



PARLIAMENT OF THE CZECH REPUBLIC
THE SENATE
Jan Horník
VICE-PRESIDENT OF THE SENATE

Zbyněk Linhart

Chairperson of the Committee on Public Administration,
Regional Development and the Environment

Prague, 19 January 2022

Dear Madam President,

Allow us to remind you of our letter dated 5 November 2021, to which we have not yet received a reply or response from you.

2021 Census in the Czech Republic

In the meantime, the facts and concerns related to the long-term decline and the dark outlook for the Northwest region, which we have presented to you in our letters and its appendices, have been confirmed recently published first results from the 2021 national census, which the Czech Statistical Office began to publish at the beginning of January. For the Northwest, which is the poorest border region, the primary data processed confirm e.g., the lowest number of university students (11 %, Prague 36 %), the highest population with elementary school education (over 16 %, Prague 7,4 %), the largest number of divorced individuals (around 17 %), or the largest decline of population (while the largest increase in population is experienced in the Central Bohemian Region) and so on.

Again, the first figures objectively illustrate the alarmingly growing regional differences, the increasing dominance of Prague and the accelerated decline of the Northwest region with increasing sociopathological phenomena. The European Commission and the Czech Republic must finally stop their current anti-cohesion approaches, which are even causing artificial and accelerating decline of the Northwest region. No one wants to see the growth of regional tensions and unrest associated with the growing ghettoization of the Northwest region, which unfortunately something we are getting closer and closer to with our current approaches.

The growing gap is caused by the long-term "anti-cohesion" policy of the Czech Republic, sanctioned by the EC

It is exceedingly paradoxical that regional inequalities between the northern poor and the rich southern regions are still growing in the Czech Republic, while an **incredible amount of CZK 1.34 trillion (EUR 52 billion)** has been spent unsuccessfully on "tackling" this very issue as part of the EU's cohesion policy since our accession to the EU. Paradoxically, this funding works in exactly the opposite way – it is increasing

regional disparities because the EU resources are invested and spent in rich regions at the expense of the poor regions. For example, see the presentation "The decimated Northwest" provided earlier.

Visit to Brussels

One of the signatories of this letter visited Brussels as part of the delegation led by the President of the Senate of the Parliament of the Czech Republic Miloš Vystrčil in mid-November. The program included a meeting with the European Commissioner for Cohesion and Reforms. Unfortunately, the European Commissioner eventually excused herself from the meeting shortly before it was supposed to take place. However, if there is no will on the part of the European Commission to discuss dysfunctional regional cohesion and the very anti-cohesion setup of the current programming period, even with the highest constitutional representatives from the member countries that are intrinsically affected, then we can hardly fix dysfunctional matters like non-functioning cohesion in any way.

2021 – 2027 programming period

In the 2021-2027 programming period, another **EUR 21.1 billion (CZK 550.5 billion)** is to be spent on cohesion objectives again. Unfortunately, the previous Czech government failed in the preparation for this programming period again. All this with the European Commission only watching and approving the interim Czech anti-cohesion outputs during preparation for utilisation of these funds.

In per capita terms and according to the Czech plan, significantly less money will go from the ERDF and ESF+ to poor regions compared to money directed to the rich regions:

Regions	Population	EU contribution per inhabitant in CZK	Government contribution per inhabitant in CZK*	Total per inhabitant in CZK
more developed	1 324 277	7 662	10 328	17 990
transition	4 320 925	35 246	13 385	48 631
less developed	5 048 737	33 626	5 234	38 860

** The minimum beneficiary share is to be between 5 % and 15 %, depending on the type of entity and the fund in each region. As an indication, an average of 10 % share per beneficiary is foreseen i.e., 90 % of the national contribution (from 60, 30 and 15 %) will be added from the state budget*

In case of less developed regions, the share per capita is even 20 % lower than for transition regions. This is scandalous especially in case of EU funds, which are proclaimed to reduce the gap between the poor and the rich; it is unfortunately the politicians and officials who artificially create poverty and social injustice, who artificially increase regional disparities and inequality in society, who cause internal migration and depopulation of the poorest regions. If it were not for this organized "cohesion," there would be less social injustice and regional poverty.

It is very difficult to understand why this kind of treatment (one would like to say abuse) of European taxpayers' funds is approved by the European Commission and continues to go unnoticed.

In addition, with its planned system of co-financing of projects funded from the EU funds, the Czech Republic contributes almost nothing from the state budget to less developed (poor) regions, or only a little, while it matches the overall subsidy to transition and wealthier regions, thus further blurring the meaning of support and achieving at least partially the cohesion we all dream about!

We therefore appeal to you once again, Madam President, there is still room to make things right. After the change of the Czech government, we are doing what we can to change the ill setup of the current programming period as much as possible so that it at least comes closer to the declared cohesion purpose of the ERFD and ESF+ mechanisms. But we need the European Commission to do the same.

We shall only add our signatures under the contractual arrangements for the overall assistance of the European Union if the proclaimed principles of cohesion policy in all the support subsidy programmes for the planning period 2021-2027 are actually included in the documents, the submitted operational programmes and in the division of planned investments, drawing of funds and the method of financing, so that the cohesion policy of the EU really plays one of the essential conditions for the future fair distribution of funds, so that one of the fundamental objectives of the EU can finally be met, namely to compensate for the extreme differences between the poor and rich regions.

This is the only way to implement the other and new EU policies.

We are politicians who do not build any dream fairy-tale castles, we keep our feet firmly on the ground and daily observe in our municipalities how the main goal of the EU, namely the idea of setting roughly equal conditions for the living of our fellow citizens, collapses right in front of our eyes while the opposite is achieved. This achievement can be best described by the word anti-cohesion.

Madam President, give us an opportunity to what we are writing about for the third time to your colleagues, so that they can familiarize themselves with the described facts directly on the ground in our municipalities together with our inhabitants and see for themselves how wrong they were when they set up subsidy programmes in the past, which did not eliminate the differences between the regions, but on the contrary deepened it even more. If the visit of your colleagues to the Czech Republic would not be possible for whatever reason, then of course we are ready to visit you in the seat of the European Commission.

In the meantime, we remain yours sincerely



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