

Transparency International EU

The global coalition against corruption

Following European Parliament resolution, the Czech government must finally act on PM's conflict of interest

Alessandro · Friday, June 19th, 2020

Issued by TI Czech Republic

Prague, 19 June 2020 – A resolution passed today in the European Parliament regarding Czech Prime Minister Andrej Babiš's ongoing conflict of interest. It is a welcome further recognition of misuse of public funds by the Prime Minister. The resolution, which passed by 510 votes to 53 (with 101 abstentions), comes exactly two years to the day since Transparency International Czech Republic (TI CZ) brought to light evidence that PM Babiš retains control of companies that receive millions in the Czech and the EU subsidies each year.

David Ondrá?ka, Director of TI CZ, said: *“All of Europe can see that Babiš has a conflict of interest. He controls Agrofert, a holding company that receives millions of Euros in subsidies, which he has no right to receive. Only the Czech government is still playing along, stalling for time and sometimes even openly lying about this not being the case. Babiš is practically stealing from other eligible recipients, who are losing money because of him. It is high time for him to either fully divest from Agrofert or resign.”*

Today's resolution is the second resolution passed by the European Parliament on this matter. The first was in December 2018, just a few months after TI CZ filed a [complaint](#) to the European Commission over PM Babiš's role in forming the European budget while simultaneously benefiting from it.

Both the Prime Minister and Agrofert claim that Babiš is no longer connected to Agrofert. However, several investigative journalists [have found](#) registries of beneficial ownership that clearly identify Andrej Babiš as one of the beneficial owners of Agrofert. When Babiš steps down from his political function, he will reclaim ownership of Agrofert, meaning his actions as a politician will directly influence his future assets.

TI CZ is calling for Babiš to either step down from political office or completely remove any connections he has to Agrofert. A proposal tabled in the resolution for Agrofert to stop receiving European subsidies is unfortunately not a solution, as it does not stop the Prime Minister controlling media outlets owned by Agrofert or receiving public procurement contracts, national subsidies or investment incentives from the Czech Government.

As well as immediate action to resolve this conflict of interest by the Prime Minister, Transparency International Czech Republic is urging Czech lawmakers to solve a flagrant lack of systematic controls to prevent such conflicts of interest in the allocation of both European and national

budgets.

See also:

- Andrej Babiš is our controlling person (beneficial owner), says Agrofert, 22 June 2018
- Transparency International sends the first complaint concerning Andrej Babiš's conflict of interest, 7 August 2018
- European commission suspends subsidies to Agrofert, recognizing complaint of Czech chapter, 14 December 2018
- European Commission confirms Czech Prime Minister Andrej Babiš has conflict of interest, 5 June 2019
- President of the European Commission urged not meet 'behind closed doors' with Prime Minister of Czech Republic, 19 June 2019
- European Commission audit report finds Czech Prime Minister has conflict of interest – Czech media, 4 December 2019

For any press enquiries please contact

David Katora (TI CZ, Prague)

T: +420 605 785 622

E: katora@transparency.cz

Lucinda Pearson (TI EU, Brussels)

T: +32 (0) 2 893 24 66

E: lpearson@transparency.org

Michael Hornsby (TI Secretariat, Berlin)

T: +49 30 34 38 20 666

E: press@transparency.org

This entry was posted on Friday, June 19th, 2020 at 7:35 pm