



Audit Report

24/03

Funds earmarked for access to digital documents and electronic information resources in the network of libraries of the Czech Republic

The audit was included in the audit plan of the Supreme Audit Office (hereinafter the “SAO”) for the year 2024 under No 24/03. The audit was headed and the Audit Report drawn up by Ing. Adolf Beznoska, a SAO member.

The aim of the audit was to verify whether the funds earmarked for access to digital documents and electronic information resources in the network of libraries of the Czech Republic had been spent effectively, economically and in accordance with legal regulations.

The audited period was 2017-2023; both the previous and subsequent periods were also considered for contextual reasons.

The audit was conducted with the audited entities between January and September 2024.

Audited entities:

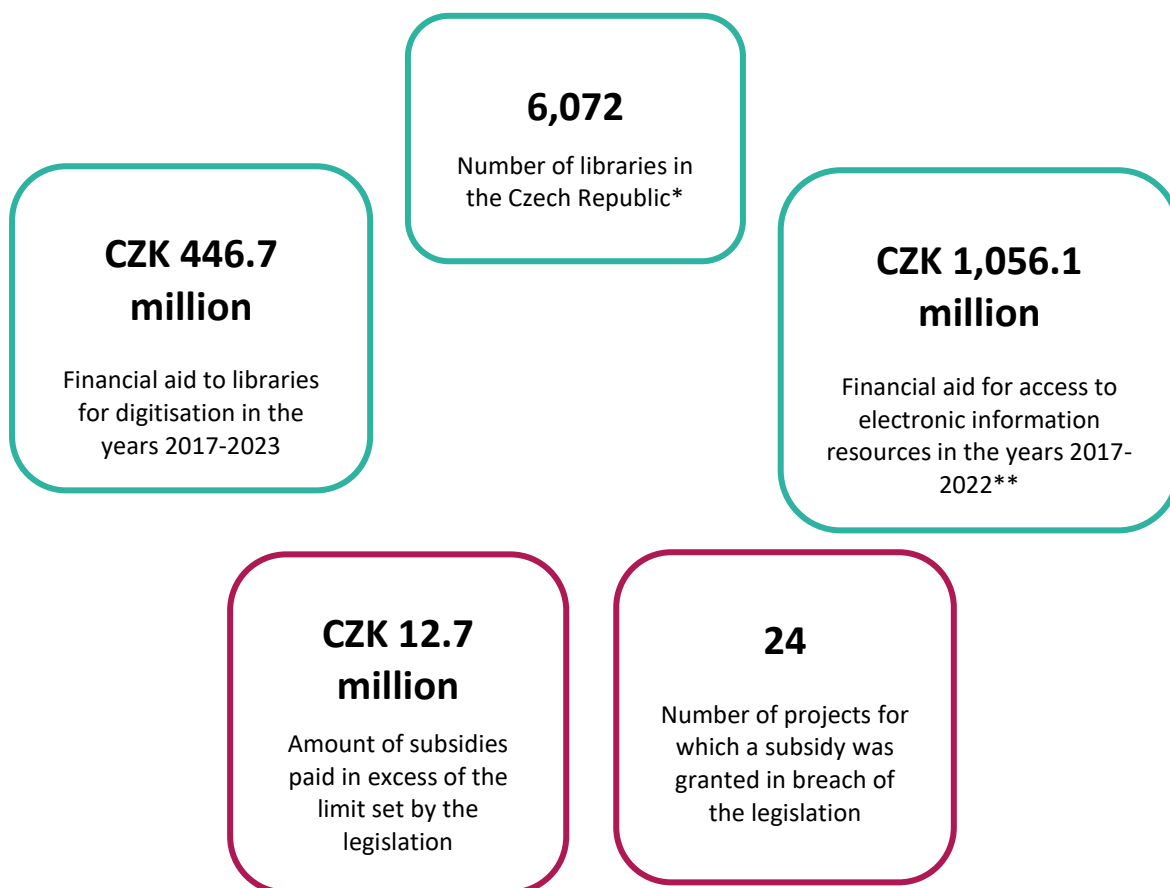
The Ministry of Culture (hereinafter also “the MoC” or the “the Ministry”);
The National Library of the Czech Republic, Prague (hereinafter also “the NLCR”);
The Moravian Library in Brno (hereinafter also “the Moravian Library”);
The National Library of Technology, Prague (hereinafter also “the NLT”).

The **SAO Board** at its 18th meeting held on 16 December 2024

approved, by Resolution No 9/XVIII/2024,

the **Audit Report** as follows:

Digitisation of library collections and electronic information resources



Non-transparent evaluation of subsidy applications at the MoC
Insufficient public administration control by the MoC
Shortcomings in the archives and records management at the NLT

* Data on the number of libraries entered in the register of libraries of the Ministry of Culture as at 19 September 2024.

** This was financial aid paid under the "CzechELib" project, which was implemented in 2017-2022.

I. Summary and Evaluation

The SAO carried out an audit of the funds earmarked for access to digital documents and electronic information resources (hereinafter also “EIR”) in the network of libraries of the Czech Republic. The aim of the audit was to verify whether the funds earmarked for making digital documents and EIR available in the network of libraries of the Czech Republic had been spent effectively, economically and in accordance with legal regulations. In the period of 2017-2023, the MoC spent a total of CZK 446.7 million to support the digitisation of library collections and electronic information resources, namely from the state budget and from the funds of the *National Recovery Plan* (hereinafter also the “NRP”). The NLT drew funds of CZK 1,056.1 million in 2017-2022 to make electronic information resources available, through the *National Centre for Electronic Information Resources – CzechELib* (hereinafter also “CzechELib”) project, from the European Structural and Investment Funds and the state budget.

The SAO audit focused on projects under the *Public Information Services of Libraries* (hereinafter also “PISL”) programme, for which the MoC had provided subsidies in the total amount of CZK 349.8 million in 2017-2023. The MoC directed the funds to the real needs of libraries in the field of digitisation of library collections and electronic information resources, but set the digitisation objectives very generally. This prevents an overall evaluation of the effectiveness and economy of the funds provided.

The SAO selected 72 projects with a total value of CZK 69.5 million for its audit. The results of these projects have positive benefits for the services provided by the Czech library network. The funds were effectively and economically spent on the CzechELib project implemented by the NLT, which had saved funds on the acquisition of EIR and related administration.

The SAO found that the MoC had not monitored the impact of the financial aid provided under the PISL programme and in some cases the provision of financial aid had not complied with legal regulations. The Ministry did not transparently evaluate applications, provided subsidies in violation of the set conditions and carried out only one public administration control of the PISL programme in seven years. Violations of legal regulations were also found at the NLT as regards its archives and records management.

The overall evaluation is based on the following main audit findings:

1. The MoC did not monitor the impact of the financial aid provided

As part of the ongoing digitalisation, the MoC focused on the digitisation of library collections and EIR in the period of 2017-2020 within the framework of the *State Cultural Policy 2015-2020* (hereinafter also the “SCP 15-20”) and the *Library Development Concept for 2017-2020* (hereinafter also the “LDC 17-20”). The MoC set priorities and objectives but did not carry out a clear evaluation of them. Although there was some progress, for example in the digitisation of library collections, no law was adopted in that period on the introduction of mandatory copies of electronic publications and there was no system for making digital content available.

In the following period of 2021-2027, the MoC followed up with the *State Cultural Policy 2021-2025+* (hereinafter also the “SCP 21-25”) and the *Library Development Concept for 2021-2027* (hereinafter also the “LDC 21-27”). In both documents, the Ministry set targets for digitisation and EIR. However, it did not draw up an implementation plan for the SCP 21-25. In mid-2022,

the MoC assessed the implementation of measures under the LDC 21-27, but by the time the audit was completed, the MoC was not yet implementing some of the measures set out in the previous LDC 17-20.

2. The MoC did not transparently evaluate subsidy applications

Subsidy applications were assessed by expert committees as advisory bodies to the MoC in accordance with Government Regulation No 288/2002 Coll.¹ According to the internal policies of the MoC, the members of the committee should have been excluded from the evaluation of projects due to doubts about their impartiality. The SAO audit revealed that, in the years 2017-2022, some committee members for the PISL sub-programmes audited had not been excluded from considering and voting on the projects, although there had been doubts about their impartiality. These members were involved in the evaluation of 29 projects where they had relations with the applicants. The highest risk of bias was identified for the PISL 6 sub-programme in 2018 in relation to five applications with the subsidy totalling CZK 6.5 million.

In terms of the evaluation of applications, the audit also found that the MoC had not indicated the scores of the projects or their ranking for the PISL 1, PISL 6 and PISL 7 sub-programmes audited, which violated Government Regulation No 288/2002 Coll. In addition, for some applications the MoC did not provide an assessment of the sub-criteria. The procedure of the MoC in the process of granting subsidies was non-transparent.

3. The MoC granted subsidies to some beneficiaries in breach of legal regulations

The rules for the provision of subsidies to support libraries stipulated² that the maximum amount of the subsidy could be 70% of the budgeted cost of the project. The SAO found in the audit sample that the MoC had provided subsidies to 24 audited projects in the period of 2017-2023 in the amount of 100% of the budgeted costs. Thus, the MoC violated Government Regulation No 288/2002 Coll. by providing beneficiaries with funds in excess of the established limit, namely in the amount of over CZK 12.7 million.

4. The MoC carried out only one public administration audit in the PISL programme in seven years

In 2017-2023, the MoC provided a total of CZK 349.8 million to beneficiaries under the PISL programme. During that period, it carried out only one public administration audit on a single beneficiary. Overall, the Ministry audited only 0.2 % of the funds provided under the PISL programme.

5. The NLT did not set priorities for the digitisation of library collections

Digitisation is not a key area for the NLT. According to the Library Act³, the NLT is obliged to ensure the restoration and permanent preservation of library documents. Unlike the NLCR and the Moravian Library, however, the NLT has not yet drawn up procedures and priorities

¹ Government Regulation No 288/2002 Coll., laying down the rules for the provision of subsidies to support libraries.

² Section 6(2) of Government Regulation No 288/2002 Coll.

³ Act No 257/2001 Coll., on libraries and terms of operating public library and information services (the Library Act).

for the digitisation of its collection. The NLT does not have a specialised digitisation department and its technical equipment is outdated.

6. The NLT had major shortcomings in its archives and records management

Until June 2024, NLT did not use an electronic records management system that allowed for a complete record of documents. Some documents were not signed, dated or provided with a reference number. Therefore, the NLT did not act in accordance with the Act on Archives and Records Management.⁴

7. Mandatory possession of copies of electronic publications is not yet in place

The introduction of mandatory copies of electronic publications has been discussed in the Czech Republic since 2011, when the MoC set a sub-objective to prepare a proposal for a change to legislation in this area in the *Library Development Concept for 2011-2015*. This activity was carried over into other follow-up concept documents. By the end of the audit, mandatory copies had not been introduced due to the failure of the Parliament of the Czech Republic to discuss the draft legislation.

II. Information on the Audited Area

Digital documents are part of cultural and scientific heritage. They are documents published in digital form and digitised documents (originally text, image, sound and audiovisual materials). The Czech public library network, which is one of the densest in the world, includes a total of 6,072 libraries. Their goal in this area is to preserve and make available to everyone interested digital and digitised documents and EIR for research and development (R&D), education and leisure.

The **first level of digitalisation** in libraries is the digitisation of library collections, namely analogue documents (books, periodicals, photographs, maps, etc.). This digitisation is also important for the preservation of the cultural wealth of the Czech society. The **second level** is the acquisition of and access to EIR, which is the collective name for electronic journals, electronic books and special databases that are important mainly for R&D. At the same time, digitised documents, original digital library documents and EIR must be preserved and archived and their format maintained so that they are available to the public at any time and on any platform.

Digitisation of library collections **can be classified** by type as follows:

- preservation – documents endangered by paper degradation, documents from damaged collections, documents intended for rebinding and bibliophile editions are digitised;
- systematic – completion of multi-volume monographs or periodicals;
- selective – documents based on user requests, digitisation from microfilms or digitisation of titles under licence agreements;

⁴ Act No 499/2004 Coll., on archives and records management and on amendments to certain other acts (hereinafter also the “Act on Archives and Records Management”).

- destructive – documents where the book binding is cut into individual sheets before digitisation. Since the volume is physically destroyed before digitisation, only titles that libraries already have in their collections (duplicates, multiple copies) are digitised.

The scanning of the documents itself accounts for about 10-15% of the time of the entire digitisation process; the rest is made up of document preparation and subsequent post-digitisation editing.

Mandatory copies of electronic publications is a concept designed to enable libraries and other institutions to preserve and make available electronic publications in the long term, similar to the case of mandatory printed copies. The introduction of the concept would oblige publishers in the Czech Republic to send their electronic publications, e.g., e-books, e-journals or other digital content, to designated libraries (primarily the NLCR). The aim of the mandatory electronic copies is to ensure the archiving and preservation of cultural heritage also in the form of digital production, which helps to prevent the loss of these materials due to technological changes or commercial constraints.

Ministry of Culture

The MoC is the central state administration authority for the arts, cultural and educational activities, cultural monuments, for the affairs of churches and religious societies, for the press, including the publication of non-periodical press and other information media, for radio and television broadcasting, unless a special law provides otherwise, and for the implementation of the Copyright Act⁵ and for production and trade in the field of culture. The MoC manages and coordinates the digitisation of library collections and EIR. The Ministry established goals and needs in this area in the LDC 17-20 and the follow-up LDC 21-27. The MoC supports the digitisation of libraries through the PISL subsidy programme. It has also been providing funds to this area under the NRP since 2023.

National Library of the Czech Republic

The NLCR is a government subsidised organisation (GSO) directly managed by the MoC. The NLCR is the centre of the library system, and it carries out coordination, professional, information, educational, analytical, research, methodological and advisory activities. In the field of digitisation of library collections, the NLCR is the supreme authority and the methodological centre for digitisation. Digital documents are made available through the digital libraries *Manuscriptorium* and the *National Digital Library* (see Annex 1 to this Audit Report).

Moravian Library in Brno

The Moravian Library in Brno is a government subsidised organisation directly managed by the MoC. It serves as the regional library of the South Moravian Region. As its main activity, the library acquires, processes, manages, protects, preserves and makes available domestic and foreign documents. From them, it creates digital funds, among other things. The digitisation departments of the Moravian Library and the NLCR are among the largest in the Czech Republic. The Moravian Library publishes digital documents in its digital library (see Annex 2 to this Audit Report).

⁵ Act No 121/2000 Coll., on copyright, on rights related to copyright and on amendments to certain acts (the Copyright Act).

National Library of Technology

The National Library of Technology is a GSO established by the Ministry of Education, Youth and Sports. The NLT is the largest and oldest library of technical literature in the Czech Republic. The NLT provides professional information resources and services to people employed in technical and applied sciences, but also to those interested in technical information from among the general public. Digitisation in the NLT is focused mainly on specialised technical literature, which is published in the digital library (see Annex 3 to this Audit Report).

Strategic framework and support for libraries

The State Cultural Policy 2015-2020 and the Library Development Concept for 2017-2020 constituted the strategic framework for the library sector. The *State Cultural Policy 2021-2025+* and the *Library Development Concept for 2021-2027* will be used for the following period.

The provision of subsidies to libraries is primarily governed by the Budgetary Rules⁶ and the Library Act. The rules for providing subsidies to libraries were established by the Government of the Czech Republic by Government Regulation No 288/2002 Coll.

The MoC provided subsidies to libraries through the PISL programme. The main objective of the programme was to innovate public information services of libraries based on information and communication technologies. By financing the programme, the MoC fulfilled, among other things, the tasks in the area of increasing information literacy of the population and the recommendations of the European Commission for the digitisation of cultural content. The PISL programme was divided into nine thematic sub-programmes, of which PISL 6 – PISL 9 and partly PISL 1 were oriented towards direct digitisation and acquisition of EIR. Other sub-programmes also supported some preparatory and follow-up work related to digitisation.

Table 1 shows an overview of the expenditure on libraries under the PISL programme and from the earmarked contribution for the operation of GSOs between 2017 and 2023.

Table 1: Expenditure on libraries in 2017-2023 (in CZK '000)

	2017	2018	2019	2020	2021	2022	2023
PISL programme – subsidy procedure	55,885.4	56,212.0	32,791.1	31,561.5	33,744.0	33,914.0	35,114.0
Contribution to the operation of state-funded organisations	0	0	13,700.0	13,922.0	14,441.1	14,100.0	14,449.7
Total	55,885.4	56,212.0	46,491.1	45,483.5	48,185.1	48,014.0	49,563.7
Total in 2017-2023	349,834.8						

Source: MoC data.

Since 2019, the funds provided in the PISL programme had been divided into two expenditure indicators: the GSOs established by the MoC, which fall under the indicator *Contribution to the operation of GSOs*, and other library operators registered in the library register, which fall under the indicator *PISL*.

⁶ Act No 218/2000 Coll., on budgetary rules and on amendments to certain related acts (the Budgetary Rules).

Since 2023, the MoC had also provided subsidies to libraries under the NRP. As part of the *Digitalisation of the Cultural and Creative Sector* initiative, the MoC launched a subsidy call for the NLCR and the Moravian Library in 2023. The MoC focused on the development of digitisation departments and related digitisation processes, such as long-term preservation of digital content and its availability and strengthening the aggregation of data from digital libraries as custodians of cultural and knowledge wealth.

The *National Centre for Electronic Information Resources – CzechELib* project was implemented by the NLT from 2017 to 2022. The NLT drew funds of CZK 1,056.1 million for the implementation of the project. The construction of the centre was one of the measures under the LDC 17-20. The aim of the project was to increase the efficiency and effectiveness of R&D in the Czech Republic. The systemic change in the provision and accessibility of EIR for users in the field of R&D was expected to bring significant savings in public funds spent by institutions on related administration. Furthermore, duplicate purchases of the same EIR were to be eliminated.

III. Scope of the Audit

The subject of the audit was funds earmarked for access to digital documents and EIR in the network of libraries of the Czech Republic. The aim of the audit was to verify whether the funds earmarked for access to digital documents and EIR in the network of libraries of the Czech Republic had been spent effectively, economically and in accordance with legal regulations. The period audited was from 2017 to 2023, and the preceding and subsequent periods where materially relevant.

The audit was carried out at the MoC as a provider of support for digitisation of library collections and acquisition of EIR. The audit was also carried out at the NLCR, the Moravian Library and the NLT as the largest public libraries in the Czech Republic and beneficiaries.

The audit examined with what objectives the MoC had provided financial aid for the digitisation of library collections and the acquisition of EIR and whether the fulfilment of the set objectives had been monitored and evaluated in the audited period. The audit also examined whether the MoC had managed and coordinated the digitisation of library collections and EIR with other ministries. In the area of digitisation of library collections, the audit examined, in particular, the PISL programme including its sub-programmes. The funds provided by the MoC from the NRP were also audited. In the area of archiving and preservation of and provision of access to digital documents, the NLCR, the Moravian Library and the NLT were audited in terms of public contracts for the acquisition of servers and data storage as well as procedures related to the preservation of formats. The audit of the NLT examined both the use of funds from the PISL programme and the CzechELib project financed from the European Structural and Investment Funds through the Operational Programme *Research, Development and Education* (hereinafter also the “OP RDE”).

The subsidy administration process was checked at the MoC on an audit sample of 54 projects from the PISL 1, PISL 3, PISL 5 and PISL 6-9 sub-programmes. The audit sample consisted of projects selected taking into account the amount of the subsidy and the representation of all the audited entities. Furthermore, the SAO audited all 14 projects from the call entitled

Further development of digitisation in the field of libraries financed under the NRP, and only in the phase of subsidy administration.⁷

Audited sample at libraries:

- under the PISL programme: 27 projects (NLCR), 13 projects (Moravian Library), 13 projects (NLT);
- under the NRP: 12 projects (NLCR), 2 projects (Moravian Library);
- under the public contract (PC): 15 (NLCR), 9 (Moravian Library), 16 (NLT);
- under the OP RDE: the CzechELib project (NLT).

In total, the SAO audited 72 projects under the PISL programme⁸ for a total amount of CZK 69,459,632.

The **audited amount of funds at the system level** is based on the expenditure of the MoC on the PISL programme from the state budget and amounted to CZK 349,834,830 for the years 2017-2023. Of this, the audited amount at the project level was CZK 67,706,572. The SAO also audited the provision of support at the MoC under the NRP in the amount of CZK 96,870,435. The audited amount for the MoC totalled CZK 446,705,265.

The **audited amount of funds for libraries** includes funds under the PISL programme, the NRP and PCs:

- CZK 165,621,497 for the NLCR: CZK 36,544,052 (PISL), CZK 92,469,263 (PCs), CZK 36,608,182 (NRP);
- CZK 40,345,379 for the Moravian Library: CZK 13,968,580 (PISL), CZK 12,195,383 (PCs), CZK 14,181,416 (NRP).

The audited volume of funds at the NLT at the level of the CzechELib project amounted to CZK 1,056,082,844, out of which the PCs for the acquisition of EIR amounted to CZK 52,703,062. Furthermore, projects under the PISL programme in the amount of CZK 8,839,091 and PCs for the purchase of servers and data storage in the total amount of CZK 67,769,938 were audited. The audited volume for the NLT thus totalled CZK 1,132,691,873.

The **assessment of effectiveness** consisted, in particular, in evaluating whether the MoC had used the funds to ensure the optimal level of achievement of the objectives in the performance of tasks related to the digitisation of library collections and EIR set out in the conceptual documents of the MoC. The SAO assessed the fulfilment of the set objectives and the impact of this support on the state of digitisation of library collections in the Czech Republic. For the beneficiaries, the effectiveness was assessed in terms of meeting the objectives of the individual projects for which they had drawn funds from the MoC. The SAO assessed the achievement of all expected results and their real impact and use in libraries.

The **assessment of economy** consisted primarily in evaluating whether the MoC had used the funds to ensure the tasks set out in the conceptual documents of the MoC with the lowest possible expenditure of these funds, while maintaining the appropriate quality of the tasks performed. For the beneficiaries, the evaluation consisted mainly in assessing whether the

⁷ The implementation of the projects financed under the NRP was set by the MoC to take place from 1 January 2024 to 31 December 2025 and therefore the projects had not been completed at the time the SAO audit ended.

⁸ The audited sample at the MoC consisted of 35 projects, which were also audited at the beneficiaries of the subsidies (the NLCR, the Moravian Library and the NLT). Another 19 projects were audited only at the level of the MoC and another 18 projects were audited only at the level of beneficiaries.

libraries had used the funds to secure the specified tasks in the projects with the lowest possible expenditure of these funds, while maintaining the appropriate quality of the tasks performed.

Note: The legal regulations referred to in this Audit Report are applied in the version effective for the audited period.

IV. Detailed Findings of the Audit

The results of the projects at the libraries audited had a positive impact on the services provided by the library network. In 2017-2023, almost 80 thousand digitised historical and rare documents from the collections of the NLCR supported under the PISL 6 sub-programme were made available. Under the PISL 7 sub-programme, the NLCR protected or reformatted a total of 564 volumes comprising over 416 thousand pages in the years 2017-2023. The Moravian Library developed services for users of the *Central Library Portal* through projects in the PISL 8 sub-programme.⁹

The SAO concludes that the CzechELib project achieved all its objectives set. The benefit of the project was the establishment of a national centre for the acquisition of EIR, thus reducing the administrative burden in the area of PCs for the acquisition of EIR for individual institutions (especially universities). In addition, funds were saved thanks to the bulk purchase of EIR.¹⁰

The SAO verified that no duplicate digitisation of identical documents was taking place. The NLCR manages the *Digitisation Register*, which serves to streamline the digitisation process, prevent duplication and share the results of individual institutions. The SAO found no shortcomings in the acquisition of servers and data storage in libraries. Funds earmarked for access to digital documents and EIR in the network of libraries of the Czech Republic were thus being spent economically.

The SAO audit found that the MoC had not monitored the impact of the financial aid provided, had not transparently evaluated applications, had provided subsidies in violation of the set conditions and had carried out only one public administration audit of the PISL programme in seven years.

1. The MoC did not monitor the impact of the financial aid provided

The area of digitisation of library collections and EIR was included in the general strategic framework of the Ministry of Culture, the State Cultural Policy 2015-2020 (SCP 15-20). An implementation plan was also drawn up for that period. Another key document for the library sector was the LDC 17-20. In the following period, the Ministry followed up with the *State Cultural Policy 2021-2025+* and the *Library Development Concept for 2021-2027*.

In the SCP 15-20, the MoC set out priorities, objectives, measures and tasks for digitisation. In the SCP 15-20, the MoC evaluated only the tasks set and only half of them indicated a specific

⁹ The *Knihovny.cz* portal provided unified access to the services of Czech and Moravian libraries, including digital documents.

¹⁰ Through bulk purchases, the NLT was able to reduce the price of some of the EIR and increase the volume of some of the EIR.

output. **The Ministry did not evaluate the priorities and objectives set.** In the area of digitisation of library collections and their long-term preservation, the MoC **had not developed** a system for making digital content available.

The needs in the field of digitisation of library collections and EIR were also identified by the MoC in the LDC 17-20. The MoC set priority areas, measures, objectives and indicators for the digitisation of library collections and EIR. However, the MoC **did not set the objectives** for the priority areas according to the *Methodology for the Preparation of Public Strategies* to meet all the SMART¹¹ principles. Thus, the objectives, measures and tasks in the LDC 17-20 were **only general** and their achievement **was not objectively measurable**. The MoC **did not conduct** a specific evaluation of the objectives for the priority areas after the end of the LDC 17-20.

In the follow-up State Cultural Policy 2021-2025 (SCP 21-25), the MoC set fourteen specific objectives for the library sector. On the basis of a Government Resolution¹², the MoC was to submit a plan for the implementation of the SCP 21-25 by 30 June 2022. That document was intended to ensure that the objectives of the SCP 21-25 were linked to other strategic and conceptual materials. However, the MoC **had not developed any implementation plan** by the time this audit was completed. In the middle of 2024, the MoC submitted to the Government of the Czech Republic information on the interim evaluation of the implementation of individual specific objectives and measures under the SCP 21-25.

In the LDC 21-27, the Ministry set out the theses and strategic objectives for digitisation. In the implementation part, it further identified specific measures and indicators. In mid-2022, the MoC submitted an interim report on the implementation of the LDC 21-27 to the Government of the Czech Republic. The report mainly included an evaluation of the fulfilment of the strategic objectives through the implementation of individual measures. The MoC did not fulfil the key measures set out in the LDC 17-20, such as the establishment of a methodological centre for digital documents in the NLCR or the building of a new infrastructure for working with large volumes of data and ensuring the data's permanent preservation. These measures were also included by the MoC in the LDC 21-27. However, the MoC is still not fulfilling them and is only postponing the dates for their implementation. In the years 2017-2023, the MoC did not monitor and evaluate the effectiveness and economy of the expenditure spent to achieve the expected impacts of the support according to the Budgetary Rules.¹³

2. The MoC did not transparently evaluate subsidy applications

Subsidy applications were to be assessed in accordance with Government Regulation No 288/2002 Coll. by expert committees as advisory bodies to the MoC. The committees were to evaluate the quality of the project, its social relevance and expected benefit, the adequacy of the budgeted costs for individual activities, the professional level and equipment of the library, and the results of the library operator's projects if a subsidy had been granted for them in previous years.

The expert committees were to act in accordance with the internal policies of the MoC and assess the projects included in the subsidy applications according to the criteria set out in

¹¹ S – specific; M – measurable; A – achievable; R – result focused; T – time-bound.

¹² Government Resolution No 843 of 27 September 2021, *on the draft State Cultural Policy 2021-2025+*.

¹³ Section 39(3), first sentence, of Act No 218/2000 Coll.

Government Regulation No 288/2002 Coll. and also according to the conditions set out in the subsidy selection procedure. The committees were to elect a chairperson and a deputy chairperson. When considering a subsidy application submitted by an applicant with which the chairperson of the committee was employed or where he/she was a member of its governing body, the deputy chairperson was to take the chair of the committee's meeting. Committee members who may have been biased were to be excluded from the project evaluation, which was to be noted in the minutes.

The SAO found that the MoC had not indicated in the meeting minutes of the expert committees of the audited sub-programmes whether their members had been excluded from the debate and voting. This situation occurred for the PISL 6 sub-programme in 2017-2022 and the PISL 7 sub-programme in 2019 and 2022; members of the committees may have been biased. The proportion of subsidies with a risk of bias recommended for support as a percentage of the total value for these sub-programmes ranged from 19.9% to 77.1%. The **highest proportion of projects with a risk of bias** was found in the PISL 6 sub-programme in 2018 in relation to five applications with a total subsidy amount of CZK 6,497,000, representing 77.1% of the total value of subsidies recommended for financial aid.

Furthermore, the audit found in the audit sample of the PISL 6 sub-programme for the years 2017-2023, the PISL 7 sub-programme for the years 2019 and 2022 and the PISL 1 sub-programme for the years 2020 and 2021 that the **MoC had not indicated in the minutes the scores of the projects or their ranking, thereby violating Government Regulation No 288/2002 Coll.**¹⁴ In addition, the MoC did not include an evaluation of all sub-criteria (e.g., professional level and library equipment) when assessing some subsidy applications.

The procedure of the MoC in the process of granting subsidies was not transparent.

3. The MoC granted subsidies to some beneficiaries in breach of legal regulations

The provision of subsidies to libraries is governed by the Budgetary Rules and the Library Act. Specific rules for the provision of subsidies and the determination of the amount of financial aid were set out in Government Regulation No 288/2002 Coll. The Regulation stipulated, inter alia, that a subsidy could be granted only up to 70% of the budgeted costs of the project implementation.

In the MoC audit sample, the SAO found that in 24 applications from 2017-2023, the applicants had indicated 100% of the planned budgeted project costs as the requested subsidy amount.

In the period of 2017-2023, the MoC granted and disbursed a subsidy at 100% of the planned budgeted costs to 24 projects under the PISL 1, PISL 6, PISL 8 and PISL 9 sub-programmes. Thus, the MoC violated Government Regulation No 288/2002 Coll. by providing beneficiaries with funds in excess of the established 70% limit, spending a total of CZK 12,746,777 in excess. These facts indicate a breach of the budgetary discipline.¹⁵

¹⁴ Section 6(1) of Government Regulation No 288/2002 Coll.

¹⁵ Section 44(1)(a) of the Budgetary Rules.

4. The MoC carried out only one public administration audit in the PISL programme in seven years

In the audited period of 2017-2023, the MoC provided a total of CZK 349.8 million to beneficiaries under the PISL programme. In the audited period, the MoC carried out one public administration audit on a single beneficiary under the PISL programme. The audit was carried out in 2017 and the audited amount of funds totalled CZK 840,000. Thus, in the audited period, the MoC audited only 0.2% of the total volume of funds provided under the PISL programme. **The public administration control performed by the MoC under the PISL programme was therefore insufficient.**

In view of the shortcomings mentioned in this Audit Report, the area of granting subsidies at the MoC can be considered as a risk.

At the same time, the SAO repeatedly draws attention to the low number of public administration audits carried out by the MoC (see, e.g., SAO Audit No 18/19, SAO Audit No 21/16 and SAO Audit No 23/15).

5. NLT did not set priorities for the digitisation of library collections

The NLT, like other specialised libraries, is required by the Library Act to ensure the restoration of library documents, or their transfer to another type of medium if necessary for their permanent preservation.¹⁶ Digitisation is therefore one of the activities included in its charter. The NLT does not consider digitisation as one of its key activities. The NLT had not drawn up procedures and priorities for digitisation of its library collections. Digital documents were much more popular among registered users of the NLT in the audited period (see Annex 3 to this Audit Report). It follows from the above that the NLT should deal with the digitisation of documents intensively and systematically. **The preference for digitised documents is increasing and it is desirable to speed up the process of digitisation of the NLT documents.**

Compared to the NLCR, the NLT digitises documents from historical collections more slowly, in the amount of several volumes per year; see Table 2.

Table 2: Digitisation of documents from historical collections under the PISL 6 sub-programme

Year	NLCR		NLT	
	Documents (pcs)	Expenditure (in CZK)	Documents (pcs)	Expenditure (in CZK)
2017	106	1,566,000	10	171,430
2018	109	1,646,000	9	224,289
2019	108	1,746,000	12	266,482
2020	104	1,790,000	0	0
2021	79	1,790,000	11	265,500
2022	81	1,933,992	0	0
2023	80	1,350,000	8	363,111
Total	667	11,821,992	50	1,290,812

Source: prepared by the SAO based on information from the NLCR and the NLT.

¹⁶ Section 18(c) of the Library Act.

The NLT does not have a dedicated department for the digitisation of the library collection. Technical equipment for digitisation at the NLT consists of only two outdated large-format book scanners and one desktop scanner.

6. NLT had major shortcomings in its archives and records management

The obligation to preserve documents and to enable the selection of archival materials is also imposed on GSOs under the Act on Archives and Records Management.¹⁷ According to the law, these organisations are supposed to perform records management in such a way as to ensure the professional management of documents (e.g., proper receipt, registration, distribution, circulation, handling, drafting, signing, dispatching, storage and disposal in the shredding procedure), including the audit of these activities.

From 1 January 2005 until June 2024¹⁸, the NLT did not perform records management in electronic records management systems according to the Act on Archives and Records Management.¹⁹ Furthermore, the NLT did not keep the documentation for PCs in a uniform manner, but rather in different places or systems, depending on the entity that implemented the PC in question. Moreover, these systems did not comply with the requirements of the Act on Archives and Records Management and other legal regulations, as they did not allow for full document registration.

During the audit of documents, the SAO found that **documents** such as tender documents, appointment of the evaluation committee, minutes of the evaluation committee meetings, contracts, written reports of the contracting authority, etc. **had not been properly registered** by the NLT and had not been given an unambiguous identifier guaranteeing their uniqueness.

The NLT acted in violation of the Act on Archives and Records Management²⁰ by not clearly labelling documents²¹ under the Act. These were documents prepared by the NLT itself and documents it had received. These documents were not kept in accordance with the Act on Archives and Records Management.²² Such conduct did not ensure the unique identification of the documents, which in turn could create room for arbitrary manipulation. Furthermore, the NLT acted in violation of the Act on Archives and Records Management²³ and Records Management Policy of the NLT by failing to assign appropriate classification codes, disposal schedules, and retention periods to documents.

7. Mandatory possession of copies of electronic publications is not yet in place

As early as 2011, the MoC set a sub-objective – *Legislative regulation of the mandatory storage of electronic publications* – in the *Library Development Concept of the Czech Republic for 2011-2015*.²⁴ However, the MoC failed to meet the sub-objective under that concept. According to the LDC 17-20 and the LDC 21-27, the institution of mandatory copies was crucial for libraries.

¹⁷ Section 3(1)(d) of the Act on Archives and Records Management.

¹⁸ In July 2024, the NLT introduced an electronic records management system that met the requirements of the Act on Archives and Records Management.

¹⁹ Section 63(3) of the Act on Archives and Records Management.

²⁰ Section 64(2) of the Act on Archives and Records Management.

²¹ Section 2(e) of the Act on Archives and Records Management.

²² Section 68(1) of the Act on Archives and Records Management.

²³ Section 66(3) of the Act on Archives and Records Management.

²⁴ Implementation of the measures of the *Library Development Concept of the Czech Republic for 2011-2015*, priority 3, sub-objective 4, p. 27.

In the context of the LDC 17-20, the MoC failed to fulfil this measure. Therefore, in the LDC 21-27, the MoC again set a sub-objective: *“to complete the legislative process to introduce mandatory copies of electronic publications and to create and ensure the operation of a system for their collection, processing, availability and storage.”*

The **MoC submitted to the Government of the Czech Republic a bill**²⁵ which introduced mandatory copies of electronic publications. By the end of the audit, the bill had not been discussed and approved by the Parliament of the Czech Republic. The MoC has been seeking to introduce mandatory copies since at least 2011, i.e., for 13 years. The introduction of mandatory copies is expected to save funds spent on the digitisation of modern documents, as libraries will not have to digitise these documents then.²⁶

List of terms and abbreviations

CzechELib	<i>National Centre for Electronic Information Resources – CzechELib project</i>
EIR	electronic information resources
LDC 17-20	<i>Library Development Concept for 2017-2020</i>
LDC 21-27	<i>Library Development Concept for 2021-2027</i>
MoC	Ministry of Culture
Moravian Library	Moravian Library in Brno
SAO	Supreme Audit Office
NRP	<i>National Recovery Plan</i>
NLCR	National Library of the Czech Republic
NLT	National Library of Technology
OP RDE	<i>Operational Programme Research, Development and Education</i>
SCP 15-20	<i>State Cultural Policy 2015-2020</i>
SCP 21-25	<i>State Cultural Policy 2021-2025+</i>
GSO	Government subsidised organisation
R&D	research and development
PISL	<i>Public Information Services of Libraries</i>
PC	public contract

²⁵ Government Bill amending Act No 257/2001 Coll., on libraries and terms of operating public library and information services (the Library Act), as amended, Act No 37/1995 Coll., on non-periodical publications, as amended, and Act No 46/2000 Coll., on rights and obligations in the publication of periodicals and on amendments to certain other acts (the Press Act), as amended (hereinafter also the “Bill”).

²⁶ According to the explanatory memorandum of the current Bill, the current legal framework of the Czech Republic does not provide an adequate legal framework for the collection, storage and protection of and access to electronic documents published on websites and accessible online (so-called web harvesting). There is also no obligation to hand in mandatory copies of electronic publications as one of the tools for building preservation collections (web archives) of libraries. The new legislation aims to establish the obligation of the NLCR to carry out web harvesting as part of the main activities of the NLCR and at the same time to regulate the obligation to hand in mandatory copies of non-periodical publications acquired electronically and selected electronic periodicals.

List of annexes

Annex 1: Digitisation of library collections and their availability in the NLCR.

Annex 2: Digitisation of library collections and their availability in the Moravian Library.

Annex 3: Digitisation of library collections and EIR and their availability in the NLT.

Annex 4: Digitisation of library collections and their availability in Europe.

Digitisation of library collections and their availability in the NLCR

The total library collection of the NLCR comprised 7,727,350 library items²⁷ (as of 31 December 2023). The percentage of already digitised documents out of the total number of volumes in the NLCR cannot be realistically determined because the total number of library items is not the total number of unique titles. Some documents are represented in the collections in multiple copies or their condition does not allow digitisation, etc. The NLCR must also respect the rules set out in the Copyright Act. In addition, the library collection of the NLCR is constantly expanding by tens of thousands of titles per year. The NLCR digitises documents from **historical and modern collections**.²⁸

Historical collection

AVAILABLE AT:
Manuscriptorium

NUMBER OF DIGITAL
DOCUMENTS:
169,700

NUMBER OF
VISITS:
ø 317,640/year

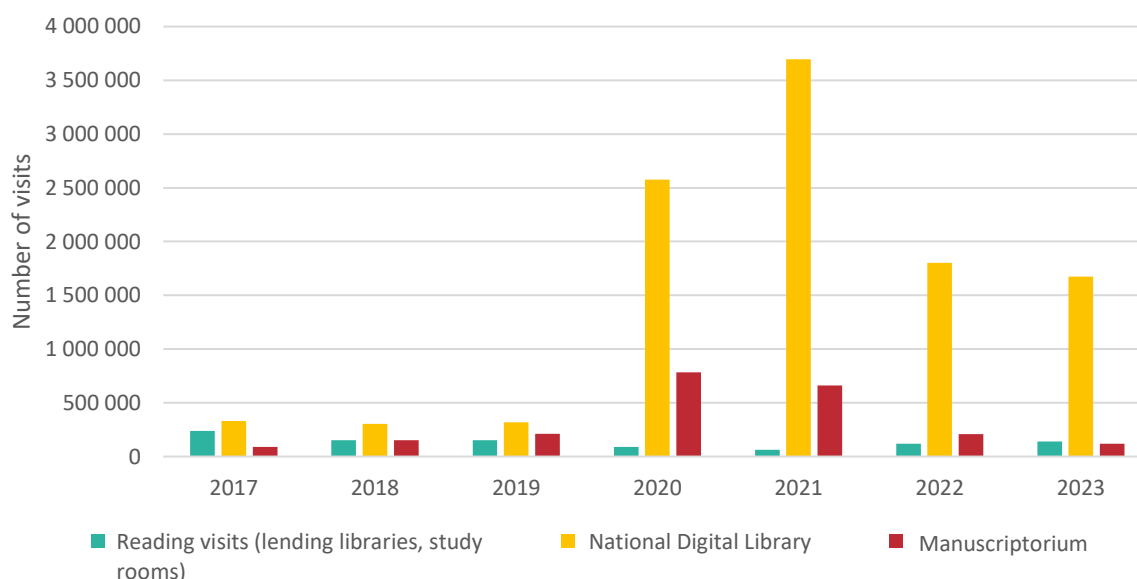
Modern collection

AVAILABLE AT:
*National Digital
Library*

NUMBER OF DIGITAL
DOCUMENTS:
271,700

NUMBER OF
VISITS:
ø 1,528,713/year

Chart 1: Trend in physical and online visits to the (digital library of the) NLCR in 2017-2023

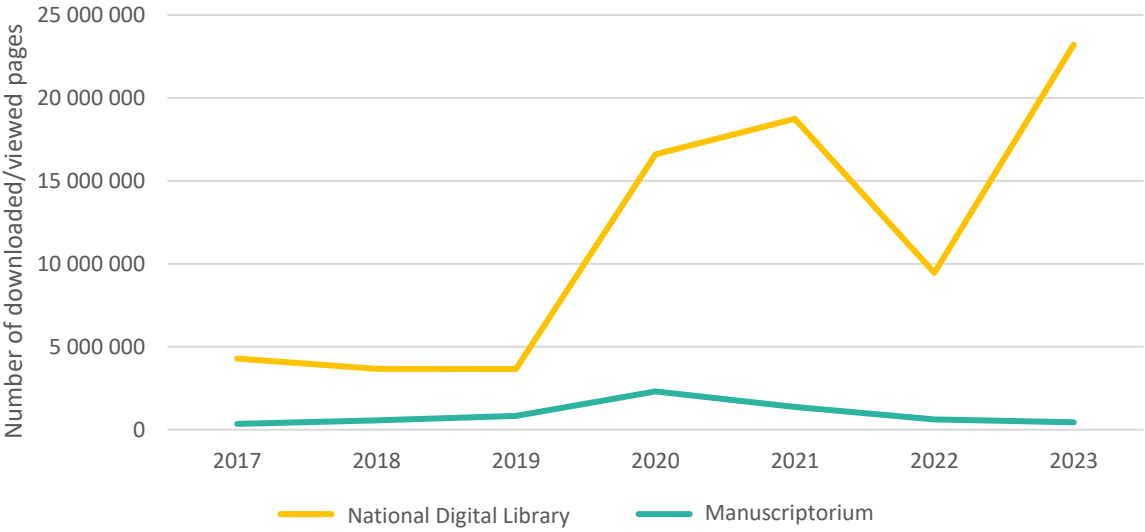


Source: prepared by the SAO based on data from the Annual Report of the NLCR for 2023.

²⁷ A library item is any document from the library's collection recorded as a separate item (e.g., a book, a journal or, for example, a bound volume of a magazine, a map, a music book, a multimedia carrier, etc.).

²⁸ Depending on their nature, digitised documents from the Slavonic Library's collections are made available by the NLCR either in the Manuscriptorium or in the National Digital Library.

Chart 2: Trend in the use of digital documents in the NLCR in 2017-2023



Source: prepared by the SAO based on data from the Annual Report of the NLCR for 2023.

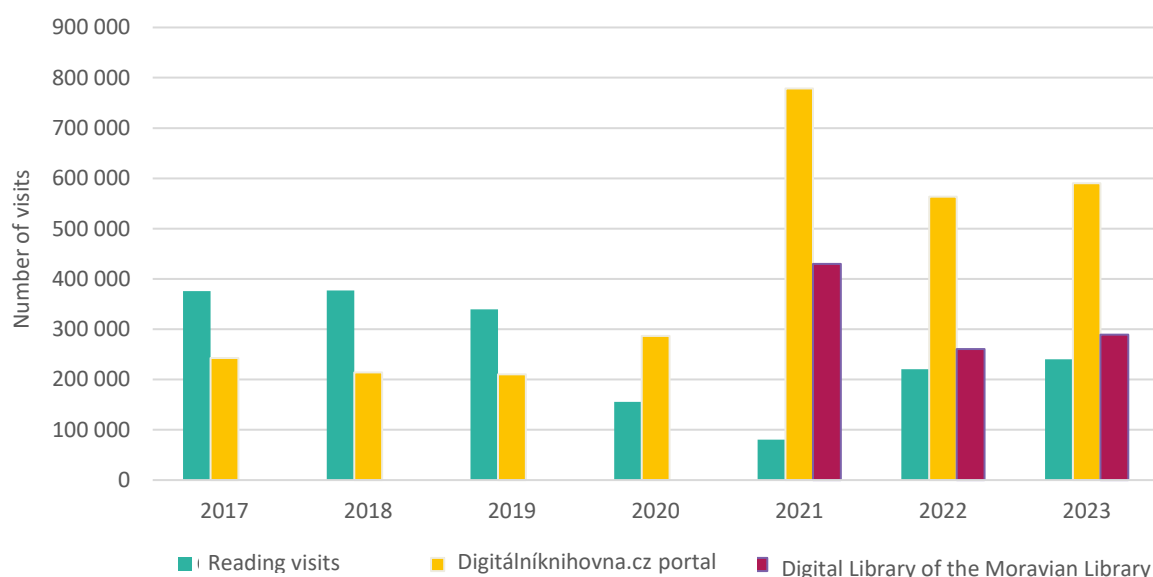
Digitisation of library collections and their availability in the Moravian Library

The total library collection of the Moravian Library comprised 4,406,455 library items (as of 31 December 2023). As in the case of the NLCR, it is not possible to determine the percentage of already digitised documents out of the total number of volumes because the same constraints apply to the Moravian Library as to the NLCR. The Moravian Library digitises documents **from the current collection, historical collections, map and graphic collections and gramophone records.**

Collection of the Moravian Library



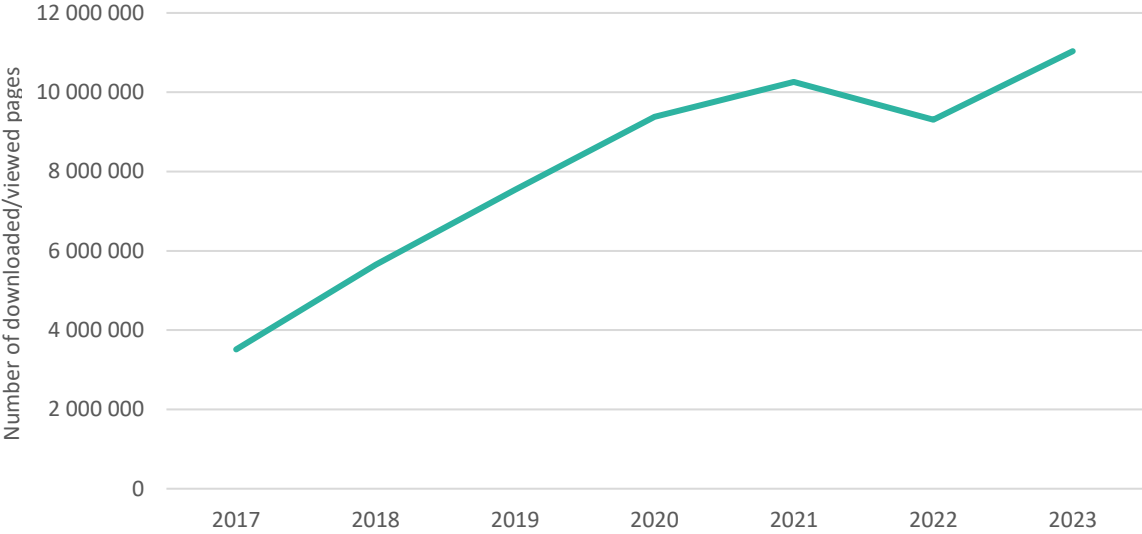
Chart 3: Trend in physical and online visits to the (digital library of the) Moravian Library in 2017-2023



Note: The Moravian Library started tracking the visits to its digital library separately only in 2021.

Source: prepared by the SAO based on data from the Annual Reports of the Moravian Library for 2017-2023.

Chart 4: Trend in the use of digital documents in the Moravian Library in 2017-2023



Source: prepared by the SAO based on data from the Annual Reports of the Moravian Library for 2017-2023.

Digitisation of library collections and EIR and their availability in the NLT

The total library collection of the NLT comprised 903,764 library items (as of 31 December 2023). The NLT digitises documents **from historical and modern collections**. The NLT also acquires and makes available EIR for the R&D&I field.

Collection of NLT

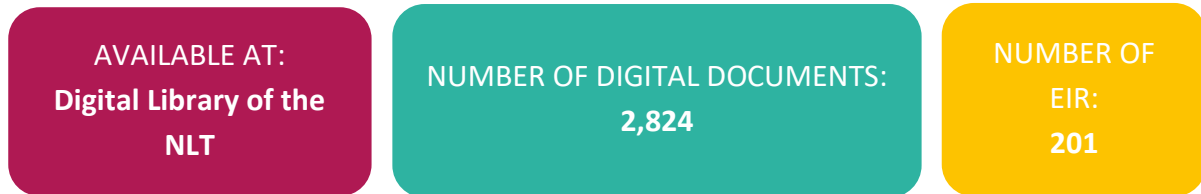
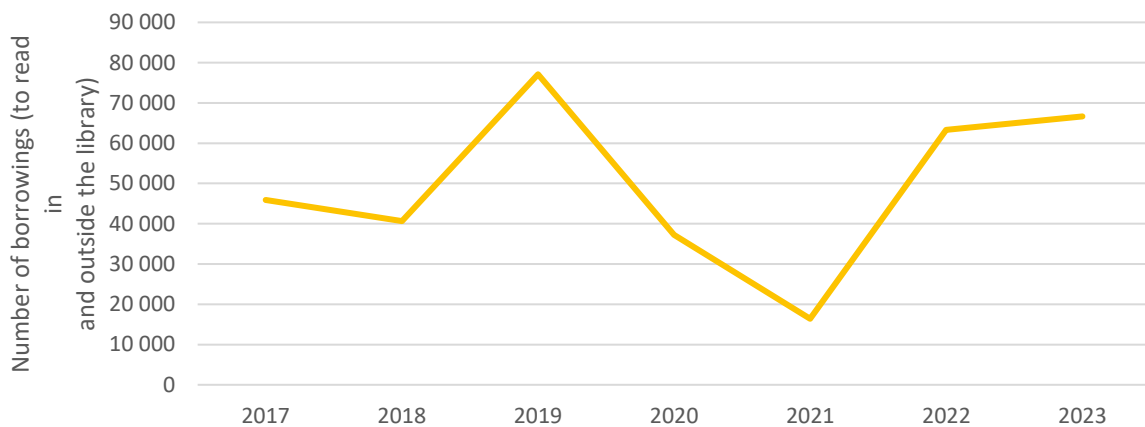
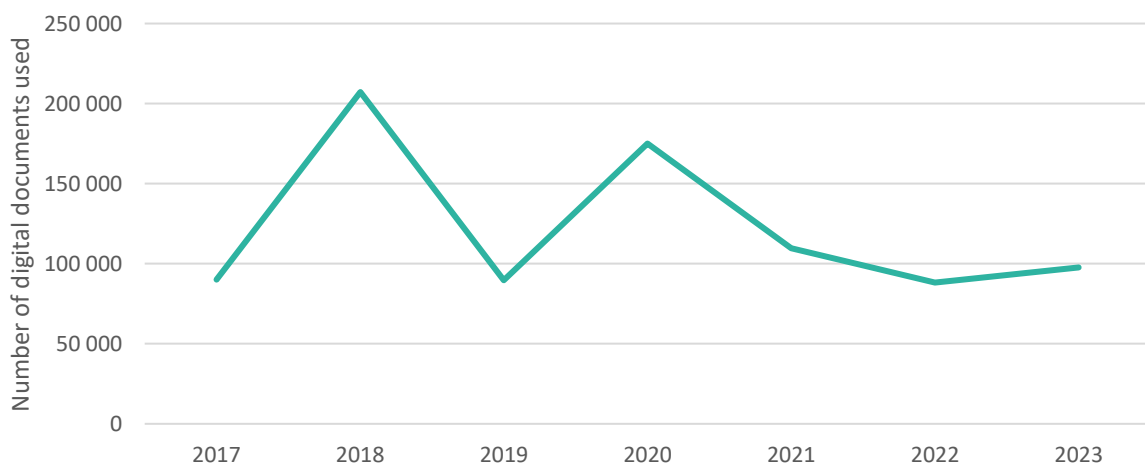


Chart 5: Trend of analogue document borrowing in the NLT in 2017-2023



Source: prepared by the SAO based on data from NLT for 2017-2023.

Chart 5: Trend in the use of digital documents in the NLT in 2017-2023



Source: prepared by the SAO based on data from the NLT for 2017-2023.

Digitisation of library collections and their availability in Europe

Digitisation of library collections is also taking place in other EU countries. In the framework of international cooperation, the SAO approached European supreme audit institutions to obtain relevant information on the digitisation of library collections. The SAO received a total of 11 replies. However, there is no uniform system of digital document registration, preservation and access within the European Union, so Table 1 provides only a basic overview of digitisation in European libraries.

Table 1: Overview of digitisation of library collections in Europe and their availability

Digitisation of libraries	Main coordinator of digitisation of library collections	Main sources of funding for digitisation	Number of digitised library items (as of 31 December 2023)	Central Digital Library
Czech Republic	Ministry of Culture National Library of the Czech Republic Moravian Library in Brno	Approx. CZK 50 million/year: from the budget of the Ministry of Culture	538,048 library items	Czech Digital Library https://ceskadigitalniknihovna.cz
Lithuania	National Library of Lithuania	2023: EUR 235,252 (over CZK 5.5 million) – from the funds of the National Library	63,289 library items	National Library www.ibiblioteka.lt
Slovenia	National and University Library of Slovenia	Relevant data missing	1,059,112 library items*	National and University Library https://dlib.si/?&language=eng
Germany	Federal Commissioner for Cultural and Media Affairs National Library of Germany Berlin State Library	2024: approx. EUR 7 million (approx. CZK 175 million) – from the funds of the Federal Commissioner for Cultural and Media Affairs	2022: 296,690 library items (0.87 % of all library items) – National Library of Germany	German Digital Library https://www.deutsche-digitale-bibliothek.de/
Poland	Ministry of Culture and National Heritage National Library of Poland	Cultural Support Fund, budgets of territorial self-governing units EU funds – <i>Patrimonium</i> project	2024: 2,065,458 library items	National Library https://polona.pl
Croatia	Ministry of Culture	Project financing (EU funds + libraries' own funds)	Relevant data missing	Digital portal for libraries and museums in Zagreb www.digitalna.nsk.hr
Italy	Ministry of Culture Institute of Digitalisation of Cultural Heritage – Digital Library	For the period of 2022-2024: EUR 1.5 million (CZK 37.5 million)	1,220,000 library items	Italian Digital Library https://www.internetculturale.it
Finland	Libraries plan their digitisation activities independently; The National Library of Finland is digitising its own (national) collections	Library budgets, projects funded by private donors	Over 27 million pages, 2.4 million periodicals, 30,000 monographs	National database www.finna.fi
Austria	Digitalisation of libraries is not centralised	State budget, National Library of Austria: PPP project with Google	2,761,042 library items	National Library https://onb.digital/
Estonia	Ministry of Culture	State budget	176,297 library items	National Library https://www.digar.ee/arhiiv/en
Latvia	Ministry of Culture	State budget, municipal budgets, EU funds; period of 2017-2023: EUR 20 million (CZK 500 million) – state and European funds	More than 3.8 million library items	National Library www.digitalabiblioteka.lv
Sweden	National Library of Sweden	State budget, budgets of territorial administrative units	Over 10 million titles (books, periodicals, films, etc.)	National database https://libris.kb.se/

*Of which 867,645 are articles or papers, not a single copy of the periodical.

Source: prepared by the SAO based on data received from European supreme audit institutions.