

**ACT**  
of 28 July 2005  
**on public research institutions**

The Parliament has adopted the following Act of the Czech Republic:

**PART ONE**  
**INTRODUCTORY PROVISIONS**

Section 1  
**Scope of application**

This Act shall regulate

- a) the way of establishment, formation, activity and the way of dissolution and termination of existence of a public research institution,
- b) the position and competence of the founder and bodies of a public research institution, and
- c) transformation of contributory organisations engaged in research to public research institutions.

Section 2  
**Public research institution**

(1) The public research institution is a public entity, whose principal activity is research, including provision of a research infrastructure, as defined by act on research and development support from public funds<sup>1</sup>). Through its principal activity, a public research institution shall provide research supported primarily from public funds in compliance with conditions for granting public support as laid down by the European Community law<sup>2</sup>).

(2) A public research institution may be established by the Czech Republic or a territorial self-governing unit (hereinafter referred to as the "Founder"); the function of a founder of the public research institution shall be discharged on behalf of the Czech Republic by another central body of the state administration or the Academy of Sciences of the Czech Republic being in a position of organisational bodies of the Czech Republic (hereinafter referred to as the "Organisational body of the state").

(3) The activity of a public research institution must comply with special legal regulations providing for the public support.

(4) Information on the results of research activities of a public research institution must be made available to the public within the Research and Development Information System<sup>3</sup>) and in the annual report on activities and management of a public research institution (hereinafter referred to as the "Annual report") published in a way enabling remote access within 30 days after its approval at the latest, unless provided otherwise in special legal regulations.

(5) The name of a public research institution must contain the term "public research institution" or its abbreviation "v.v.i." ("veřejná výzkumná instituce" in Czech). No other entity may use this term in its name or

business name.

(6) The contractual relationship between individual public research institutions and between public research institutions on one side and the state, territorial self-governing unit or higher education institution on the other at carrying out the principal, secondary or other activities of a public research institution, as well as the contractual relationship between a public research institution and entrepreneurs at carrying out the principal, secondary or other activities of a public research institution and business activities of entrepreneurs shall be governed by provisions of the Commercial Code.

**PART TWO**  
**ESTABLISHMENT AND FORMATION OF**  
**A PUBLIC RESEARCH INSTITUTION**

Section 3  
**Establishment of a public research institution**

(1) The public research institution shall be established on the day when the foundation deed was issued by the founder. The foundation deed shall be issued also at formation of a public research institution by merger [Section 11 (3) and (4)] and splitting (Section 11 (5) and 6)).

- (2) The foundation deed shall specify
  - a) the name and registered office of an organisational body of the state performing the function of a founder or, in case of a territorial self-governing unit being the founder, its name and identification number,
  - b) the name and registered office of a public research institution,
  - c) the period of establishment; in case when the public research institution is established for a definite period of time, this period must be specified,
  - d) the purpose for which the public research institution is established and the corresponding type of research activity as a principal activity of the public research institution,
  - e) the object, conditions and scope of activities not being research or its infrastructure,
  - f) definition of assets being contributed to the public research institution, including the book valuation of assets under a special legal regulation; and definition of liabilities connected with the assets being contributed to and passing over to the public research institution,
  - g) the basic organisational structure of a public research institution,
  - h) which employees of a public research institution are becoming the employees of the public research institution if formed by splitting.

(3) If the assets being defined in the foundation deed are real estates registered in the Land Register of the Czech Republic (hereinafter referred to as the "Land register"), they must be marked according to a special legal regulation<sup>4</sup>).

Section 4  
**Formation of a public research institution**

(1) The public research institution shall be formed on the day as of which it is entered in the register of public research institutions.

(2) The application for entry of a public research institution in the register of public research institutions shall be filed with the Ministry of Education, Youth and Sport by the founder. In the application the founder shall specify the day on which the entry is to be made. The application for entry must be accompanied by the foundation deed. In cases, when the public research institution is formed by merger or splitting, the founder shall file the application for its entry together with application for deletion of the public research institutions ceasing to exist from the register of public research institutions.

#### Section 5

(1) The founder shall be authorised to act on behalf of the public research institution in the period from its establishment to formation.

(2) A person being authorised by the founder to manage the public research institution shall be authorised to act on behalf of the public research institution in the period from its formation to appointment of the director of a public research institution.

(3) The founder shall be bound by action under paragraph 1. By formation of the public research institution, all rights and liabilities having arisen from the founder's action under paragraph 1 shall pass over to the public research institution.

#### Section 6

##### **Register of public research institutions**

(1) The register of public research institutions is a public register for entering data on public research institutions as provided by law. The register of public research institutions is kept by the Ministry of Education, Youth and Sport.

(2) Acting on the faith of entry in the register of public research institutions, the possibility to raise objections, the disclosure of data and contents of the deeds, impacts of this disclosure, and consequences of any discrepancy between the entered and disclosed data or deposited and disclosed deeds shall be similarly governed by provisions of a special legal regulation amending the Commercial Code.<sup>5)</sup>

(3) The register of public research institutions shall contain

- a) the date as of which the entry was made,
- b) any change in the foundation deed,
- c) the name, registered office and identification number of a public research institution,
- d) the name and registered office of an organisational body of the state acting as the founder, or if the founder is a territorial self-governing unit, its name and identification number,
- e) the name(s) of a person(s) authorised to manage the public research institution under Section 5(2) and place of his/her permanent residence on the territory of the Czech Republic, or place of permanent residence abroad and the current address of stay on the territory of the Czech Republic, the date of granting or withdrawal of this authorisation,
- f) name(s) of the director and place of his/her residence on the territory of the Czech Republic, or place of

permanent residence abroad and the current address of stay on the territory of the Czech Republic, the date of commencement or termination of the director's tenure,

- g) the principal activity (type of research activity), for the conduct of which the public research institution was established,

- h) secondary or other activities [Section 21(3)], if laid down in the foundation deed,

- i) dissolution of a public research institution, its legal grounds and the date as of which the public research institution was dissolved,

- j) when the public research company is dissolved with liquidation the commencement of liquidation and name(s) of the liquidator and place of his/her permanent residence on the territory of the Czech Republic, or place of permanent residence abroad and the current address of stay on the territory of the Czech Republic,

- k) termination of liquidation and the date as of which the liquidation was terminated,

- l) consolidation of public research institutions; for each public research institution ceasing to exist it will be entered that it ceased to exist by consolidation, and the name, registered office and identification number of the succession public research institution; and for each succession public research institution it will be entered that assets and liabilities of the public research institution that ceased to exist passed to it, and the name, registered office and identification number of the public research institution(s) ceasing to exist,

- m) merger of public research institutions; for each public research institution ceasing to exist it will be entered that it ceased to exist by merger, and the name, registered office and identification number of the successor public research institution; and for each successor public research institution it will be entered that assets and liabilities of the public research institutions ceasing to exist passed to it, and the names, registered offices and identification numbers of public research institutions ceasing to exist,

- n) splitting of a public research institution; for the public research institution ceasing to exist it will be entered that it ceased to exist by splitting, and the names, registered offices and identification numbers of successor public research institutions; and for each successor public research institution formed by splitting it will be entered that it was formed by splitting, and that assets and liabilities of the public research institution ceasing to exist mentioned in the decision of the founder on splitting passed to it, as well as the names, registered offices and identification numbers of other successor public research institutions being formed by splitting,

- o) bankruptcy order concerning assets of a public research institution, and the name(s) of the bankruptcy or settlement administrator, place of his/her permanent residence on the territory of the Czech Republic or place of permanent residence abroad and the current address of stay on the territory of the Czech Republic,

- p) discharge of bankruptcy proceedings and the date on which the bankruptcy proceedings were discharged,

- q) rejection of a proposal for bankruptcy proceedings due to insufficient assets,

- r) opening of settlement proceedings, name(s) of the bankruptcy or settlement administrator and place of his/her permanent residence on the territory of the Czech

Republic, or place of permanent residence abroad and the current address of stay on the territory of the Czech Republic,

s) permission for settlement, termination of settlement, and the date on which the settlement was permitted, terminated or rejected,

t) warrant for distraint against the assets of a public research institution, name(s) of the distrainor and place of his/her permanent residence on the territory of the Czech Republic, or place of permanent residence abroad and the current address of stay on the territory of the Czech Republic,

u) modification or deletion of entered data,

v) other facts as provided by law.

(4) The application for entry of a public research institution in the register of public research institutions, proposal for entering modification of the foundation deed, change of the director of a public research institution, consolidation, merger or splitting of a public research institution, commencement of liquidation of a public research institution and application for its deletion from the register shall be filed by the founder. In other cases, the person authorised to file applications for entry to the register of public research institutions shall be the director of the public research institution or its liquidator.

(5) The application for entry must be substantiated by supporting documents proving the facts that are to be entered in the register of public research institutions, and by deeds that are to be deposited in the collection of deeds.

(6) Data under paragraph 3 shall be published by the Ministry of Education, Youth and Sport within 30 days after being entered in the Commercial Journal<sup>6</sup>).

#### Section 7

(1) Proceedings for entering a public research institution in the register of public research institutions, as well as proceedings for entering changes or deletions of the data already entered shall be governed by the Administrative Procedure Code<sup>7</sup>), unless provided otherwise in this Act.

(2) The Ministry of Education, Youth and Sport shall decide on the application for entry of a public research institution in the register of public research institutions, as well as on the proposal for entering changes or deletions of data already entered; in case of the application for entry of a public research institution, it shall assign an identification number to the public research institution based upon notification made by an authority performing the state statistical service<sup>8</sup>), and make the entry in the register of public research institutions without undue delay.

(3) The Ministry of Education, Youth and Sport shall reject the application for entry of a public research institution in the register of public research institutions if the conditions for establishment, formation or termination of existence of a public research institution as provided in this Act are not met if a public research institution is being formed by merger or splitting..

(4) After having entered the modification of the foundation deed, the founder shall produce the full version of the foundation deed and deliver it to the

Ministry of Education, Youth and Sport, who will make it public in a way enabling remote access.

#### Section 8

(1) Part of the register of public research institutions is the collection of deeds containing

a) the foundation deed with all its modifications, full version of the foundation deed,

b) annual reports,

c) financial statements and auditor's reports on financial statements,

d) evidence of appointment, removal or another way to terminate the tenure of the director or liquidator, as the case may be, or evidence of granting or withdrawal of an authorisation to manage a public research institution,

e) the specimen signature of the director or a person being authorised by the founder to manage the public research institution, or of the liquidator, if applicable,

f) decisions regarding dissolution of a public research institution,

g) the report on the liquidation process and the report on disposing of assets and liabilities of a public research institution,

h) decisions regarding consolidation, merger or splitting, or agreement of consolidation or merger,

i) decisions of the court given according to the act on bankruptcy and settlement,

j) other deeds as provided by law.

(2) The Ministry of Education, Youth and Sport shall keep a special file in the collection of deeds for each public research institution entered.

(3) If any of deeds under paragraph 1 is missing from the collection of deeds, the Ministry of Education, Youth and Sport, once discovering this fact, shall make a note in the collection of deeds, call upon that public research institution to deliver the deed intended to be deposited in the collection of deeds without undue delay, and notify the founder of this fact.

(4) If any deed that is to be kept in the collection of deeds is not produced in the Czech language, the Ministry of Education, Youth and Sport may request the translation of this deed into the Czech language to be made by a translator entered in the register of experts and interpreters<sup>9</sup>). The authenticity of a signature and stamp on original documents issued abroad must be verified. The request for the translation to be made by a translator entered in the register of experts and interpreters and the request for authentication of the signature and stamp shall not apply to EU nationals or legal entity having its registered office, central administration or headquarters of its business activity in EU Member State, if there are no doubts about the correctness of translation or authenticity of signature or stamp, as the case may be.

#### Section 9

(1) The person authorised to file the application for entry or deletion shall be liable to discharge the duties concerning the register of public research institutions without undue delay, immediately upon the occurrence of a decisive event. The decisions of court that are being deposited in the collection of deeds shall be delivered to the Ministry of Education, Youth and Sport by the court

without undue delay after coming into legal force.

(2) If the Ministry of Education, Youth and Sport discovers any discrepancy between the actual legal position and state of entries in the register of public research institutions, it shall call upon the public research institution to remedy this matter. If the public research institution does not remedy the matter within the deadline set by the Ministry of Education, Youth and Sport, the court may decide, upon a proposal from the Ministry of Education, Youth and Sport, if such proposal is for the sake of protection of rights or third-party interests protected by right, on dissolution and liquidation of this public research institution.

(3) The entry in the register of public research institutions and deposition of a deed in the collection of deeds shall be published by the Ministry of Education, Youth and Sport in the Commercial Journal without undue delay.

(4) The entry of a public research institution and scope of its activity, entry of changes or deletion of data already entered shall be notified by the Ministry of Education, Youth and Sport to a competent tax office<sup>10</sup>), authority performing the state statistical service<sup>8</sup>) and authority having issued the trade licence or other entrepreneurial authorisation, within one week following the day of entry at the latest.

(5) Data of the register of public research institutions, including the collection of deeds, are available to the public both in documentary and electronic forms, through a public information network, namely on the Portal of the Public Administration. Anyone is entitled to inspect the register, and make copies or extracts. Upon request, the Ministry of Education, Youth and Sport shall issue the officially verified, full or partial copy of the entry or deed deposited in the collection of deeds, the extract or confirmation about certain entry or about the fact that such entry is missing from the register of public research institutions.

### **PART THREE**

#### **Dissolution and termination of existence of a public research institution**

##### **Section 10**

#### **Dissolution of a public research institution**

(1) The termination of existence of a public research institution shall be preceded by its dissolution with liquidation or without liquidation.

(2) The public research institution shall be dissolved by

- a) decision of the founder on dissolution of a public research institution with liquidation,
- b) decision of the founder on consolidation, merger<sup>11</sup>) or splitting, or by an agreement of consolidation, merger or splitting concluded between the founders,
- c) expiration of a period for which the public research institution was established,
- d) attainment of a purpose for which the public research institution was established,
- e) rejection of a proposal for bankruptcy proceedings due to insufficient assets of a public research institution or discharge of bankruptcy proceedings as a result of a compliance with the resolution to distribute assets or discharge of bankruptcy proceedings because the assets

of a public research institution are not sufficient to cover the expenses of the bankruptcy proceedings, or f) decision of the court.

(3) The public research institution shall be dissolved in cases under paragraph 2 (a) and (b) on the day as laid down in the decision; in case of dissolution under paragraph 2 (f) on the day as laid down in the decision of the court, but on the day when the decision came into force at the earliest.

##### **Section 11**

#### **Dissolution of a public research institution without liquidation**

(1) By consolidation the termination of existence occurs of one or more public research institutions (hereinafter referred to as the “Institutions ceasing to exist”) that is preceded by their dissolution without liquidation; assets and liabilities of the institution ceasing to exist, including rights and duties under industrial relations, shall pass to another public research institution taking part in consolidation, which does not cease to exist (hereinafter referred to as the “Successor institution”).

(2) The founder shall decide on consolidation with a prior consent or upon the proposal of the Board of each public research institution taking part in consolidation. The founder’s decision on consolidation must contain the name, registered office and identification number of the successor institution. At the same time the founder shall modify the foundation deed of the successor institution. If the consolidating institutions are established by different founders, the decision on consolidation shall be replaced by an agreement of consolidation between the founders determining which one of the founders will perform the rights and duties of the founder towards the successor institution. This founder shall modify the foundation deed of the successor institution. If the consolidating public research institutions were established by the Czech Republic and competences of the founder are performed by various organisational bodies of the state, these bodies shall make a written agreement laying down which of them will perform the rights and duties of the founder on behalf of the Czech Republic. This founder shall issue the decision on consolidation and at the same time modify the foundation deed of the successor institution.

(3) By merger the termination of existence occurs of two or more public research institutions that is preceded by their dissolution without liquidation; assets and liabilities of institutions ceasing to exist, including rights and duties under industrial relations, shall pass to the newly formed successor institution.

(4) The founder shall decide on merger with a prior consent or upon the proposal of the Board of each public research institution taking part in merger. The founder’s decision on merger must contain the name, registered office and identification number of institutions ceasing to exist. At the same time the founder shall issue the foundation deed of the successor institution. If the institutions ceasing to exist were established by different founders, the decision on merger shall be replaced by an agreement of merger between the founders determining which one of the founders will perform the rights and duties of the founder towards the successor institution. This founder shall issue the foundation deed of the

successor institution. If the public research institutions ceasing to exist were established by the Czech Republic and the competences of the founder are performed by various organisational bodies of the state, these bodies shall make a written agreement laying down which of them will perform the rights and duties of the founder on behalf of the Czech Republic. This founder shall issue the decision on merger and at the same time issue the foundation deed of the successor institution.

(5) By splitting the public research institution ceases to exist. Its termination of existence is preceded by dissolution without liquidation; the assets and liabilities of institutions ceasing to exist, including rights and duties under industrial relations shall pass to successor institutions in the scope as laid down in the decision on splitting. The successor institution shall be responsible for liabilities passing to it as a result of splitting, up to the amount of the acquired assets minus amount of liabilities passing to it as a result of splitting. For the liabilities not mentioned in the decision on splitting the successor institutions shall be bound jointly and severally.

(6) The founder shall decide on splitting with a prior consent or upon the proposal of the institution's Board. The decision of the founder on splitting must contain the name, registered office and identification number of the institution ceasing to exist and what liabilities pass over to the respective successor institutions. At the same time with the decision on splitting the founder shall issue the foundation deed of the successor institution.

(7) Legal effects as provided under paragraphs 2, 4 and 6 shall arise on the day of making the entry in the register of public research institutions.

#### **Dissolution of a public research institution with liquidation**

##### Section 12

(1) The founder shall decide on dissolution of a public research institution and its placing into liquidation with a prior consent or upon the proposal of the institution's Board.

(2) Unless provided otherwise in this Act, the dissolution with liquidation of a public research institution shall be governed by provisions of a special legal regulation concerning the liquidation of corporations<sup>12</sup>).

(3) The liquidation remainder shall pass to the founder on the day of deletion from the register of public research institutions. The founder shall cover the costs of liquidation, including the liquidator's fee.

##### Section 13

(1) The Regional Court, in the judicial district of which the public research institution has its registered office (hereinafter referred to as the "Court"), may decide on dissolution of a public research institution and its placing into liquidation upon proposal of the person who certifies to have a legal interest, if

a) not all bodies of the public research institution have been established (Sections 16 to 19) for a period

exceeding 6 months,

b) in any of the bodies of the public research institution the membership has ceased to exist more than 6 months ago of a person performing the function of this body or its member without a new appointment or election of a body or member of the body in question,

c) no meeting of the institution's Board has taken place in the last 12 months of existence of the public research institution,

d) the public research institution has not been performing its principal activity as laid down in the foundation deed for a period longer than 12 months,

e) the public research institution performs the secondary or other activity in contrary to Section 21(3) or the performance of secondary or other activity has been impeding repeatedly in the period of 6 months the quality and scope of the principal activity for the performance of which the public research institution was established,

f) the public research institution uses revenues from its activity or its assets contrary to this Act.

(2) The court may decide on dissolution of a public research institution and its placing into liquidation even without any proposal, if such course of action is for the sake of protection of rights or third-party interests protected by right, and if no remedy is reached at a discrepancy discovered between the actual legal position and state of entries in the register of public research institutions after a call of the Ministry of Education, Youth and Sport and within a term set by the ministry.

(3) The court shall set a deadline for eliminating the ground, if practicable, for which the dissolution of a public research institution was suggested.

(4) The public research institution, its founder and the submitter of the proposal, if proceedings are initiated upon a proposal, shall be participants in the proceedings.

#### **Termination of existence of a public research institution**

##### Section 14

(1) The public research institution shall cease to exist on the day of deletion of the public research institution from the register of public research institutions.

(2) The Ministry of Education, Youth and Sport shall decide on deletion of the public research institution ceasing to exist without undue delay immediately upon being presented a full proposal and if any and all conditions are met for dissolution of the public research institution as provided in this Act.

#### **PART FOUR Competences of the founder**

##### § 15

The founder shall

a) issue the foundation deed of a public research institution, decide on modification of the foundation deed and submit the foundation deed and its modifications to the Ministry of Education, Youth and Sport,

b) file the application for entry of a public research institution in the register of public research institutions

and for its deletion from the register, suggest the day of entry in the register of public research institutions,

c) contribute assets to a public research institution, by the foundation deed or its modification, necessary to support the purpose for which the public research institution is established; if the function of a founder on behalf of the Czech Republic is discharged by an organisational body of the state, only such assets of the Czech Republic can be contributed to the public research institution for the management of which the organisational body of the state is competent and which are necessary to support the purpose for which the public research institution is established,

d) decide on dissolution of a public research institution under conditions as provided in Sections 10 to 12,

e) decide on what employees, in case when a public research institution is formed by splitting, are transferred into the newly formed public research institution,

f) appoint the liquidator and approve the report on the liquidation process in case when a public research institution is dissolved with liquidation under Section 12,

g) appoint and remove the person authorised to manage a public research institution under Section 5(2), Section 16(2), and Section 17(3),

h) appoint and remove the director of a public research institution,

i) appoint and remove members of the Supervisory Board of a public research institution (hereinafter referred to as the “Supervisory Board”),

j) approve the rules of procedure and their modifications and the report on the Supervisory Board’s activity,

k) approve legal acts of a public research institution laid down in Section 19(1)(b) points 1 to 6, with a prior written consent of the Supervisory Board,

l) propose the removal of a member of the institution’s Board in case of his/her repeated failure to discharge the duties of a member of the Board.

## **PART FIVE**

### **Bodies of a public research institution**

#### Section 16

(1) The bodies of a public research institution shall be as follows

- a) the director,
- b) the Board, and
- c) the Supervisory Board.

(2) The bodies of a public research institution must be established within 6 months since the day of its formation. Until the bodies of a public research institution are set up, their rights and duties shall be discharged by a person authorised by the founder to manage the public research institution [Section 5 (2)].

(3) The office of the director and the office of a member of the institution’s Board is not compatible with the office of a member of the Supervisory Board in the same public research institution.

(4) Costs of activities of the public research institution’s bodies, costs connected with the discharge of offices in these bodies, the remuneration of the director and

members of other bodies of a public research institution shall be covered from the public research institution’s resources.

(5) The institution’s Board and Supervisory Board shall constitute a quorum if an absolute majority of their members is present. If not provided for any higher requirement in the public research institution’s internal rule, the decision shall require the consent of a simple majority of those present. Other matters shall be regulated by the institution’s rules of procedure and the rules of procedure of the Supervisory board.

(6) Members of the bodies, including the director of the public research institution, shall be obliged to maintain secrecy concerning facts learnt in connection with the discharge of the office of a member of the body of a public research institution as laid down in special legal regulations<sup>13</sup>). Breach of this duty may become the reason for removing the member of a public research institution body from his/her office.

#### Section 17 **The director**

(1) The director

- a) is a statutory body of the public research institution,
- b) shall decide on all matters of a public research institution, if not entrusted by this Act to the competence of the institution’s Board, the Supervisory Board or the founder.
- c) shall ensure a proper book-keeping,
- d) shall submit to the institution’s Board and Supervisory Board the draft annual report after the annual accounts have been verified by the auditor,
- e) shall deliver to the founder the annual accounts verified by the auditor and the annual report approved by the institution’s Board,
- f) shall submit to the grantor<sup>14</sup>) draft research plans and research and development project proposals after being discussed by the institution’s Board,
- g) shall submit proposals to the institution’s Board concerning the budget of the public research institution and its modifications, as well as proposals of internal rules of the public research institution, with the exception of rules of procedure of the Supervisory Board, and their modifications,
- h) shall submit proposals to the institution’s Board on modifications of the foundation deed; after being discussed within the institution’s Board, he/she shall deliver them to the founder,
- i) shall submit to the Supervisory Board for approval the proposals of legal acts for which a prior written consent of the Supervisory Board is required under Section 19(1)(b).

(2) The director shall be appointed by the founder upon the proposal of the institution’s Board submitted on the basis of a selection procedure. If the founder does not accept the proposal of the institution’s Board for appointing the director, he/she shall give his/her reasons. The institution’s Board shall announce a new selection procedure. The director shall be removed by the founder upon the proposal of the institution’s Board or Supervisory Board, or upon his/her own decision with the consent of the institution’s Board. In case that the director fails to meet requirements for discharge of his/her office

as provided in this Act, the institution's Board shall propose to the founder to remove the director without undue delay immediately upon having learnt this fact.

(3) Until appointment of a director under paragraph 2, his/her competences shall be executed to the extent necessary by a person authorised by the founder to manage the public research institution.

(4) The director shall be a natural person

- who is legally qualified,
- who was not lawfully sentenced for a crime<sup>15</sup>), the facts of which relate to the scope of activities of the public research institution, or for an economic crime or crime against property,
- on whom no sanction was imposed within the last three years under special legal regulations providing for the performance of a professional activity that is related to the scope of activities of the public research institution<sup>16</sup>).

(5) Meeting the conditions under paragraph 4 letter (c) shall be proved by the candidate for director by a statutory declaration; meeting the conditions under paragraph 4 letter (b) shall be proved by the extract, not older than 3 months, from the Penal Register<sup>17</sup>). If the candidate for director is not the citizen of the Czech Republic, meeting the conditions under paragraph 4 shall be proved by a statutory declaration.

(6) The director must not be a member of management or control bodies of legal entities conducting any business activity and must not take part in business of legal entities active in the area that falls under the scope of activities of the public research institution. The above mentioned restriction does not apply to the administration of own assets.

(7) The director may perform another gainful employment according to the Labour Code with a prior written consent of the founder<sup>18</sup>).

(8) The director may be the chairman of the institution's Board or its member. If the director is not a member of the institution's Board, he/she is authorised to take part in the Board meetings, but without the right to vote.

(9) The length of the director's tenure is 5 years. The same person may hold the office as a director for not more than 2 successive tenures. The director holds this office as his/her employment.

## Section 18 The Board

(1) The institution's board consists of a chairman, vice-chairman and other members of the Board. The chairman of the institution's Board and the vice-chairman, who assumes the duties of the chairman in his/her absence, shall be elected and removed by the institution's Board.

(2) The institution's Board shall

- attend to maintain the purpose for which the public research institution was established, apply the public interest in its activity and provide its proper management,
- set directions of the public research institution's activity in compliance with the foundation deed, and decide on its development concept,
- approve the budget of the public research institution and its modifications, and its medium-term financial

outlook,

- approve internal rules of the public research institution laid down in Section 20(1) letters (a) to (e),
- approve the annual report,
- discuss the draft modifications of the foundation deed,
- give its prior consent to or propose to the founder the consolidation, merger or splitting of a public research institution,
- announce the selection procedure, upon the result of which it suggests to the founder to appoint the selected candidate to be the director of a public research institution; it shall propose the removal of the director, or give its consent to the removal of the director under Section 17(2),
- discuss the draft research plans and research and development project proposals of a public research institution,
- discuss the proposals for conclusion of agreements on foreign cooperation and agreements on co-operation with the institutions of the Czech Republic.

(3) The institution's Board shall have at least 5 and at most 15 members. The number of the Board members according to the total number of employees of a public research institution, the details concerning membership of the Board, the procedure at election and removal of the Board members not provided for in this Act shall be governed by the election rules of the institution's Board.

(4) Besides employees of the public research institution from the rank of research workers, the Board members must include also experts from other legal entities or organisational bodies of the state, as the case may be, engaged in research, and users of the research results (hereinafter referred to as the "external members"). The external members of the Board shall make up at least one third and at most one half of the Board members.

(5) The elections of Board members shall be by direct, equal and secret ballot. The Board members shall be nominated and elected by research workers of the public research institution. The director shall invite also representatives of other legal entities or organisational bodies of the state engaged in research and development, or other representatives of the expert public to make their nominations for external Board members. An absolute majority of research workers of the public research institution has to show up in order for the elections to be valid. Candidates shall be elected by an absolute majority of valid votes.

(6) For the purpose of this Act, the research workers of a public research institution shall mean the employees of a public research institution, who are involved with research and development within their work<sup>1</sup>) or manage such activities. Details shall be laid down in the election rules of the institution's Board.

(7) The length of the Board member's tenure is 5 years. The same person may be elected as the Board member repeatedly, with no limitation to the number of tenures.

(8) Only a natural person meeting the conditions under Section 17(4) may become the Board member. Meeting these conditions shall be proved under Section 17(5). The Board members may be remunerated for discharging their offices, including travel expenses compensation connected with the discharge of their offices within the scope of the act on travel expenses compensation. The amount of remuneration shall be defined by the founder

on the basis of the annual report.

(9) The course of action of the institution's Board shall be laid down in the Board's rules of procedure.

(10) The membership in the Board shall cease to exist by

- a) expiration of tenure,
- b) resignation,
- c) removal from the office, or
- d) death.

(11) Any member of the Board may be removed from his/her office by research workers of the given public research institution; an absolute majority of the research workers of a public research institution has to show up in order for the removal to be valid; for removing a member from his/her office an absolute majority of valid votes is necessary.

(12) In case that no meeting of the institution's Board has taken place in the past 6 months though the Board was established for the whole period, the tenure of all Board members shall terminate on the last calendar day of the sixth month of the Board's inactivity. The director shall nominate new members of the Board under paragraphs 4 and 5.

## Section 19 The Supervisory Board

(1) The Supervisory Board shall

a) exercise supervision over the activities and management of the public research institution; for that purpose, upon the decision of the Supervisory Board its members are authorised to inspect at any time the accounts and other documents of this institution, ask for necessary explanations and ascertain the actual state of affairs,

b) exercise supervision over disposal of assets of the public research institution and give its prior written consent to legal acts by means of which the public research institution is going to

1. acquire or alienate real property,
2. acquire or alienate movable property the value of which is higher than two hundredfold the amount by which the stand-alone movable items are considered movable property under a special legal regulation<sup>19</sup>),
3. establish a lien or any other right in rem over the assets of a public research institution,
4. establish any other legal entity,
5. acquire an ownership interest in any existing legal entity,
6. invest the assets in another legal entity,
7. negotiate or change a lease contract with the lease term longer than 3 months,

c) propose to the founder the removal of the director,

d) prepare draft rules of procedure for the Supervisory Board and their modifications and submit them to the founder for approval,

e) comment on the proposals for modification of the foundation deed of the public research institution,

f) comment on the proposal for consolidation, merger or splitting of the public research institution,

g) comment on the draft budget of the public research institution and its management,

h) comment on the draft research plans of the public research institution, its secondary or other activities and on other matters being submitted by the director or founder,

i) comment on the draft annual report; it shall present its opinion to the director and the institution's Board,

j) give its opinions on the activity of the public research institution and disclose them under paragraph 3,

k) submit to the director, the Board and the founder proposals how to eliminate deficiencies discovered in the performance of their competences,

l) submit to the founder and the director the report on its activity at least once a year.

(2) The Supervisory Board shall not approve any legal act if it is in contradiction with the requirement for proper use of assets of the public research institution for executing its principal activity or if it would impede the purpose for which the public research institution was established.

(3) Opinions of the Supervisory Board shall be disclosed in the annual report.

(4) The members of the Supervisory Board, including its chairman and vice-chairman, who assumes the duties of the chairman in his/her absence, shall be appointed and removed by the founder so that particularly the founders and employees of the public research organisation have an adequate representation in it.

(5) The length of the Supervisory Board member's tenure is 5 years. The same person may discharge the office of the Supervisory Board member for at most 2 successive tenures.

(6) The Supervisory Board shall have at least 5 and at most 7 members. The number of the Supervisory Board members according to the total number of employees of the public research institution and the course of its action shall be laid down in the rules of procedure of the Supervisory Board.

(7) Only a natural person meeting the conditions under Section 17(4) may become the Supervisory Board member. Meeting these conditions shall be proved under Section 17(5). The Supervisory Board members may be remunerated for discharging their offices, including travel expenses compensation connected with the discharge of their offices within the scope of the act on travel expenses compensation. The amount of remuneration shall be defined by the founder on the basis of the report on the activity of the Supervisory Board.

(8) The director may take part in the Supervisory Board meeting, but without the right to vote. Upon a request of the director, the Supervisory Board chairman shall be obliged to convene an extraordinary meeting of the Supervisory Board. The Supervisory Board shall be obliged to notify the founder of this fact.

## **PART SIX** **Internal rules** **of a public research institution**

### Section 20

(1) Internal rules of a public research institution shall include namely

- a) election rules of the Board,
- b) rules of procedure of the Board,
- c) rules of organisation,



- d) internal wage regulation<sup>20</sup>),
  - e) rules for management of funds of a public research institution,
  - f) rules of procedure of the Supervisory Board.
- (2) If the Board is not established, the election rules of the Board shall be approved by the founder.
- (3) If the wage is negotiated through a collective agreement, the public research institution shall send a copy of this collective agreement to the founder for information.

**PART SEVEN**  
**Management**  
**of a public research institution**

Section 21

- (1) The public research institution shall be obliged to use the assets for performing its principal activity. It may use the assets for any secondary or other activities only if so provided for in this Act; the secondary or other activities of a public research institution must not be covered from public resources intended to support research.
- (2) Besides its principal activity, the public research institution may perform also activities being neither research nor its infrastructure, where
- a) the secondary activity is an activity performed on the basis of demands of the competent organisational bodies of the state or territorial self-governing units in public interest and supported from public funds according to special legal regulations<sup>21</sup>),
  - b) other activity is an economic activity performed for profit.
- (3) The secondary and other activities may be performed by the public research institution only on condition that
- a) they relate to the principal activity of the public research institution,
  - b) they are performed for the purpose of more effective utilisation of assets and human resources of the public research institution,
  - c) the principal activity of the public research institution is not impeded,
  - d) expenses and revenues of each from the above activities are kept separate and apart from others in books,
  - e) their scope and conditions of performance are defined in the foundation deed of the public research institution and are in compliance with special legal regulations<sup>22</sup>),
  - f) revenues generated through these activities reach at least the actual cost.
- (4) Income from operations of the public research institution is formed by income from principal operations and income from secondary and other operations after taxation.
- (5) If there is a loss from secondary or other operations at the end of an accounting period, the public research institution shall terminate such activities without undue delay.
- (6) The after-tax profit shall be used by the public research institution primarily to cover its losses, if any, from the previous periods and then to support its

principal activity through funds. The public support to research and development may serve only for the purpose for which it was granted by the grantor; that applies also in case of its transfer to the fund of targeted support under Section 26.

Section 22  
**The budget**

- (1) The public research institution shall draw up a balanced budget for each calendar year. The budget of the public research institution shall include expenses and revenues related to the principal, secondary and other activities.
- (2) Revenues of the public research institutions shall include particularly financial resources from
- a) the public support to research plans or research and development projects according to a special legal regulation<sup>14</sup>),
  - b) the support to the principal or secondary activity from other than public funds,
  - c) assets,
  - d) received donations and legacies,
  - e) public subsidies for secondary activities,
  - f) other activities.
- (3) Expenses of the public research institution shall include namely
- a) expenses for principal activity,
  - b) expenses for secondary activity,
  - c) expenses for other activity.

Section 23  
**Funds**

- (1) The public research institution shall create following funds:
- a) general reserve fund,
  - b) property reproduction fund,
  - c) targeted support fund,
  - d) social fund.
- (2) The current year balances of funds as mentioned in paragraph 1 as of 31 December shall be carried forward into the next fiscal year.

Section 24  
**General reserve**

- (1) The sources of money for the general reserve fund shall be
- a) allocation of at least 5 % of the current year's profit after taxation,
  - b) monetary donations, with the exception of targeted monetary donations.
- (2) The public research institution may use the resources of the general reserve fund to
- a) cover the losses,
  - b) pay the sanctions,
  - c) cover the temporary lack of financial means,
  - d) cover the expenses for principal activity not secured by revenues,
  - e) replenish the property reproduction fund after being approved by the institution's Board, or to
  - f) other expenses being approved in extraordinary cases

by the founder and Supervisory Board [Section 15 letter (k), Section 19(1) letter (b) points 1 to 6].

#### Section 25 **Property reproduction fund**

(1) The sources of money for the property reproduction fund shall be

- a) financial means in the amount of book depreciation of fixed assets,
- b) allocation of profit,
- c) monetary donations intended for acquisition and technical improvement of fixed assets,
- d) revenues from sales of fixed assets,
- e) monetary means received for acquisition and technical improvement of fixed assets,
- f) monetary means received for pooling the resources for acquisition of fixed assets,
- g) monetary means of the general reserve, the transfer of which into the property reproduction fund was approved by the institution's Board.

(2) The public research institution shall use the property reproduction fund resources to

- a) acquire the fixed and short-term assets,
- b) finance repairs and maintenance of fixed and short-term assets,
- c) make technical improvement of fixed assets,
- d) pool means with another institution for acquisition of fixed assets, or
- e) pay the instalments on credits and loans for acquisition of fixed assets, including their interests.

#### Section 26 **Targeted support fund**

(1) The source of money for the targeted support fund shall be

- a) the targeted monetary donations, with the exception of donations intended for acquisition and technical improvement of fixed assets,
- b) the targeted support from abroad,
- c) the targeted public support, including the targeted and institutional public support to research and development which could not be used effectively by the public research institution in that fiscal year, in which it was granted.

(2) The targeted support under paragraph 1 letter (c) may be transferred by the public research institution into the targeted support fund up to the amount of 5 % of the public targeted support granted to the public research institution to individual research and development projects, research plans or individual activities being performed within the secondary activity in the given calendar year. The grantor shall be notified of the targeted support transfer by the public research institution in written.

(3) A public research institution may use the targeted support fund resources only for the purpose for which they were granted.

#### Section 27 **Social fund**

(1) The sources of money for the social fund shall be

the basic allocation to the debit of the public research institution's expenses in the amount of 2 % from the annual volume of expenses of the public research institution on wages, wage compensations and bonuses for work readiness. Its use shall be governed by rules for management of the public research institution's funds [Section 18(2) letter (d) and Section 20(1) letter (e)].

(2) For the purposes of defining the eligible costs in research and development<sup>23</sup>), the social fund shall be considered as the cultural and social needs fund.

#### Section 28 **Assets**

(1) The founder shall contribute assets to the public research institution on the basis of the foundation deed necessary to support the purpose for which the public research institution is established or transfer to it, as the case may be, liabilities related to the assets being contributed to, but up to 20 % of these assets at most. The founder may contribute assets to the public research institution, or transfer to it, as the case may be, liabilities related to the assets being contributed up to 20 % of these assets at most also after its formation, by modification in the foundation deed.

(2) The bodies of the public research institution shall decide on disposal of assets of the public research institution in compliance with conditions laid down in this Act.

(3) The transition of liabilities under paragraph 1 does not require the consent of the creditor. The founder shall be responsible for discharging the liabilities that passed to the public research institution. The public research institution shall notify the creditor of change in the person of the debtor without undue delay.

(4) The assets and liabilities defined in the foundation deed, including rights and duties under industrial relations, shall pass to the public research institution on the day of its formation or day of modification in the foundation deed, with the exception of ownership or other rights in rem over real estates being registered in the Land Register. The ownership or other rights in rem over real estates<sup>24</sup>) shall be acquired by the public research institution by registering these rights in the Land Register. The registration shall be made on the basis of the foundation deed or its modification. The application for registration of the ownership or other right in rem over real estates into the Land Register shall be filed by an authorised person<sup>25</sup>) without undue delay immediately upon formation of a public research institution or modification of the foundation deed in the register of public research institutions.

(5) The handover and takeover of contributed assets and transferred liabilities under paragraph 1, or documents proving their existence, must take place without undue delay immediately upon their acquisition by the public research institution, on the basis of a handover report. The risk of damage to the thing shall pass to the public research institution on the day of handover.

(6) The public research institution may not enter into legal acts under Section 19(1) letter (b) without a prior written consent of the Supervisory Board. The legal acts under Section 19(1) letter (b) points 1 to 6 shall require the prior written consent of the founder as well.

(7) The legal acts set forth in Section 19(1) letter (b) shall be invalid without a prior written consent of the Supervisory Board; the legal acts set forth in Section 19(1) letter (b) points 1 to 6 shall be invalid without a prior written consent of the founder as well.

(8) The public research institution may found another legal entity only for the purpose of utilising the results of its research activity. The public research institution may make a monetary or non-monetary investment into another legal entity or otherwise acquire against payment the ownership interest in another legal entity only in case that such legal entity utilises the results of the principal activity of this public research institution. The public research institution, however, may not

- a) become a partner in a partnership or general partner in a limited partnership,
- b) contribute to another legal entity the real estates having been contributed to the public research institution by its founder and resources of the granted support or subsidy [Section 22(2) letters (a) and (e)],
- c) impede the performance of its principal activity by the above mentioned acts.

(9) The public research institution may neither secure the obligations of other entities, nor create a mortgage; it may not acquire other securities than the securities issued by the state or territorial self-governing unit, the payment of which is guaranteed by the state or territorial self-governing unit, except in cases under paragraph 7.

(10) If a public research institution alienates the assets, it shall be obliged to negotiate the price<sup>26)</sup> in an amount being customary to given place and time; the assets may be alienated without consideration only in public interest.

#### Section 29 **Accounting**

(1) Within the accounting units according to a special legal regulation<sup>27)</sup>, the public research institution is classified among other legal entities, the principal activity of which does not include business activity.

(2) The public research institution shall conduct accounting procedures according to special legal regulations<sup>28)</sup>, unless provided otherwise in this Act.

(3) The public research institution shall kept separate records on eligible costs of research plans and research and development projects; within these records the public research institution shall monitor expenses covered from the institutional or targeted public support of research and development according to special legal regulations<sup>29)</sup>.

(4) The public research institution shall be obliged to have its annual accounts verified by an auditor.

#### Section 30 **Annual report**

(1) The public research institution shall produce and make public, after being approved by the institution's Board, an annual report, within 6 months after the end of the evaluation period at the latest. The evaluation period is a calendar year.

(2) The first annual report after its formation shall be

made public by the public research institution within 6 months from the beginning of a calendar year following the formation of the public research institution at the latest. Only in case that the activity of the public research institution in the year of its formation is shorter than 6 months, this deadline shall be extended by one year.

(3) The annual report shall be made public by the public research institution through its deposition into the collection of deeds of the register of public research institutions, as well as through the public information network.

(4) The annual report shall include

- a) information on membership of the bodies of the public research institution, their activity and changes,
- b) information on modifications in the foundation deed,
- c) evaluation of the principal activity,
- d) evaluation of secondary and other activities,
- e) information on measures taken to eliminate the deficiencies in management and report on how the last year's measures to eliminate the deficiencies in management were performed,
- f) opinions of the Supervisory Board,
- g) other facts as required by a special legal regulation<sup>30)</sup>.

### **PART EIGHT TRANSITIONAL PROVISIONS**

#### Section 31 **Transformation of contributory organisations to public research institutions**

(1) The state contributory organisations as set forth in Annex 1 to this Act (hereinafter referred to as the "state contributory organisations") shall become public research institutions on 1 January 2007. The Ministry of Education, Youth and Sport shall enter these public research institutions to the register of public research institution as of the same date.

(2) The founder of the state contributory organisation shall produce the foundation deed of the public research institution containing data under Section 3(2) letters (a) to (e), (g) and (h) and submit it to the Ministry of Education, Youth and Sport by 30 June 2006. As of the same date, the founder shall submit other data necessary for entry of the public research institution in the register of public research institutions under Section 6(3) letters (a), (c) to (h) and substantiate them by documents proving the data which are to be entered in the register of public research institutions, and deeds which are being deposited into the collection of deeds [Section 8(1) letters (a), (d) and (e)].

(3) If the founder fails to submit data, documents or deeds according to paragraph 2 or submits them incompletely, the Ministry of Education, Youth and Sport shall call upon the founder to deliver these data, documents or deeds in term as set in the call, which may not be shorter than 15 days.

(4) By 15 December 2006 at the latest, the founder shall decide on assets, to the management of which the state contributory organisation is competent, and on its liabilities, which do not pass to the public research institution; in so doing the founder shall proceed in compliance with Section 28(1). At the same time the founder shall determine the management competences to these assets of the Czech Republic and appoint the holder

of those liabilities which will not pass to the public research institution. If these liabilities are assumed by the Czech Republic, they shall be discharged by the founder on behalf of the Czech Republic as a holder of liabilities, or by another organisational body of the state determined by the founder. The assumption of liabilities of the state contributory organisation by the Czech Republic does not require the consent of the creditor.

(5) By 1 January 2007, the assets of the Czech Republic, to the management of which the state contributory organisation being transformed to public research institution under paragraph 1 was competent as of 31 December 2006, shall pass to the public research institution. The assets, liabilities and other debts appurtenant to this state contributory organisation as of 31 December 2006 shall become assets, liabilities and other debts of the public research institution on 1 January 2007. The funds managed as of 31 December 2006 by the state contributory organisation shall be transferred to the account of external resources kept by the organisational body of the state being the founder of the state contributory organisation or discharge its function. The funds mentioned in the previous sentence shall be transferred immediately by the organisational body of the state to the account of the public research institution.

(6) The council of the territorial self-governing unit being the founder of the contributory organisation set forth in Annex 2 to this act (hereinafter referred to as the “contributory organisation of the territorial self-governing unit”) shall decide within 3 months from the day of application of this Act, whether the contributory organisation of the territorial self-governing unit will become the public research institution on 1 January 2007; in doing so it shall request the Central Journal of the Czech Republic to make this decision public. After expiration of this term the procedure under Section 3 shall not be affected.

(7) For issue of the foundation deed, submission of the foundation deed to the Ministry of Education, Youth and Sport and entry of the public research institution being formed by transformation of a contributory organisation of the territorial self-governing unit in the register of public research institutions the paragraphs 2 and 3 shall apply similarly.

(8) By 1 January 2007, the assets of the territorial self-governing unit that are as of 31 December 2006 under the management of its contributory organisation that is transformed to public research institution under paragraph 6 shall pass to the public research institution. The assets, liabilities and other debts under the management of this contributory organisation of the territorial self-governing unit as of 31 December 2006 shall become assets, liabilities and other debts of the public research institution on 1 January 2007. The funds managed as of 31 December 2006 by the contributory organisation of the territorial self-governing unit shall be transferred to the account of external resources of the founder. The funds mentioned in the previous sentence shall be transferred immediately by the territorial self-governing unit to the account of the public research institution.

(9) The founder shall produce a report on assets and liabilities passing to the public research institution

under paragraphs 5 and 8 by 31 January 2007.

(10) The employees of the state contributory organisation being transformed to public research institution under paragraph 1, as well as the employees of the contributory organisation of the territorial self-governing unit being transformed to public research institution under paragraph 6, shall become the employees of this public research institution on 1 January 2007.

(11) The founder shall file the application for entry of transition of the ownership or other right in rem over the real estates passing to the public research institution under paragraphs 5 and 8 by 31 January 2007. The real estates must be marked according to a special legal regulation<sup>4)</sup>. The transition of the ownership or other right in rem shall be recorded in the Land Register.

(12) Even after transformation of the contributory organisation to public research institution the founder shall remain responsible for liabilities of the state contributory organisation or contributory organisation of the territorial self-governing unit arising in connection with performance of its principal activity prior to its transformation.

(13) If consolidation, splitting or termination of existence of any state contributory organisation as referred to in Annex 1 to this Act takes place from the day of application of this Act until 1 January 2007, the paragraphs 1 to 5 and 9 to 12 shall apply to its successor contributory organisation.

## PART NINE APPLICATION

### Section 32

This Act shall apply from the day of its publication.

**Zaorálek** m.p.

**Klaus** m.p.

**Paroubek** m.p.

#### **Footnotes:**

<sup>1)</sup> Section 2(1)(a) and Section 2(2)(f) of Act No. [130/2002 Coll.](#), on support of research and development from public funds and on amendment to some related acts (the R&D Support Act)

<sup>2)</sup> Articles 87 and 89 of the Treaty establishing the European Community, as amended by subsequent treaties.

<sup>3)</sup> Section 12 of the R&D Support Act.

<sup>4)</sup> Section 5 of Act No. [344/1992 Coll.](#), on the Land Register of the Czech Republic (the Cadastral Act), as subsequently amended.

<sup>5)</sup> Section 27 of the Commercial Code.

<sup>6)</sup> Government Regulation No. [503/2000 Coll.](#), on Commercial Journal, as amended by Government Regulation No. [408/2003 Coll.](#)

<sup>7)</sup> The Administrative Procedure Code.

<sup>8)</sup> Act No. [89/1995 Coll.](#), on the state statistical service, as subsequently amended.

<sup>9)</sup> Act No. [36/1967 Coll.](#), on experts and interpreters.

<sup>10)</sup> Act No. [531/1990 Coll.](#), on territorial financial authorities, as subsequently amended.

- <sup>11)</sup> Section 69a of the Commercial Code.
- <sup>12)</sup> Sections 70 to 75b of the Commercial Code.
- <sup>13)</sup> E.g., the Commercial Code, Act No. [148/1998 Coll.](#), on protection of classified matters and on amendment to some acts, as subsequently amended, the Copyright Act, Act No. [101/2000 Coll.](#), on personal data protection and on amendment to some acts, as subsequently amended.
- <sup>14)</sup> Act No. [130/2002 Coll.](#), on support of research and development from public funds and on amendment to some related acts (the R&D Support Act), as subsequently amended.
- <sup>15)</sup> The Penal Act.
- <sup>16)</sup> E.g., Act No. [246/1992 Coll.](#), on protection of animals against cruelty, as subsequently amended, Decree No. [207/2004 Coll.](#), on protection, breeding and use of experimental animals.
- <sup>17)</sup> Act No. [269/1994 Coll.](#), on the Penal Register, as amended by Act No. [126/2003 Coll.](#)
- <sup>18)</sup> Section 75 of the Labour Code.
- <sup>19)</sup> Section 26 of Act No. [586/1992 Coll.](#), on income taxes, as subsequently amended.
- <sup>20)</sup> Section 18(2) of Act No. [1/1992 Coll.](#), on wages, bonuses for work readiness and on average earnings, as amended by Act No. [217/2000 Coll.](#)
- <sup>21)</sup> E.g., Act No. [40/2004 Coll.](#), Act No. [218/2000 Coll.](#), on budgetary rules and on amendment to some related acts (the Budgetary Rules), as subsequently amended.
- <sup>22)</sup> The Trade Licensing Act.  
Act on Protection of Economic Competition.
- <sup>23)</sup> Government Regulation No. [461/2002 Coll.](#), on targeted support of research and development from public funds and on public tenders in research and development.  
Government Regulation No. [462/2002 Coll.](#), on institutional support of research and development from public funds and on assessment of research plans, as amended by Government Regulation No. [28/2003 Coll.](#)
- <sup>24)</sup> Act No. [265/1992 Coll.](#), on registration of ownership and other rights in rem over the real estates, as subsequently amended.
- <sup>25)</sup> Section 4(2) of Act No. [265/1992 Coll.](#), as amended by Act No. [90/1996 Coll.](#)
- <sup>26)</sup> Section 1(2)(a) and Section 2(3) of Act No. [526/1990 Coll.](#), on prices, as subsequently amended.
- <sup>27)</sup> Section 14 of Act No. [563/1991 Coll.](#), on accounting, as subsequently amended.
- <sup>28)</sup> Act No. [563/1991 Coll.](#), as subsequently amended.  
Decree No. [504/2002 Coll.](#) implementing some of the provisions of Act No. [563/1991 Coll.](#), on accounting, as subsequently amended, for accounting units which do not have business as their principal activity, if they keep accounts in the double-entry system of bookkeeping.
- <sup>29)</sup> Section 8(1) of the R&D Support Act.  
Act No. [563/1991 Coll.](#), as subsequently amended.
- <sup>30)</sup> Section 21 of Act No. [563/1991 Coll.](#), as subsequently amended.

### State contributory organisations being transformed to public research institutions on 1 January 2007

<i>Founder</i>	<i>Name of the state contributory organisation</i>	<i>Identification Number</i>	<i>Registered office address</i>
Ministry of Transport	Transport Research Centre	44994575	Líšeňská 33a, 636 00 Brno
Ministry of Labour and Social Affairs	Research Institute for Labour and Social Affairs	45773009	Palackého náměstí 4 Praha 2
	Occupational Safety Research Institute	00025950	Jeruzalémská 9 Praha 1
Ministry of Education, Yourth and Sport	Centre for the Study of Higher Education	00237752	U Lužického semináře 90/13 118 00 Praha 1 - Malá Strana
Ministry of Foreign Affairs	Institute of International Relations	48546054	Nerudova 3 Praha 1
Ministry of Health	Prague Psychiatric Center	00023752	Ústavní 91 181 03 Praha 8
	Institute of Health Policy and Economics	70871060	Kutnohorská 1102 281 63 Kostelec nad Černými lesy
Ministry of Agriculture	<b>Research Institute of Crop Production</b>	00027006	Drnovská 507 161 06 Praha 6 - Ruzyně
	Research Institute of Animal Production	00027014	Přátelství 815 Praha - Uhřetěves
	Veterinary Research Institute	00027162	Hudcova 70 621 32 Brno
	Food Research Institute Prague	00027022	Radiová 7/1285 102 31 Praha 10 – Hostivař
	Research Institute of Agricultural Engineering	00027031	Drnovská 507 161 06 Praha 6 - Ruzyně
	Research Institute for Soil and Water Conservation	00027049	Žabovřeská 250 156 27 Praha 5 – Zbraslav
	Forestry and Game Management Research Institute	00020702	Jíloviště – Strnady 156 04 Praha 5 – Zbraslav
Ministry of Environment	Czech Geological Survey	00025798	Klárov 3/131 118 21 Praha 1
	The Silva Tarouca Research Institute for Landscape and Ornamental Gardening	00027073	Květnové náměstí 391 252 43 Průhonice
	T. G. Masaryk Water Research Institute	00020711	Podbabská 219/30 160 62 Praha 6

	Czech Hydrometeorological Institute	00020699	Na Šabatce 17, 143 06 Praha 4 – Komořany
Czech Office for Surveying, Mapping and Cadastre	Research Institute of Geodesy, Topography and Cartography	00025615	Zdíby 98 okres Praha - východ
State Office for Nuclear Safety	National Institute for Nuclear, Chemical and Biological Protection	70565813	Příbram – Kamenná 262 31 pošta Milín
The Academy of Sciences of the Czech Republic (ASCR)	Institute of Archaeology ASCR Brno	68081758	Královopolská 147, 612 64 Brno
	Institute of Archaeology ASCR Prague	67985912	Letenská 4, 118 01 Praha 1
	Archives of ASCR	67985921	V Zámčích 56/76, 181 00 Praha 8-Bohnice
	Astronomical Institute ASCR	67985815	Fričova 298, 251 65 Ondřejov
	Institute of Biophysics ASCR	68081707	Královopolská 135, 612 65 Brno
	Institute of Botany ASCR	67985939	Zámek 1, 252 43 Průhonice
	Institute of Entomology ASCR	60077395	Branišovská 31, 370 05 České Budějovice
	Institute of Ethnology ASCR	68378076	Na Florenci 3/1420, 110 00 Praha 1
	Institute of Philosophy ASCR	67985955	Jilská 1, 110 00 Praha 1
	Institute of Physics ASCR	68378271	Na Slovance 2, 182 21 Praha 8
	Institute of Physiology ASCR	67985823	Vídeňská 1083, 142 20 Praha 4
	Geophysical Institute ASCR	67985530	Boční II/1401, 141 31 Praha 4
	Institute of Geology ASCR	67985831	Rozvojová 135, 165 02 Praha 6 - Lysolaje
	Institute of History ASCR	67985963	Prosecká 76, 190 00 Praha 9
	Institute of Hydrobiology ASCR	60077387	Na Sádkách 7, 370 05 České Budějovice
	Library of ASCR	67985971	Národní 3, 115 22 Praha 1
	Masaryk Institute ASCR	67985980	Na Florenci 3/1420, 110 00 Praha 1
	Mathematical Institute ASCR	67985840	Žitná 25, 115 67 Praha 1
Institute of Microbiology ASCR	61388971	Vídeňská 1083, 142 20 Praha 4	

Economics Institute ASCR	67985998	Politických vězňů 7, 111 21 Praha 1
Oriental Institute ASCR	68378009	Pod Vodárenskou věží 4, 182 08 Praha 8
Institute of Parasitology ASCR	60077409	Branišovská 31, 370 05 České Budějovice
Institute of Psychology ASCR	68081740	Veveří 97, 602 00 Brno
Institute of Slavonic Studies ASCR	68378017	Valentinská 1, 110 00 Praha 1
Institute of Sociology ASCR	68378025	Jilská 1, 110 00 Praha 1
Centre of Common Activities ASCR	60457856	Národní 3, 110 00 Praha 1
Institute of Analytical Chemistry ASCR	68081715	Veveří 97, 611 42 Brno
Institute of Inorganic Chemistry ASCR	61388980	250 68 Řež u Prahy
Institute of Vertebrate Biology ASCR	68081766	Květná 8, 603 65 Brno
Institute of Art History ASCR	68378033	Husova 4, 110 00 Praha 1
Institute of Systems Biology and Ecology ASCR	67179843	Na Sádkách 7, 370 05 České Budějovice
Institute of Experimental Botany ASCR	61389030	Rozvojová 135, 165 02 Praha 6 - Lysolaje
Institute of Experimental Medicine ASCR	68378041	Vídeňská 1083, 142 20 Praha 4
Jaroslav Heyrovsky Institute of Physical Chemistry ASCR	61388955	Dolejškova 3, 182 23 Praha 8
Institute of Atmospheric Physics ASCR	68378289	Boční II/1401, 141 31 Praha 4
Institute of Physics of Materials ASCR	68081723	Žižkova 22, 616 62 Brno
Institute of Plasma Physics ASCR	61389021	P. O. Box 17, Za Slovankou 3, 182 21 Praha 8
Institute of Geonics ASCR	68145535	Studentská 1768, 708 00 Ostrava - Poruba
Institute of Chemical Process Fundamentals ASCR	67985858	Rozvojová 135, 165 02 Praha 6
Institute of Informatics ASCR	67985807	Pod Vodárenskou věží 2, 182 07 Praha 8
Nuclear Physics Institute ASCR	61389005	250 68 Řež
Institute of Macromolecular Chemistry ASCR	61389013	Heyrovského nám. 2, 162 06 Praha 6



Institute of Plant Molecular Biology ASCR	60077352	Branišovská 31, 370 05 České Budějovice
Institute of Molecular Genetics ASCR	68378050	Flemingovo nám. 2, 166 37 Praha 6
Institute of Organic Chemistry and Biochemistry ASCR	61388963	Flemingovo nám. 2, 166 10 Praha 6
Institute of Czech Literature ASCR	68378068	Na Florenci 3/1420, 110 15 Praha 1
Institute of Electrical Engineering ASCR	67985866	Dolejškova 5, 182 02 Praha 8
Institute of Hydrodynamics ASCR	67985874	Pod Pařankou 30/5, 166 12 Praha 6
Institute of Czech Language ASCR	68378092	Letenská 4, 118 51 Praha 1
Institute for Contemporary History ASCR	68378114	Vlašská 9, 118 40 Praha 1
Institute of Scientific Instruments ASCR	68081731	Královopolská 147, 612 64 Brno
Institute of Soil Biology ASCR	60077379	Na Sádkách 7, 370 05 České Budějovice
Institute of Radio Engineering and Electronics ASCR	67985882	Chaberská 57, 182 51 Praha 8
Institute of State and Law ASCR	68378122	Národní 18, 116 91 Praha 1
Institute of Rock Structure and Mechanics ASCR	67985891	V Holešovičkách 41, 182 09 Praha 8
Institute of Theoretical and Applied Mechanics ASCR	68378297	Prosecká 76, 190 00 Praha 9
Institute of Information Theory and Automation ASCR	67985556	Pod Vodárenskou věží 4, 182 08 Praha 8
Institute of Thermomechanics ASCR	61388998	Dolejškova 5, 182 00 Praha 8
Institute of Animal Physiology and Genetics ASCR	67985904	Rumburská 89, 277 21 Liběchov

**The contributory organisations of territorial self-governing units for which their founder decides whether they will be transformed to public research institutions on 1 January 2007**

<b><i>Founder</i></b>	<b><i>Name of the contributory organisation</i></b>	<b><i>Identification Number</i></b>	<b><i>Registered office address</i></b>
Southern Moravia Region	Institute of Archaeological Research and Preservation of Historical Monuments Brno	48511005	Kaloudova 30, 614 00 Brno
Usti Region	Institute of Archaeological Research and Preservation of Historical Monuments Northwest Bohemia, contributory organisation	47325011	Žižkova 835, 434 01 Most