of Justice judgement states, that the police may refuse the entry of an TCN family member only if there is evidence to establish that he represents a risk to the requirements of public policy, public security or public health. The law does not meet the Directive and the judgement of *MRAX* fully in this part.

Changes regarding refusal of entry

The draft contains provisions which specify conditions for refusal of entry. According to these provisions police (the checking officer) inform an alien about the reasons for refusal of entry on standard form for refusal of entry at the border and affix an entry stamp on the passport, the stamp is cancelled at the same time (Proposal of Sec. 9 (7)).

If the decision on refusal of entry of a foreigner was issued for the reasons that he/she is an undesirable person, or that there is a well-founded fear that the alien might endanger the security of the state, violate public order seriously or obstruct the exercise of decisions of courts or administrative decisions, the EU national or his family member can ask for a new decision, but the earliest after 2 years since the day of refusal (Proposal of Sec. 11a).

Residence

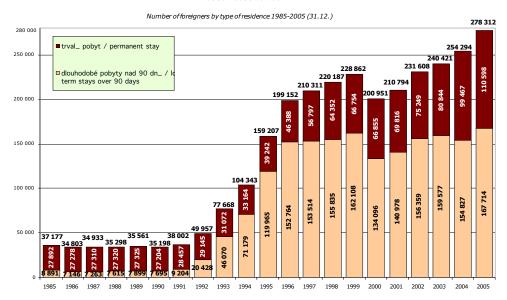
Text(s) in force

Act No. 326/1999 Coll., on Residence of Alien's on the Territory of the Czech Republic as amended (Alien's Act).

The legislation regulating the foreigners' stay on the territory has existed already during the communist regime, when there were only a few foreigners on the territory of the Czech Republic. The laws on foreigners became more important after the fall of the communist regime, when a relatively massive influx (in terms of the conditions in the Czech Republic, the figures are still low compared to the old member states) of foreigners began; and the number of foreigners increased every year. The legislation regarding the status of foreigners has changed many times due to a duty to comply its provisions with the acquis communautaire and also due to newly recognized problems. The table below illustrates the number of foreigners in the years 1985 - 2005.

Table I. Number of foreigners by type of residence 1985 - 2005.

V_voj po_tu cizinc_ s trval_m pobytem a dlouhodob_mi pobyty nad 90 dní v _R



Source: Czech Statistical Office, 2006

EU nationals

EU nationals can stay on the territory of the CR without a visa (Sec. 18 (c)).

As regards the conditions for the stay on the territory the EU nationals and their family members have preferable regime (Sec. 87a - 87u). The Alien's Act stipulates two grounds for stay,

- the temporary residence permit (right of residence for up to three months) and
- the *permanent residence permit* (right of residence for more than three months)

Application for both temporary and permanent residence permit can be filled either on the territory of the Czech Republic on the Alien's Police Department according to the place of residing in the Czech Republic or at the Czech Embassy.

- 1. An EU national can (is entitled, not obliged to) apply for the *temporary residence permit when he intends to stay in the Czech Republic for more than three months*. When applying for the temporary residence permit the EU citizen (and the same is required from the family members of the EU national) is obliged to enclose
- passport (identity card),
- document confirming the reason of residence (e.g. employment contract),
- photographs,
- document certifying health insurance and affidavit that he/she will not claim social benefits due
 to residing in the Czech Republic (health insurance and social benefits affidavit are not required
 if citizen will be employed in the Czech Republic, will run a business or will be a member of
 management board of a legal entity).

In some cases a medical report may be required certifying that the citizen does not suffer from serious illness, according to the list of diseases dangerous to public health and list of diseases which could be dangerous to public order (Sec. 87a AA).

Alien's Police issues a temporary residence permit in the form of Temporary residence permit card for the citizen of the member state of European Communities, the validity of it depends of the purpose, for which the temporary residence permit was issued. The validity of the permit may be repeatedly extended.

The requirements for the *temporary residence permit* were changed by the amendment during the year 2005. The requirement of affidavit that he/she will not claim social benefits due to residing in the Czech Republic was changed to the requirement of affidavit that he disposes of financial resources

in such amount that he will not become a burden on the social assistance system (the affidavit is not required if citizen will be employed in the Czech Republic, will run a business or will be a member of management board of a legal entity).⁸

- 2. The foreign police department issues the permanent residence permit to the EU citizen upon her/his request, in particular, if he/she is employed in the Czech Republic continuously at least for three years; he is engaged in business activity in the Czech Republic; he is a member of a management board office of a legal entity; if an EU citizen who is no longer a worker or a self employed person at the time of termination of his activity reached the age determined for inception of claim for the retirement pension, asked for the pension and has been exercising his activity for more than 12 month on the territory of the Czech Republic before requesting the permanent residence permit (and stays on the territory continuously for more than three years); if an EU citizen is employed or self-employed on the territory of another EU member state, and each day or at least once a week returns back to the Czech Republic, if he formerly stayed on the territory continuously and at the same time was employed or self-employed here for more than three years etc. The EU national is obliged to attach to the application
- travel document (passport or identity card),
- a document certifying the purpose of stay,
- photographs.

A medical document may be required in serious cases. Permanent residence permit card for the EU citizen is issued for the period of ten years (upon request), and the validity of the card can be repeatedly extended.

Rejection of the temporary or permanent residence permit

The request for temporary or permanent residence permit will be rejected, if the applicant will not submit the documents required by the law; if there are reasonable grounds that he might endanger the security of the state or might seriously violate public order; he suffer from the serious illness; he is undesirable person; or – in case of a TCN family member – is placed in the information system of the contracting parties (meaning the Schengen system).

Family members of EU nationals

A family member may apply for a *temporary residence permit* under similar conditions as the EU citizen, if the EU citizen has already filled his/her application or if he/she resides in the Czech Republic under a temporary residence permit. The family member is obliged to add the document certifying conjugal ties.

The family members of an EU national can apply for the *permanent residence permit* if the EU citizen has applied for such a permit; if he is a surviving relative after an EU citizen, who stayed on the territory of the Czech Republic for the reasons of employment, self-employment continuously for at least two years, the EU citizen died due to a work illness or casualty, or lost his/her Czech citizenship due to a marriage with this EU citizen. For the purposes of the Alien's Act, a family member of EU citizen is a spouse, a child under 21 years of age or without any limitation on age if it is dependent on the EU national, or a dependent direct relative in ascending or descending line or such relative of the spouse of the EU national. If the purpose for stay in the Czech Republic is study, then only a spouse and a dependent child are considered as a family member. The validity period of residence permit cards issued to family members corresponds to the validity period of permits issued to the EU citizens being the holders of a residence permit card.

This section was amended in 2005; a parent of an EU national who is younger than 21 years is also counted as a family member for the purpose of this law (Sec. 15a (1) (b)).

⁸ The judgment of the Court of Justice in *Trojani* case (C-456/02) and *Grzelczyk* case (C-184/99) is also transposed by this amendment (see the explanatory report to the draft No. 916, adopted as Law No. 428/2005 Coll., which changes the Alien's Act, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=916)

⁹ See Sec. 15a (1), (2) of the Alien's Act.

Rejection of the request See above.

Third country nationals (TCN)

TCN can stay on the territory of the CR *without* a visa on the basis of the provisions of an international agreement or a government order, or under other conditions as when he is in custody or imprisonment, is put in a police cell or in a facility for the detention of aliens etc.

This provision was changed by the amendment in 2005, the visa is not required if the directly applicable EC legislation states so and it is not contrary to the Alien's Act, international agreement or government order and if the international agreement or government order states so according to a directly applicable legislation.

TCN can also stay on the territory with different types of *visas* or *temporary residence permits*. The visas and residence permits can be generally extended. The application is filed on a diplomatic authority (with exemptions, which allows application on the territory of Czech Republic). The alien can apply for different visas according to the length and purpose of the stay.

TCN can apply for the *short term visa* for the stay which is not longer then 90 days (e.g. airport visa [A type], transit visa [B type], visa for residence not exceeding 90 days [C type, usually given for the purpose of study, medical care, employment]. The *long term visa* (D type) is issued for the first year of the stay which is longer then 90 days, the purpose of the visa might be e.g. employment, business, family reunification, study etc. The *temporary residence permit* can be given to an alien residing in the Czech Rep. on the basis of the long term visa intending to stay in the CR for longer than one year on the same purpose (as for which the long term visa was issued). The *exit order* entitles an alien to remain in the CR for the period as specified in the visa and to leave the territory.

A long term residence permit for the purpose of family reunification for the spouse of the foreigner who has been given a long term residence permit was introduced by the amendment adopted in 2005 (as implementation of the Council Directive 2003/86/EC on Family Reunification) together with other changes regarding the family life of TCN. 10

TCN can ask for *permanent residence permit* on the territory of CR after 10 years of continuous stay; some exemptions are stated for the family members, humanitarian reasons, or other deserving reasons, or for the stay of an alien which is in the foreign political interest of the Czech Republic etc. (see Sec. 65). The alien is given the residence permit.

Draft legislation, circulars, etc.

New large draft amendment to the Alien's Act was presented to the Parliament on September 7, 2005. 11

- 1. The draft changes the part of the law containing provisions on EU nationals and their family members in a clearer layout. It distinct more clearly between the temporary and permanent residence permit, states the requirements and reasons for refusal more clearly.
- 2. The law introduces the temporary residence certificate, which will be issued to EU nationals, while the temporary residence permit will be issued only to TCN family members. The obligations were simplified (e.g. document confirming the reason of stay is required only if the reason for the request is employment, business activity or study etc.), the obligation to enclose document confirming accommodation was introduced newly, the possibility to reject the request for the reason of illness has been limited. New reason for rejecting or withdrawing the residence permit due to a simulated marriage was introduced.
- 3. The *temporary residence certificate* will be issued to an *EU national* upon request if he intends to stay in the Czech Republic for more than three months and did not endanger the security of state or violate public order. EU national is obliged to enclose passport (identity card), document confirming the reason of stay (only if the reason for the request is employment, self-employment or study), photographs, document certifying a health insurance (is not required in case of em-

Zákon č. 428/2005 Sb., kterým se mění zákon č. 326/1999 Sb., o pobytu cizinců na území České republiky (Law No. 428/2005 Sb., which changes the Law No. 326/1999 Coll., Alien's Act).

Draft amendment No. 1107, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1107.

- ployment or activity business) and document confirming the accommodation. The *family member*, who is an EU national, encloses the same documents (except for the reason of stay) and the document confirming the conjugal ties (document attesting the existence of a family relationship). The TCN family member is obliged to ask for the temporary residence permit within the period of three months and encloses the same documents as the family member who is an EU national (Proposal of Sec. 87a, 87b).
- 4. The request for *temporary residence certificate* will be rejected, if the applicant will not submit the documents required by the law; if he became a burden on the social assistance system, except for those persons, to which the directly applicable EC regulation is applicable; if there are reasonable grounds that he might endanger the security of the state or might seriously violate public order; or is a undesirable person.
 - The same applies for the rejection of a request for a *temporary residence permit* (by the TCN family member) and the law contains more reasons: if the applicant suffers from the serious illness; he is placed in the information system of the contracting parties (meaning the Schengen system) or contracted marriage with the aim to get the permit on the territory; this does not apply if a child was born from the marriage or a child was irrevocably adopted;
- 5. The part of the law which contains provisions on the *permanent residence permit* should be also changed. The permanent residence permit will be issued after 5 years of continuous stay on the territory; in the cases as mentioned above (mainly the specific rules for workers or self employed persons who have reached the age for entitlement to an old pension or early retired persons); the law states also a possibility to ask for the permanent residence permit on the humanitarian basis or in cases deserving special consideration or if the applicant's stay is in the interest of the Czech Republic (Proposal of Sec. 87g).
 - The condition of continuous stay is sustained, if the absence is not longer than 6 months. If the EU citizen is away from Czech Republic for a period exceeding 6 consecutive months, the condition is sustained in case that the absence is related to performance of obligatory military service, or the absence is of a maximum of 12 consecutive months for important reasons, such as pregnancy and childbirth, serious illness, study or vocational training, or posting in another state.
- 6. The family member of EU citizen will be granted the permanent residence permit upon request also, inter alia, after five years of continuous stay on the territory; if he is a family member of an EU citizen to whom the permanent residence permit was issued etc. (Proposal of Sec. 87h). A request for a permanent residence permit by a family member of EU citizen must be supported by a travel document, a document certifying the reason of stay, photographs and the document confirming accommodation (Proposal of Sec. 87i).
- 7. The draft shortened the period of continuous stay on the territory of the Czech Republic necessary for the possibility of TCN to ask for a permanent residence permit to five years.

Departure

Text(s) in force

- Act No. 326/1999 Coll., on Residence of Alien's on the Territory of the Czech Republic as amended (Alien's Act).
- Act No. 140/1961 Coll., Penal Code, as amended.

The foreigner leaves Czech Republic generally

- when his visa/residence permit expires (this does not apply to EU citizens),
- when the status is withdrawn,
- when the decision on administrative or penal expulsion is in force.

An EU citizen can stay on the territory basically without any limitation (exceptions below).

Expiration of the permit

The temporary or permanent residence permit of the EU citizens and their family members expires if the foreigner obtains a Czech citizenship; if the punishment of the penal expulsion or administrative expulsion is in force, or if the foreigner dies (Sec. 87i, Sec. 79 of AA).

Withdrawal of the permit

The temporary residence permit of the EU citizen can be withdrawn

- if the holder does not fulfill the purpose for which the permit was issued (it does not apply in the case that the permit was issued for the purpose of employment, self-employment or exercise of the powers of a legal entity's corporate body and the impediment to work is caused by inability to work due to illness or casualty);
- if the permit was issued for the purpose of employment and the foreigner became unemployed according to his own decision done without a serious reason;
- or if the holder of the permit endanger the security of the state or seriously violates public order and the procedure of expulsion is not initiated.

Those provisions apply under the condition of adequate interference with the private and family life of the foreigner. The temporary residence permit can be withdrawn also if the holder of the permit asks for it.

The *family member's permit* will be withdrawn in case of the withdrawal of the holder's permit, interference with the private and family life of the foreigner must be adequate (Sec. 87j).

The conditions for withdrawal of the *temporary residence permit* were changed by the amendment during the year 2005, ¹² and a possibility to withdraw the status if the holder of the permit became a burden on the social assistance system was added; the law provides for that this does not apply to those persons, to which the directly applicable EC regulation is applicable. ¹³

The *permanent residence permit* can be withdrawn if the holder of the permit endanger the security of the state or seriously violates public order and the procedure of expulsion is not initiated; the provision apply under the condition of adequate interference with the private and family life of the foreigner. The permanent residence permit can be withdrawn also if the holder of the permit asks for it. The family member's permit will be withdrawn in case of the withdrawal of the holder's permit, interference with the private and family life of the foreigner must be adequate (Sec. 87k of AA).

Expulsion

The Alien's Act provides for specific rules for expulsion of the EU citizens and their family members (Sec. 120 (2) of AA). The expulsion of EU citizens and their family members is possible only under very serious circumstances; the decision of expulsion of EU citizen or his family member, to whom the permanent or temporary residence permit was granted, may be issued only in case, that the person

- endanger security of the state or seriously violate public order,
- and at the same time the penalty of withdrawal of the permanent or temporary residence permit is not enough considering the seriousness of his conduct.

The decision must not be issued, if the interference with the private and family life of the foreigner would be inadequate. There is administrative procedure regarding expulsion stipulated (according to the provisions of the Administrative Proceedings Code), held by Alien's Police, which under above mentioned circumstances issues the administrative decision on expulsion. A remedy is also stipulated, appeal to the court can be made against the administrative decision. The same procedure is stipulated for the foreigner to challenge placing into detention.

In order to leave the country, the foreigner is given an exit order; the period given for the departure of a foreigner in the exit order may last up to 60 days.

¹² Zákon č. 428/2005 Sb., kterým se mění zákon o pobytu cizinců (Law No. 428/2005 Coll., which changes the Alien's Act: See Sec. 87j (1) (c).

¹³ The judgment of the Court of Justice in *Trojani* case (C-456/02) and *Grzelczyk* case (C-184/99) is also transposed by this amendment (see the explanatory report to the draft No. 916, adopted as Law No. 428/2005 Coll., which changes the Alien's Act).

Draft legislation, circulars, etc.

New large draft amendment to the Alien's Act has been presented to the Parliament on September 7, 2005. 14

The draft changes some conditions for withdrawal and expiration of the temporary residence certificate, temporary residence permit and permanent residence permit.

The temporary residence certificate should be withdrawn, if the applicant becomes a burden on the social assistance system, except for those persons, to which the directly applicable EC regulation is applicable; if there are reasonable grounds that he might endanger the security of the state or might seriously violate public order; endanger public health, or because he suffers with a serious illness. The interference with the private and family life of the foreigner must be adequate (Proposal of Sec. 87d (2)).

The draft also contains provisions for the retention of the right of residence of the family member of the EU citizen upon the temporary residence permit in the event of death of the EU citizen (upon the condition of one year of continuous stay on the territory of the Czech Republic of the family member before EU citizen's death); in case that the temporary residence permit of the EU citizen have been cancelled (upon the condition that the family member is in custody of a child, who is studying on the territory), in case that the EU citizen – holder of the temporary residence permit died etc.

The draft furthermore contains an obligation to ask for the temporary residence permit for the family member in case that this family member intends to stay on the territory for more than three months.

The permanent residence permit should be withdrawn or expires if the holder of the permit endanger the security of the state or seriously violates public order and the procedure of expulsion is not initiated; entered into marriage with the aim of obtaining a residence permit, this does not apply if a child was born from the marriage or a child was irrevocably adopted; or he does not stay on the territory for more than two consecutive years. The provisions apply under the condition of adequate interference with the private and family life of the foreigner. The permanent residence permit can be withdrawn also if the holder of the permit asks for it. The permanent residence permit expires if the foreigner obtains a Czech citizenship, the punishment of the penal expulsion or administrative expulsion is in force, or the foreigner dies (Proposal of Sec. 871, 87m).

The withdrawal of a family member's permit must always be adequate to the interference with the private and family life of the foreigner (Proposal of Sec. 87d, 87f, 87l).

The draft also transposes the judgment of the Court of Justice in MRAX (C-459/99). The draft shall change the Alien's Act towards the possibility to allow family members of EU citizens to depart upon conditions, that the EU citizen proves his/her identity and the fact, that he is an EU citizen with other document than the travel document, if he does not possess one or can not provide one and to allow the family member of EU citizen, if he/she does not possess the travel document or can not provide it, to prove his identity and the conjugal ties by another document (Proposal of Sec. 91 (2)).

Miscellaneous

The complexity of the Alien's Act and its frequent changes is often criticized. Those facts together with the unsatisfactory technical equipment and possible corruption of the Alien's police are also reasons for misuse of the law reported both by ombudsman and NGOs.

The Draft Act on registered partnership has been presented to the Parliament in 2005. The Act proposes to give the partners in the registered partnerships only limited rights; the law does not contain any provisions towards the possibility to obtain a residence permit for a partner of the EU citizen with whom he has contracted a registered partnership.

¹⁴ Draft amendment to the Alien's Act No. 1107, available at http://www.psp.cz/sqw/historie.sqw? o=4&T=1107.

Chapter II Access to employment

Texts in force

- Resolution no. 2/1993 Coll. on declaration of the Charter of Fundamental Rights and as a part of the constitutional order of the Czech Republic
- Act No. 65/1965 Coll., Labour Code, as amended
- Act No.99/1963, Civil Procedure Code, as amended
- Act No. 435/2004 Coll., Employment Act, as amended
- Act No.455/1991 Coll., Trade Licence Act, as amended
- Act No. 251/2005 Coll., Act on Labour Inspection, as amended
- Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European Union is founded (hereinafter the Act on Accession)
- Act No. 561/2004 Coll., on Education, as amended
- Act No. 219/1995 Coll., on Foreign Exchange, as amended
- Draft of the Act on Antidiscrimination (Draft No. 866)
- Act No. 18/2004 Coll., on Mutual Recognition of Qualifications, as amended
- Act No. 95/2004 Coll., on Mutual Recognition of Diplomas on Medical Qualification of Doctors, Dentists and Pharmacists, as amended
- Act No. 96/2004 Coll., on Mutual Recognition of Diplomas on Paramedical Qualification, as amended
- Act No.85/1996 Coll., on the Legal Profession (Legal Profession Act), as amended
- Act No. 360/1992 Coll., on Pursuit of Activities of Authorized Architects and on Pursuit of Activities of Authorized Engineers and Technicians Involved/Practising in Construction, as amended
- Act No. 166/1999 Coll., On Veterinary Care, as amended

The Czech Republic did not introduce any restrictions towards the nationals of the EU Member States who apply transitional periods (Employment Act contains provision, which states, that in case that a Member State will apply transitional period, the Czech Government *may* (is not obliged to) adopt equivalent measures, Sec. 103). 15

EU citizens and their family members are not obliged to obtain work permits for the access to the Czech labour market. The obligation to obtain the work permit applies only to third country nationals who are not family members of the EU national (with several exceptions for special categories of foreigner; the categories are listed below in the Chapter VII).

Equal treatment

According to Sec. 3(2) *Employment Act*, the citizens of other Member States and their family members have equal position with the Czech citizens in the field of employment (i.e. access to employment, access to the public employment services including registration in order to seek work etc.). The Act also defines a term *foreign employees*, which pursuant to Sec. 85 Employment Act means individual who is neither Czech citizen nor EU citizen nor his family member.

Non-discrimination is another important aspect of issue of equal treatment. According to the Sec. 1 of the Labour Code, "the employers are obliged to treat all employees equally as regards the condi-

¹⁵ The Czech Government adopted the Resolution no. 13/2004 on the position towards transitional period on free movement of workers in which it was provided for that it will not in advance abandon the possibility to introduce a transitional period for the Member States and the accession countries on the basis of the evaluation of current situation on the labour market. This position has not changed during the year 2005 but discussion on approach to countries joining the EU near in future is planned to be launched.

tions of work including the remuneration and other financial obligations". The same provision also states that direct and also indirect forms of discrimination based on the citizenship, nationality etc. are prohibited. The basis for equal treatment in terms of non-discrimination can be found in different laws, e.g.:

Labour Code¹⁶

Sec. 1 of the Labour Code states, that the Labour Code prohibits any discrimination of employees in labour-law relations on the ground of race, colour, sex etc. It also differentiates between direct and indirect discrimination.

Employment Act¹⁷

The Act on Employment contains an obligation to treat individuals exercising the right to employment equally, prohibits both direct and indirect discrimination on the basis of sex, sexual orientation, racial or ethnical origin, nationality, citizenship, social origin, language, health, age, religion, matrimony or marital status or obligations to a family, membership in political parties or movements, trade unions or unions of employers. Discrimination on the grounds of pregnancy or maternity is considered to be the discrimination on the basis of sex. (Sec. 4 of the Employment Act).

Civil Procedure Code¹⁸

Burden of proof in the stated discrimination in labour-law relations lies with an employer (Sec. 133a of the Civil Procedure Code). Facts bearing on the issue of discrimination are considered to be proved unless proven otherwise.

And other laws

E.g. the issue of equal payment in public services is addressed by the Act. No. 143/1992 Coll., on Remuneration, which states that men and women get equal pay for the equal work Sec. 3 (2).

Draft legislation, circulars, etc.

A draft law on equal treatment and on the legal instruments for protection against discrimination (Law on Prevention of Discrimination) was presented to the Parliament in January 21, 2005. 19 It has not yet been adopted.

The draft contains, inter alia, a definition of discrimination.

Language requirements, recognition of diplomas (including the academic diplomas)

No relevant change has been introduced during the period under scrutiny.

General system

Matters of mutual recognition of qualifications for the purpose of free movement of persons in the EU are regulated by the Act on mutual recognition of qualifications. This Act stipulates the procedure of administrative authorities or professional associations in the process of the recognition of qualification and other skills for start-up of dependent or independent regulated working activity in the Czech Republic, if the qualification was acquired or such an activity was carried out by the EU nationals or

¹⁶ Act No. 65/1965 Coll., Labour Code, available at http://portal.gov.cz/wps/portal/_s.155/701? num-ber1=65%2F1965&number2=&name=&text=.

¹⁷ Act No. 435/2004 Coll., Employment Act, available at http://portal.gov.cz/wps/portal/_s.155/ 701? num-ber1=435%2F2004&number2=&name=&text=.

¹⁸ Act No. 99/1963, Civil Procedure Code, available at http://portal.gov.cz/wps/portal/_s.155/701? num-ber1=99%2F1963&number2=&name=&text=.

¹⁹ Draft No. 866; http://www.psp.cz/sqw/historie.sqw?o=4&T=866.

Zák. č. 18/2004 Sb., o uznávání odborné kvalifikace a jiné způsobilosti státních příslušníků členských států Evropské unie a o změně některých zákonů (zákon o uznávání odborné kvalifikace) (Law No. 18/2004 Coll., on recognition of qualification and other skills of EU nationals).

their family members in another Member State. The outcome of the process of recognition of the qualification is a ruling stating whether the applicant is eligible for the employment (professional activity) pursuant the relevant legal regulation of the Czech Republic. The Act on mutual recognition of qualifications contains the general system for all professions; provisions of the Act apply unless provisions of special laws (for the specific sectors) stipulate otherwise (Sec. 1 (2) Act on mutual recognition).

Administrative authorities and professional chambers may require a national from another Member State to meet only conditions which are required of citizens of the Czech Republic by a special legal regulation (Sec. 2 (1) Act on mutual recognition).

The Czech Republic has relatively large number of regulated professions (more than 450, the list of regulated professions can be found on the website of the Ministry of Education, Youth and Sports).²¹

Language requirements, recognition of diplomas in the general system

Knowledge of the Czech language is required to the extent that is necessary for a pursuit of a regulated activity (Sec. 21 Act on mutual recognition of qualifications).

The principles and process of recognition of diplomas are stipulated in the Act on mutual recognition of qualifications; the Act contains the provisions on levels of evidence of formal qualifications and procedure, which is adopted by a recognition authority to recognize the professional qualification.

Language requirements, recognition of diplomas in the specific sectors

The sectoral directives were transposed by five acts, which are listed above in the texts in force. The situation in the specific sectors (architects, dentists, doctors, nurses, midwives, pharmacists, veterinary surgeons and lawyers) differs according to the acts.

The doctors, dentists and pharmacists must be able to understand each other with the patient; knowledge of the Czech language is required only to the extent that is necessary for a pursuit of the medical practice. The ability to speak is verified by the Ministry of Health (Sec. 31 Act on mutual recognition of diplomas on medical qualification of doctors, dentists and pharmacists).²²

The situation in the paramedical qualification is the same, also the nurses and midwives must be able to understand each other with the patient; knowledge of the Czech language is required only to the extent that is necessary for a pursuit of the medical practice. The ability to speak is verified by the Ministry of Health (Sec. 82 Act on mutual recognition of diplomas on paramedical qualification).²³

There is no language requirements for architects, lawyers and veterinary surgeons stated in the laws.

Nationality condition for captains of ships

The law requires the Czech nationality for the captain of the ship.²⁴

Recent legal literature

Š. Skuhrová: Co je třeba vědět o systému vzájemného uznávání odborného vzdělání a přípravy ve státech Evropské unie, smluvních státech Evropského hospodářského prostoru a Švýcarsku (What one should know about the system for mutual recognition of professional education and training in the EU Member States, EEU countries and Switzerland – Information on the recognition of professional qualifications), Ministry of Education, Youth and Sports (website), 2005.

²¹ See http://www.msmt.cz/uok/ru_list.php?&lang=cz&dl=cz.

²² Act No. 95/2004 Coll., on Mutual Recognition of Diplomas on Medical Qualification of Doctors, Dentists and Pharmacists, available at http://portal.gov.cz/wps/portal/_s.155/701?number1=95%2F2004&number2 =&name=&text=.

Act No. 96/2004 Coll., on Mutual Recognition of Diplomas on Paramedical Qualification, available at http://portal.gov.cz/wps/portal/ s.155/701?number1=96%2F2004&number2=&name=& text=.

²⁴ Act No. 61/2000 Coll. On See Navigation: Sec. 28 (4), available at http://portal.gov.cz/wps/portal/_s.155/701?number1=61%2F2000&number2=&name=&text=.

Chapter III Equality of treatment on the basis of nationality

Text(s) in force

- Act No. 65/1965 Coll., Labour Code, as amended
- Act No. 435/2004 Coll., Employment Act, as amended
- Act No. 100/1988 Coll., on Social Security as amended
- Act No. 117/1995 Coll., on State Social Support, as amended
- Act No. 482/1991 Coll., on Social Need, as amended
- Act No. 586/1992 Coll., Income Tax Act, as amended
- Act No. 143/1992 Coll., on Remuneration, as amended

Conditions of employment and labour conditions

As was mentioned above, according to the Sec. 1 of the Labour Code the employers are obliged to treat all employees equally as regards the conditions of work including the remuneration and other financial obligations (e.g. the Act on Remuneration provides for the equal salary for the equal work in Sec. 3 (3)). In the following paragraphs of the same provision direct and also indirect forms of discrimination based on the citizenship, nationality etc. is prohibited.

In order to comply with the provisions of the Directive no. 96/71 on posting of workers within the framework of services, the provisions of the Labour Code were amended. Under the current legislation, if an employee is posted to the Czech Republic, even if the labour law of another Member State governs his/her labour contract, certain working conditions are required to comply with the ones provided for by the Czech legislation. These conditions contain:

- a) working time and the period of rest,
- b) length of holiday,
- c) minimum wage, minimum tariffs and extra pay for overtime,
- d) health and safety at work,
- e) working conditions of women and juveniles and of the workers taking care of a child younger than three years,
- f) equality of treatment between men and women.

In case the law of the country of origin is more advantageous, these rules do not apply. There are also the exceptions provided for postings that are short.

Social security

The posting rules contained in the Regulation 1408/71 are the main exception to the state of activity principle. It enables the employee or the self-employed person remains in the social security scheme of the state of origin, while normally the state of employment would have to apply. Such status is proven by the issuing the E101 certificate by the institution of a state whose legislation remains applicable to the posted worker.

The posted workers have the same treatment as the Czech workers according to the provisions of the Labour Code. Generally to be certified by the Czech authorities as a "posted worker" the certain conditions have to be fulfilled. These conditions are contained in the Regulation itself, in the Decision of the Administrative Commission no. 181 on posting of workers and also in the Code on practice on posting. The competent institution on the Czech side is the Czech Social Security Administration; the regional units deal with some cases, other are dealt with in the central administration. In order to receive E101 the employer and employee or the self-employed worker must fill in the form indicating their situation (the planned duration of posting, proving the organic link between employee and employer throughout the posting etc).

During the year 2005, there were informal bilateral contacts established in the field of posting of workers with some EU states – Germany and France, in order to facilitate the control procedures. In practice, however, the cases that require such cooperation were not many.

Access to social advantages

The regulation itself is directly applicable; therefore, there is no transposition of its provisions into the relevant legislation. For the due application of the regulation the Ministry of Labour and Social Affairs issues internal guidelines.

In the field of social benefits, schemes of state social support and social assistance are primarily based on permanent residence. To be eligible for a benefit, the recipient must reside permanently in the territory of the Czech Republic. Therefore, for access to these kinds of benefits for migrant workers, it is extremely important to apply Sec. 7 (2), to overrule the permanent residence requirement in case of workers covered by Regulation 1612/68. Other conditions for granting benefits within these schemes consist in assessment of the income of a family concerned, overall social situation, the ability to improve the situation by own effort, the fact that the beneficiary is taking care of a child etc. are connected with the individual's situation and do not have a discriminatory character.

The same applies to the provision of social services that is also internally based on the permanent residence. However, for Community workers and their family members this requirement is overruled by the regulation. It also applies to access to the services provided within the institutions (for example nursing homes) and their waiting lists.

In the field of access to housing there are lists of claimants managed by individual municipalities. There were some cases of nationality conditions in internal rules of municipalities. Ministry of Interior together with Ministry of Regional Development informed these municipalities about the fact, that this approach is incompatible with the acquis.

Nevertheless, as the range of social advantages are considerably wide, there might still be the cases of inequalities. On the other hand, the respective authorities did not record complains indicating the violations of the regulation.

Tax advantages

The income tax law is generally the field that is outside the Community regulation. The indication of a Member State that deducts taxes from the income is still governed by the bilateral double taxation treaties. The Czech Republic concluded over 70 such agreement including those with the other Member States.²⁵

As regards the Income Tax Act the situation of the worker from another Member States is in the same position as the Czech national if he has tax domicile in the Czech Republic. From the year 2004 even persons without the tax domicile (normally person who do not habitually reside in the Czech Republic) can require the tax reduction or tax bonus for a child and tax-relief for a spouse.

Draft legislation, circulars, etc.

Current legislation on social care and social services will be replaced since 1.1. 2007 by the new acts:

- Social Services Act (assumed to enter into force 1.1.2007)
- Assistance in Need Act (assumed to enter into force 1. 1. 2007)

A draft Social Services Act was presented to the Parliament on September 6, 2005,²⁶ the draft Assistance in Need Act on July 26, 2005.²⁷

Both Acts reflect, inter alia, the *Trojani* case (C-456/02). The *Trojani* case is also reflected by the draft amendment to the Act on Social Security, presented to the Parliament on July 21, 2005. 28

Also according to draft amendment No. 1107 along with amendments of other Acts a category of the long-term residents who acquired the status in another Member States and reside in the Czech

²⁵ http://cds.mfcr.cz/mezdanvztahy/494 dvoji zdaneni zak.html.

²⁶ Draft. No. 1102, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1102.

²⁷ Draft No. 1063, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1063.

Draft No. 1051, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1051.

Republic on the basis of the long-term residence permit for the purpose of employment will fall under Sec. 98 Employment Act after 12 months as of the date of issuing the residence permit mentioned above.

Miscellaneous (administrative practices, etc.)

In relation of social benefits the Ministry of Labour and Social Affairs issues the methodological instructions for the Labour Offices and Municipal authorities in order to unify their approach towards migrant workers. It firstly describes different categories of Community citizens staying, working or residing in the Czech Republic, their status (self-employed, employed, family members, students etc.) and the resulting entitlements to different benefits.

Chapter IV

Employment in the public sector

(Nationality condition for access to positions in the public sector; language requirement; recognition of professional experience for access to the public sector (e.g. as a condition for participation in a recruitment procedure or for granting additional points within this procedure); recognition of professional experience for the purpose of determining the professional advantages (e.g. salary; grade); recognition of diplomas (whether there is any specificity in relation to posts in the public sector in comparison to posts in the private sector))

Text(s) in force

- Resolution No. 2/1993 Coll., on declaration of the Charter of Fundamental Rights and as a part of the constitutional order of the Czech Republic
- Act. No 1/1993 Coll., Constitution of the Czech Republic, as amended
- Act No. 62/2003 Coll., on Elections to the European Parliament, as amended
- Act No. 247/1995 Coll., on Elections to the Parliament, as amended
- Act No. 491/2001 Coll., on Elections to Municipal Councils, as amended
- Act No. 312/2002 Coll., on Officers of Municipalities, as amended
- Act No.182/1993 Coll., on the Constitutional Court, as amended
- Act No. 6/2002 Coll., on Courts and Judges, as amended
- Act No. 283/1993 Coll., on Public Prosecutors, as amended
- Act No. 349/1999 Coll., on Ombudsman, as amended
- Act No. 186/1992 Coll., on Service Contract of Members of Police of the Czech Republic, as amended (will be replaced by the new Act 361/2003 on Service Contract of Members of Security Corps from 1.1.2007)
- Act No. 221/1999 Coll., on Professional Soldiers, as amended
- Act No. 154/1994 Coll., on Security Information Service, as amended
- Act No. 218/2002 Coll., on Public Services (i.e. civil servants and the other employees at administrative authorities and their remuneration), as amended not in force yet
- Governmental regulation No. 330/2003 Coll., on Renumeration of Employees in the Public Service and Administration.

Nationality condition for access to positions in the public sector

The issue of free choice of occupation is addressed at the constitutional level (Art. 26 of the Charter of Fundamental Rights and Freedoms):²⁹ everybody is entitled to choose an occupation freely but a law can set out prerequisites and limits. Art. 26 (2) states, that the law can provide for conditions and limitations for operation of an occupation or activity; Art. 26 (4) provides for a possibility of a different regulation for foreigners set out by law.

Various Acts (see relevant texts in force) require Czech nationality for some of occupations or functions. Even for these positions the EU citizens can apply, nevertheless, on the basis of the exception provided for by the Treaty and with regard to the European Court of Justice interpretation the nationality will be in these cases one of the prerequisites for the occupation. Therefore some positions in the Czech Republic will be held by the Czech citizens only, which is in compliance with Art. 39 (4) concerning the exception to the above mentioned rule regarding the employment in the public sector. According to the case law of the European Court of Justice such an exception is acceptable if there is a direct or indirect participation in exercise of sovereign rights or in fulfilling tasks connected to general targets of the state or other entities of the public law.

The legislation regarding the public sector is rather extensive and the requirement of Czech citizenship is included in the conditions for the positions where there is direct or indirect exercise of the State's powers. There is number of positions unavailable for nationals of other Member States.

²⁹ Úst. zák. č. 2/1993 Sb., Listina základních práv a svobod (Const. Law. No. 2/1993 Coll. of Laws, Charter of Fundamental Rights and Freedoms)

The laws, inter alia, require Czech citizenship for the leading representatives of the Czech Republic, e.g. for becoming a president (Art. 57 (1) of Constitution of the Czech Republic), for becoming a Member of Parliament (Art. 19 (1), (2) of Constitution of the Czech Republic) (also the voters and the members of the electoral committees must be Czech citizens (Sec. 1 (7), 14e of the Act on Election); the Czech citizenship is not required for the elections to the European Parliament, the voters and also the candidates can be citizens of another Member State (the candidates must fulfill the condition of having the permanent residence permit on the territory at least for 45 days on the second day of the elections, Sec. 5, 6 of the Act on Elections to the European Parliament). There are no requirements for the members of Government.

Act on Elections to Municipal Councils requires a member of municipal councils and also a voter to the municipal councils to be either Czech citizen or a foreigner with the permanent residence in the district, whose right to vote is declared by an international treaty (Sec. 4, 5). Czech citizenship is not required for the officers of the municipal authorities, only the condition of the permanent residence must be fulfilled (Sec. 4 of Act on Officers of Municipalities).

According to other acts, also the service contracts of members of security departments (policemen – Sec. 3 of Act on Service Contract of Members of Police, or Sec. 13 of Act on Service Contract of Members of Security Corps, which will replace the old one from 1.1.2007), professional soldiers – Sec. 2 of Act on Professional Soldiers) require Czech citizenship.

Some positions of lawyers, who exercise the state power, require Czech citizenship; those are, inter alia, judges and assistants of the Constitutional Court and High Court (Art. 84, 93 of Constitution, Sec. 9 of Act on the Constitutional Court, Sec. 16 of Act on Courts and Judges), all judges (Art. 93 of Constitution) or public prosecutors (Sec. 17 of Act on Public Prosecutors).

Czech citizenship is also required for the personnel of the state institutions, employees who participate on exercising of sovereign rights (civil servants) (Sec. 17 of Act on Public Services, the law is not in force yet)). The law does not relate to e.g. the employees who exercise the auxiliary, manual and technical support and those, who operate, organize or control the work of the support employees Sec. 2 of Act on Public Services (meaning that the clerks or persons working in the cleaning service etc. are not subject to requirement of Czech citizenship). The Act on Public Services was adopted at 2002, but is still not in force as its entry into force has been postponed twice. The Czech citizenship may thus be required for participation in a recruitment procedure as prerequisites for the occupation.

The Sec. 2 of Act on Ombudsman states, that only a Czech citizen can become ombudsman.

Language requirement; recognition of professional experience for access to the public sector (e.g. as a condition for participation in a recruitment procedure or for granting additional points within this procedure)

Under the current legislation, the language requirements depend on the conditions for participation in a recruitment procedure, which are stated by the employer.

The same applies to the recognition of professional experience for access to the public sector as it also depends on the conditions for participation in a recruitment procedure; the conditions of the recruitment procedure often contain the request of professional experience and the request must be reviewed according to the principle of non-discrimination (principle of non-discrimination is stipulated in the Labour Code and Employment Act).

Recognition of professional experience for the purpose of determining the professional advantages (e.g. salary; grade)

The professional experience and the qualification and other professional skills influence the determination of the professional advantages (the experience acquired in other Member States is basically taken into account on the basis of the Act on Mutual Recognition of Qualifications). According to the legislation, the salary is given to the employee according to a salary tariff (Sec. 5 of Government Regulation on Renumeration of Employees in Public Service and Administration). The salary tariff is applied on the employee according to a salary group and salary level to which he is situated. There are 16 salary groups, which differ in accordance with the qualification of the employee and 12 salary levels which differs in accordance with the professional experiences (Sec. 3, 4); the employee is placed there in dependence on his qualification and professional experiences.

Chapter V Members of the family

Text(s) in force

- Act No. 326/1999 Coll. of Laws, on Residence of Alien's on the Territory of the Czech Republic as amended (Alien's Act)
- Act No. 435/2004 Coll., Employment Act, as amended

The legal definition of family members of EU citizens is provided for by the Alien's Act of the Czech Republic in its Sec. 15a.

- For the purposes of the Alien's Act, a family member of EU citizen is
- a spouse,
- a child under 21 years of age,
- or a dependent direct relative in ascending or descending line or such relative of the spouse of the EU national.

The definition was amended in 2005; a parent of an EU national who is younger than 21 years is also counted as a family member for the purpose of this law (Sec. 15a (1) (b) of the Alien's Act).

According to the Sec. 15a (1), (2) of the Alien's Act, if the purpose for stay in the Czech Republic is study, then only a spouse and a dependent child are considered as a family member.

Entry, residence and departure

Entry, residence and departure of family members of EU citizens is connected to the position of the EU citizens. The issue of entry, residence and departure has been closely discussed in Chapter I.

The possibility to ask for a residence permit and validity period of residence permit card issued to family members basically corresponds to the residence permit given to the holder and validity period of permits issued to the EU citizens being the holders of a residence permit card.

Employment

The Sec. 3 Act on Employment stipulates that the citizens of other Member States of the European Union and their family members, even if they are not the EU Member State citizens, are at the same legal position in legal relations regulated by this Act as Czech citizens, unless provided otherwise. Furthermore Sec. 85 sets out that for employment purposes according to this Act, workers from abroad are individuals who are neither citizens of the Czech Republic or of the European Union nor their family members. Therefore they do not need to obtain the work permit or their employers do not have to apply for the permit to engage foreign workers. There is only the information obligation towards the Labour Office (Sec. 87, 102).

Draft legislation, circulars, etc.

New large legislative proposal (draft amendment to the Alien's Act) was presented to the Parliament on September 7, 2005.³⁰ The draft contains many changes regarding the position of the family members of EU citizens.

The draft, inter alia, amends the definition of the family member by adding a child less than 21 years of age of a spouse of the EU national to the current definition.

The draft amendment also harmonizes the provisions of the Alien's Act for withdrawal of the permanent residence permit with the Directive 2004/38/EC.

The draft amendment also reflects the control of marriages suspected of being simulated, which until the introduction of this draft was not explicitly formulated for the family members of the EU citizens. The draft provisions stipulate that the Police shall cancel a temporary residence permit or

³⁰ Draft amendment No. 1107, available at http://www.psp.cz/sqw/historie.sqw?o=4&T=1107.

permanent residence permit if it establishes that the alien entered into marriage with the aim of obtaining a residence permit. The residence permit shall not be cancelled if a child was born from the marriage or a child was irrevocably adopted.³¹

³¹ See Sec. 87e (1) (c) and Sec 87l (1) (b) of the draft amendment No. 1107.

Chapter VI Relevance/Influence/Follow-up of recent Court of Justice judgements

In particular follow-up of cases: *Trojani*, *Collins*, *Ioannidis*, *van Lent* (C-232/01), *Commission v. Denmark* (C-464/02) as well as the application of free movement legislation in the sports sector.

Relevant legislation

- Act No. 100/1988 Coll., on Social Security as amended
- Social Services Act (assumed to enter into force 1.1.2007, will replace Social Security Act)
- Assistance in Need Act (assumed to enter into force 1. 1. 2007, will replace Social Security Act)

Since the introduction of European citizenship by the Maastricht Treaty a considerable movement can be traced in the attitude towards persons moving within Community and their access to public benefits. It is reflected in the consolidation directive no. 2004/38 and in recent case law of the ECJ in cases C-184/99 *Rudy Grzelczyk*, 85/1996 *Martinez Sala*, C-456/02 *Trojani* and C-209/03 *Bidar*. All these judgements concern the right to residence resulting in access to public benefits based on Articles 12 and 18 of the Treaty (equality of treatment and right to residence). From the above mentioned directive and judgements it is possible to conclude, that an EU national has equal rights to nationals and access to public benefits as long as the conditions for the right to residence are fulfilled.

Following the legislative development (Directive 2004/38) and the extensive case law on access to public benefits of migrants the amendment to the Aliens Act has been adopted. Also the amendment was proposed to the Social Security Act that sets the personal scope of the social care scheme – it is currently being debated in the Parliament. It now includes all EU nationals who registered themselves with the Aliens and Border Police. In practice however, this change has impact only to a position of non-active persons, since the gainfully active – workers in particular – have another Community provisions to protect their social rights.

If such a registered person claims social benefit, the competent authority firstly examines whether the conditions for the entitlement are fulfilled. Simultaneously there will be a procedure designed to establish whether a person concerned could become an "unreasonable burden of the social assistance scheme".

The scheme is based on the following principles:

- It creates groups of persons who can never be "unreasonable burden of social assistance scheme" i.e. workers, other persons who are gainfully active etc.
- For other persons it establishes the system of point attributed to certain fact or characteristic of a person concerned. The facts that are taken into account are mainly the previous length of residence, previous length of employment or self-employment in the Czech Republic, previous periods of study in the Czech Republic, possibilities in finding a job).
- There is a discretionary power in order to take into account whether person concerned has only temporary difficulties, his/her personal circumstances, family commitments, and potential amount of benefit.
- Assessment base is a number of points received. When such number is low enough to create "unreasonable burden of the social assistance scheme", the information from the municipal authority will be delivered to the Aliens and Border Police for the possibility of initiation of procedure of declaration of residence unlawful.

As it was stated above the amendment that was proposed in order to implement the Directive 2004/38 together with recent case-law of the ECJ, is currently being debated in the Parliament, and the entry into force is expected in the beginning of the year 2006. The same changes are included into the Assistance in Need Act and Social Services Act that as of the 1st January 2007 will replace the Social Security Act.

Application of free movement legislation in the sports sector

There is no requirement that the members of sport organizations and teams have to be citizens of the Czech Republic.

Chapter VII

Policies, texts and/or practices of a general nature with repercussions on free movement of workers

Relevant Legal Regulation

- Act on Accession
- Government Resolution No. 13/2004 on the position of the Government to transitional period on free movement of workers
- Act No. 65/1965 Coll., Labour Code, as amended
- Act No. 435/2004 Coll., Employment Act, as amended
- Act no. 97/1963 Coll., on International Private and Procedural Law
- Bilateral agreements

As regards foreign employment of TCN (except for the TCN family members of EU citizens, who have equal position to Czech citizens) in general, there are the following principles in force. Foreign workers may be engaged and employed only if they have

- a valid work permit, unless this Act provides otherwise,
- and a valid residence permit.

For these purposes, the term employment covers general work done by a partner, statutory body or member of statutory or another body of a business company for a business company or member of cooperative society or member of statutory or another cooperative body for a cooperative society. As a rule, foreign nationals apply for work permits in writing to the Labour Office before they come to the Czech Republic, either in person or through their future employer or an employer to whom they will be assigned by their foreign employer to work. Employers may engage workers from abroad on the basis of a permit to fill vacancies for which they cannot engage job seekers (Czech citizens or EU citizens nor their family members). For employment purposes according to this Act, workers from abroad are natural persons who are neither citizens of the Czech Republic or of the European Union nor their family members.

The permit to engage foreign nationals is issued by the respective Labour Office upon an employer's application. The application contains the employer's particulars and information about the vacancy and its characteristics. The permit is issued for a fixed period and it is limited to an exact employer and exact work place. There is no legal claim to a work permit even if all the conditions are fulfilled which means that there is no obligation for the Labour Office to issue it. When issuing a work permit, the labour market situation in the respective region is always taken into account. The permit to engage foreign nationals is not required for an employer intending to engage a foreign national to whom a work permit is issued regardless of the situation in the job market (Sec. 97 Employment Act) or for whom no work permit is required (Sec. 98 Employment Act). The work permit is connected to a residence permit; expiry of one of these permits revokes the other one automatically. The work permit contains the foreign worker's particulars, the place of work, the type of work, particulars of the employer for whom the foreign national will work, the period of validity (Sec. 92 Employment Act). The work permit is valid only for the employment, the employer, type of work and place where the work will be performed stated in the permit. Employers are obliged to inform in writing the Labour Office if a foreign worker to whom a work permit has been issued does not turn up at work, or terminates the employment before expiration of the period for which the permit is issued. Then the Labour Office is obliged to notify the Aliens Police department. The information duty must be discharged by employers no later than 10 calendar days after the day when the foreign national was to start work or terminates the employment. The work permit can be renewed.

The Employment Act differentiates among categories of foreigners:

- *EU citizens and their family members*, who have equal position with Czech citizens and are not obliged to obtain a work permit.

- Foreigners who do not need work permits at all provided for in Sec. 98 of the Employment Act, e.g. a foreigner who has been issued a permanent residence permit; a family member of a member of a diplomatic mission; a foreigner who has been granted asylum; a foreigner who is covered by an international treaty; workers posted from another EU Member State with work permit of this Member State etc. (These individuals fall under the same rules as Czech nationals but they are subject to the registration).
 - This provision was amended by the amendment to the Alien's Act, Act. No 428/2005, added a category of long-term residents who are family members of foreigners, who were granted a permanent residence permit or given an asylum status, to the Sec. 98 Employment Act as a category which does not need a work permit for an access to the labour market.
- Foreigners who are issued work permits regardless of the situation on the labour market (Sec. 97 of the Employment Act). This category is considered to be unable to endanger the labour market, e.g. researchers, trainees; asylum seekers after 12 months from lodging an application for asylum; persons having a visa to allow exceptional leave to remain e.g. victims of human trafficking. For them an employer does not need to have the permit to engage foreign nationals. There is an essential change for those foreigners with a visa for exceptional leave to remain who were not allowed to work according to the former provisions.
- Other foreigners who need a standard work permit issued by the Labour Office with respect to the situation on the labour market.
- Foreigners whom the work permit cannot be issued; those, who do not meet criteria for issuing the work permit; and asylum seekers during first 12 months from lodging an application for asylum. This arrangement should discourage potential asylum seekers from misuse of the asylum procedure (Sec. 99 of the Employment Act).

Due to the abovementioned draft amendment to the Alien's Act No. 1107 along with amendments of other Acts a category of the long-term residents who acquired the status in another Member States and reside in the Czech Republic on the basis of the long-term residence permit for the purpose of employment will fall under Sec. 98 Employment Act as a category which does not need a work permit for an access to the labour market, but after 12 months as of the date of issuing the residence permit mentioned above. The third-country nationals who acquired status of the long-term resident will have to be treated in various areas equally as the Czech nationals. The amendment to various Acts transposing provisions of the Directive 2003/109/EC is under the process of preparation and adoption. Entry of the respective directive into force has been awaited with a certain concern. There will be equal treatment ensured for the long-term residents as regards access to employment but the principle of the Community preference should be implemented at the same time. There is an emphasis put on observing an adherence to this principle in practice in particular in the Member States applying transitional arrangements for free movement of persons and restricting access to their labour markets with work permit requirements for nationals of the Czech Republic.

Notification duty

According to the Employment Act every employer who employs an EU national or his family member or the legal or natural person, to whom the nationals of other Member States are posted (users of their services) are obliged to notify the respective Labour Office about employing or such posting on the date of its start at latest (Sec. 87 Employment Act). The Labour Office should be notified about the termination of the employment (also posting to employment) of the EU citizen or his family member within 10 calendar dates. The data required include: the identification of a person, the address at the state of residence, place of work, identification of the employer or a person to whom the person was posted. Sec. 102 (2) Employment Act.

Pilot project "Selection of Qualified Foreign Labour"

As regards migration from third countries the Czech Republic has been seeking for managed migration.

Pilot project "Selection of Qualified Foreign Labour" represents an integral part of the migration policy mentioned above. Its purpose is to bring qualified foreign workers to the Czech Republic together with their families to settle. It should also invoke legislative changes with regard to findings made upon the implementation of this scheme. The pilot project shall contribute to reduce employment of the qualified workers for unskilled work and to reduce their illegal employment by obtaining a permanent residence permit after two years and a half time period which enables third-country workers to be treated equally on the Czech labour market and thus apply for positions corresponding their qualifications. Then a dependency on illegal structures in this field is being made lower. Obtaining a status of the permanent resident of the Czech Republic guarantees all rights conferred to the Czech nationals except the right to vote.

These facts motivate qualified migrant workers to come to the Czech Republic in a legal way and to take into account all advantages. According to experience made through an information campaign of the project when benefits of legal migration are repeatedly pointed out these facts can lead to preferring legal migration by other workers as well.

The project is based on the Government Resolutions No. 975/2001, 720/2002, 340/2004 and 394/2005. The project started in July 2003 and target countries have been selected with respect to 5-year pilot phase. There are the following target countries now: Bulgaria, Croatia, Kazakhstan, Belarus, Moldova, Canada, Serbia and Montenegro and Ukraine. Moreover there are other eligible groups set out. Foreign graduates of Czech universities and high schools having graduated in 1995 or later regardless their nationalities except those who studied under the development aid schemes can also apply for the project. The project is supposed not only to fill in gaps on the labour market but in particular to bring qualified foreign workers to the Czech Republic who will be able to contribute to the Czech economy and who will integrate with their families into a major society. Therefore one of important elements is a possibility given to family members to apply for permanent residence in shortened time period of two and a half years (instead of previous ten years) together with the project participant.

The prerequisites for participation in the project besides nationality of one of the target countries or graduation at the Czech university or high school are a work permit and residence permit issued for the purpose of employment and minimum qualification. Ministry of Labour and Social Affairs introduced web sites www.praceprocizince.cz to match demand of employers and supply of foreign workers for vacancies eligible for third-country nationals. Supply of positions available is much lower than number of those who would like to participate in the project even though all services for employers and potential project participants are offered for free. Despite the fact that this internet tool has not brought expected results the web sites are planned to become an integral part of the employment web sites www.portal.mpsv.cz and to be useful for foreigners with regard to complexity of information on foreign employment in the Czech Republic.

Applications will have been lodged in writing till 31 December 2005. Then the only possibility to apply for the project will be through on-line application. Since 2003 there have been 340 participants who entered into the two-and-half-years probation period after which they are allowed to apply for the permanent residence in the Czech Republic together with their family members. After expiry of the probation period there is a "level of integration" assessment performed by the Ministry of Labour and Social Affairs. The assessment involves employers, local municipal representatives and educational institutions to give an answer to an elementary question whether the participants have met objectives of the project i.e. if they managed to maximum extent to integrate into the Czech society or not. Upon a positive answer they are recommended to the Aliens and Border Police Service for permanent residence. In November 2005 there was initiated the integration assessment of the first group of the project participants and their family members.

Chapter VIII EU enlargement

Following the Accession Treaty of 2003 with the Member States that joined the EU on 1 May 2004, the provisions on the free movement of workers are subject to a transitional period of maximum 7 years across the enlarged EU-25. During the first 2 years of the transitional period, EU-15 Member States are obliged to apply national measures to regulate access by workers from 8 of the Member States that joined the EU on 1 May 2004 to their labour markets (EU-8: all Member States that joined the EU on 1 May 2004 except for Malta and Cyprus). Before the end of this first 2-year period, the Commission must draft a report which will serve as a basis for a review by the Council of the functioning of the transitional arrangements. In addition, each of the EU-15 Member States must make a formal notification to the Commission of whether they intend to continue these national measures for a further 3 years, or whether they will apply the Community law regime of full free movement of workers. In principle, 5 years after the accession, the transitional arrangements should end. The Commission must receive this notification before the 1st of May 2006.

After the second three-year period there is a possibility for an EU-15 Member State to continue to apply national measures for the last two years of the transitional period but only if it experiences serious disturbances in its labour market (or a threat thereof). According to the 2003 Accession Treaty, an EU-8 Member State whose nationals face restrictions on access to the labour market of an EU-15 Member State may apply 'equivalent restrictions' on access to its labour market by nationals of the old Member State in question ('reciprocity clause'). If any one of the EU-15 Member States continues to apply national measures rather than free movement under Community law, then the EU-8 Member States may use the "safeguard clause" to impose restrictions on workers from other new Member States if they have disturbances on their labour market (or a threat thereof). The Accession Treaty of 2003 also provides that after the first report of the Commission on the functioning of the transitional arrangements, EU-8 Member States whose nationals face restrictions may ask for a further review by the Commission.

In the light of the above, the national reports for the years 2005 (to be presented in 2006) will contain information about changes in national law and as well as practice in all EU Member States (EU-25) since the previous national reports. The reports must specify whether the country concerned has changed its position with regard to the second phase of the transitional arrangements, and provide details of the legal regime, including relevant legislation, applicable in that country for the second phase. The national reports for 2006 will also include relevant information on practical problems, individual cases, and national case law pertaining to the transitional arrangements. The reports for 2006 must also include relevant statistics on labour migration across the EU-25.

Despite the fact that the position of the Czech Government towards transitional period on free movement of workers has been liberal to a maximum extent up to now, situation on the labour market has been watched closely.

As far as further application of the transitional arrangements by other Member States is concerned, there are pieces of information from some of these states e.g. Portugal or Spain that after two-years time the transitional measures will be lifted. Nevertheless an official communication from the European Commission on decisions of the states applying transitional measures on lifting or further application of the restrictions is awaited with hope as well as the report on functioning of the transitional measures of the European Commission which should be published in the beginning of the year 2006.

According to current situation as regards transitional arrangements applied to the Czech nationals by the EU-12 without well founded reasons and as a kind of preventive action, there is raising awareness of a necessity to decide in advance on preventive protection of the labour market with regard to future enlargement of the EU.

Chapter IX Statistics

(Flux of Community workers/members of their family in comparison to third country nationals) Particular attention will be paid to migration from and to new Member States.

Foreigners holding residence permit

At the end of 2005 there were 278 000 foreigner with a residence permit in the Czech Republic, making up 2.7% of the total population. Foreigners with temporary residence permit made up 1.7%, those with permanent residence permit 1.0%. More than half of this number were foreigners with the status on the purpose of employment (almost 152 000); foreigners with the valid trade licence (self-employment) were more than 67 000.

The largest number of foreigners was composed by Slovak citizens, they made up almost 40% of employed or self-employed foreigners. Also citizens of Ukraine and Vietnam were represented in high number (28% and 10%). The largest number of foreigners form a Member States coming to Czech Republic was from above mentioned Slovakia, then Poland (6%) or Germany (1%).

Table 1. Employment and residence permits of EU citizens and TCN foreigners; 31 December 2005 Employment and residence permits of foreigners: by citizenship; 31 December 2005* Pramen: MPSV ČR-SSZ, MPO ČR, PCR-ŘSCPP MV ČR, VÚPSV

Source: MLSA CR-ESA; MIT CR; PCR-DABPS MI CR; RILSA

Country	Working foreigners total	Foreigners- employees	Holding valid trade licence	Residing foreigners total	Holding permanent residence permit	Holding long-term (90+ days) residence	Employment to residence ratio
Foreigners, total	218 982	151 736	67 246	278 312	110 598	167 714	0,79
EU 25, total	107 160	93 763	13 397	87 142	42 202	44 940	1,23
Belgie	169	117	52	299	144	155	0,57
Dánsko	97	77	20	205	83	122	0,47
Estonsko	16	9	7	41	23	18	0,39
Finsko	65	46	19	127	50	77	0,51
Francie	847	671	176	1 551	603	948	0,55
Irsko	147	108	39	230	91	139	0,64
Itálie	674	287	387	1 761	1 079	682	0,38
Kypr	20	8	12	41	31	10	0,49
Litva	419	353	66	223	101	122	1,88
Lotyšsko	45	14	31	84	54	30	0,54
Lucembursko	10	7	3	15	6	9	0,67
Maďarsko	274	165	109	512	386	126	0,54
Malta	11	7	4	17	6	11	0,65
Německo	2 907	1 743	1 164	7 187	3 957	3 230	0,40
Nizozemsko	416	275	141	1 260	489	771	0,33
Polsko	13 929	12 635	1 294	17 810	11 384	6 426	0,78
Portugalsko	33	30	3	59	27	32	0,56
Rakousko	756	474	282	2 368	1 161	1 207	0,32
Řecko	202	59	143	805	752	53	0,25
Slovensko	84 016	75 297	8 719	49 446	20 227	29 219	1,70
Slovinsko	75	43	32	184	150	34	0,41
Spojené království	1 711	1 120	591	2 234	986	1 248	0,77
Španělsko	178	128	50	282	162	120	0,63
Švédsko	143	90	53	401	250	151	0,36
Other countries,	111 822	57 973	53 849	191 170	68 396	122 774	0,58

total							
Afghánistán	83	19	64	118	75	43	0,70
Albánie	60	25	35	180	74	106	0,33
Alžírsko	289	38	251	460	369	91	0,63
Angola	79	24	55	172	137	35	0,46
Argentina	21	7	14	55	33	22	0,38
Arménie	514	177	337	1 268	906	362	0,41
Austrálie	129	76	53	336	238	98	0,38
Ázerbájdžán	49	22	27	169	52	117	0,29
Bangladéš	19	8	11	39	23	16	0,49
Bělorusko	1 362	968	394	3 020	951	2 069	0,45
Benin	33	14	19	41	30	11	0,80
Bolívie	31	15	16	50	24	26	0,62
Bosna a Herce-	31	13	10	30	21	20	
govina	558	187	371	1 684	1 349	335	0,33
Brazílie	49	35	14	120	64	56	0,41
Bulharsko	2 823	1 732	1 091	4 551	2 337	2 214	0,62
Čína	1 100	935	165	3 580	1 471	2 109	0,31
Egypt	86	35	51	228	159	69	0,38
Ekvádor	28	16	12	59	21	38	0,47
Etiopie	24	8	16	53	30	23	0,45
Filipíny	28	22	6	67	34	33	0,42
Ghana	50	8	42	68	43	25	0,74
Gruzie	117	54	63	375	192	183	0,31
Guinea	20	7	13	42	18	24	0,48
Chile	16	7	9	47	30	17	0,34
Chorvatsko	525	140	385	2 140	1 524	616	0,25
Indie	376	296	80	541	153	388	0,70
Indonésie	25	21	4	73	37	36	0,34
Irák	63	7	56	183	132	51	0,34
Írán	43	28	15	124	55	69	0,35
Izrael	159	110	49	614	183	431	0,26
Japonsko	607	576	31	1 235	105	1 130	0,49
Jemen	60	31	29	169	95	74	0,36
Jihoafrická							0,58
republika	67	42	25	115	74	41	
Jordánsko	58	16	42	184	120	64	0,32
Kanada	293	171	122	590	310	280	0,50
Kazachstán	593	304	289	2 247	1 313	934	0,26
Kolumbie	39	23	16	102	48	54	0,38
Kongo	32	7	25	37	29	8	0,86
Kongo, demok-	10	_	_	26	22	1.2	0,28
rat.repub.	10 65	5 56	5	36 275	23 38	13 237	0,24
Korea,	65	30	9	2/3	38	237	0,24
lid.dem.rep.	363	355	8	333	_	333	1,09
Kostarika	11	3	8	31	9	22	0,35
Kuba	94	31	63	203	175	28	0,46
Kyrgyzstán	132	106	26	293	65	228	0,45
Libanon	78	31	47	232	161	71	0,34
Libye	29	3	26	351	61	290	0,08
Madagaskar	10	3	7	27	24	3	0,37
Makedonie	701	423	278	1 215	561	654	0,58
Malajsie	22	22	-70	21	2	19	1,05
Mali	10	4	6	28	12	16	0,36
Maroko	79	20	59	157	124	33	0,50
Mexiko	38	29	9	77	43	34	0,49
				4 674	678	3 996	0,71
Moldavsko	3 314	2 710	604	40/4	0/0	3 990	0./1
Moldavsko Mongolsko	3 314 2 013	2 710 1 800	604 213	2 435	309	2 126	0,83

Czech Republic

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Niger	17	1	16	3	2	1	5,67
Nigérie	150	18	132	206	140	66	0,73
Norsko	34	26	8	95	39	56	0,36
Nový Zéland	54	42	12	65	28	37	0,83
Pákistán	143	35	108	243	162	81	0,59
Peru	66	11	55	108	67	41	0,61
Pobřeží slono-							0,40
viny	17	14	3	42	36	6	0,40
Rumunsko	1 146	929	217	2 701	1 962	739	0,42
Rusko	3 929	2 447	1 482	16 273	6 012	10 261	0,24
Senegal	22	6	16	35	32	3	0,63
Sierra Leone	10		10	3	-	3	3,33
Spojené státy	1 822	1 195	627	3 952	2 051	1 901	0,46
Srbsko a Černá							0,42
Hora	1 493	369	1 124	3 559	2 306	1 253	
Srí Lanka	25	18	7	50	20	30	0,50
Súdán	13	1	12	47	32	15	0,28
Sýrie	188	27	161	364	285	79	0,52
Švýcarsko	122	76	46	399	252	147	0,31
Tádžikistán	12	11	1	52	8	44	0,23
Thajsko	177	170	7	215	42	173	0,82
Tchaj-wan	39	38	1	131	8	123	0,30
Tunisko	119	23	96	273	247	26	0,44
Turecko	240	173	67	635	229	406	0,38
Turkmenistán	10	8	2	18	4	14	0,56
Ukrajina	61 195	40 060	21 135	87 789	15 334	72 455	0,70
Uzbekistán	100	80	20	363	50	313	0,28
Venezuela	30	17	13	47	25	22	0,64
Vietnam	22 876	256	22 620	36 832	23 235	13 597	0,62
Other countries + not identified	278	95	183	1 113	657	456	0,25

^{*} Selected countries arranged according to total employment Source: Czech Statistical Office³²

 $32 \quad \ \, http://www.czso.cz/ciz/cizinci.nsf/i/cizinci_v_cr.$