

ECONOMIC NEWS SUMMARY JANUARY 23 – JANUARY 29

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ECONOMY & FINANCE

STATE DEBT TO GDP RATIO IN CR DOWN BY 1.2 PP – 23. 1.

The ratio of the Czech Republic's state debt to GDP fell q/q by 1.2 pp to CZK 1.78 trillion and y/y by 1.9 pp and reached 32 % of GDP in 3Q 2019. In Slovakia the state debt to GDP ratio fell q/q by 0.2 pp to EUR 45.06bn. In a y/y comparison it fell 3.5 pp. Slovak state debt reached 48.4 % of GDP. This was reported by Eurostat.

CNB MAY BE GIVEN RIGHT TO DICTATE MORTGAGE – 24. 1.

The Czech National Bank may get extended powers in being able to dictate conditions for mortgage loans to banks, according to an amendment to the law approved in its first reading by the lower house on Friday.

At present the central bank only has the right to issue recommendations which are not binding, although they are generally adhered to. According to the bill's proponents it is to lower the risk of potential losses and protect the resilience of the financial sector.

The proposed amendment was vehemently opposed by the Civic Democrats, the Pirate Party a TOP 09, who argued that it could make housing less accessible to young people.

It is now being reviewed by the Budget Committee in the Chamber of Deputies.

MORTGAGE MARKET DROPS 16.9% TO CZK 182BN – 24. 1.

The total number of mortgage loans provided in 2019 dropped 22% year-on-year to 77,388. The volume of contracted loans was 16.9% lower and amounted to CZK 181.58bn. This information was provided by Fincentrum & Swiss Life Select, adding that increased prices of real estate prevented a further weakening of volumes. Still, this is the worst result of the mortgage market in the past five years. The average interest rate at the end of 2019 was 2.34% (2018: 2.91%). The company expects a gradual increase in rates in 2020.

GDP GROWTH TO SLOW DOWN TO 2.0% IN 2020 – 24. 1.

Economic growth in 2020 will slow down to 2.0% from 2.5% expected for 2019. This is forecast by the Czech Banking Association (ČBA), adding that GDP should gain 2.3% in 2021. Economic performance in 2020 and 2021 should be aided by private consumption supported by a still stable, yet gradually slowing increase in wages. Currently the highest risks in terms of the Czech economy are the creation of a trade dispute between the United States and EU countries in connection with European subsidies for Airbus and the imposition of duties on European goods in the amount of USD 7.5bn. Within the framework of inflation development, analysts expect a gradual slowdown to 2.7% in 2020 and 2.0% in 2021.

CR TO GET ANOTHER CZK 36.6BN FROM EU – 24. 1.

Thanks to the fulfilment of milestones from the European investment and structural funds, the Czech Republic will be credited with another CZK 36.6bn. This information was provided by the Czech Ministry of Regional Development

(MMR), adding that in 2019 the Czech Republic paid out CZK 93.3bn to beneficiaries from the EU funds, approved over 66,000 new projects for an additional CZK 98.5bn, and drew all the finances that would otherwise be forfeited. Of the total CZK 577.2bn for the 2014-2020 period, for which drawings are possible until 2023, almost 85% of finances have been assigned to projects so far.

FITCH AFFIRMS CZECH REPUBLIC AT 'AA-' – 24. 1.

Fitch Ratings affirmed the Czech Republic at AA- with a stable rating, according to an official press release on Friday (Jan 24). The move was not surprising, as the Czech Republic's economy has developed steadily and not a lot has changed since the latest rating review. Besides, the Czech Republic now enjoys the same rating with all three major rating agencies, after Standard & Poor's upgraded it last October. The Czech Republic continues to enjoy better fiscal performance and lower debt than the AA median, though the difference is not as high as with the A rating group. In addition, it has been reporting fiscal surpluses since 2016 and Fitch Ratings expects that this will continue, albeit at a very modest level, at about 0.1% of GDP in 2020-2021.

US GOVT MAKES ITS POSITION ON DIGITAL TAX CLEAR – 24. 1.

The US government has made its position on the Czech digital tax clear, US embassy press attache Edward Findlay told CTK today, referring to US Ambassador Stephen King's December comments, according to which CR could face reasonable countermeasures from the US government.

Speaking at the World Economic Forum in Davos, Switzerland, earlier this week, US Treasury Secretary Steven Mnuchin said that tariffs may be imposed by President Donald Trump on countries introducing similar taxes, the press attache added.

The Czech Chamber of Deputies supported the government-sponsored digital tax bill on Wednesday.

The tax would apply to Internet companies with global revenues in excess of EUR750m (about Kc19bn) and an annual Czech turnover of at least Kc100m. The tax would affect companies such as Google, Facebook, Amazon and Apple. It could add about Kc5bn a year to state coffers.

The digital tax would discriminate against the very firms that CR is trying to attract and follow, King told the Lidove noviny daily in December.

The tax will affect consumers rather than large companies as the latter will pass the tax on by raising prices, King said.

Foreign Minister Tomas Petricek told the public broadcaster Czech Television (CT) on Thursday that the USA had lodged a formal protest against the bill.

"I understand that the USA views this negatively. But we are trying to explain that this step is just temporary until a solution is found at an international level," Petricek said.

Czech Finance Minister Alena Schillerova said in Brussels on Tuesday she was not worried about the USA's retaliation for CR's digital tax.

The Finance Ministry has discussed the tax with the US embassy, she said.

Schillerova spoke to Petricek about his statement today. The USA has not lodged any formal protest, she said in the Chamber of Deputies today, adding that Petricek merely met the ambassador, who asked him about the tax. If the digital tax bill makes it through the Czech Parliament, it may come into effect this year.

CR MAY HAVE DIGITAL TAX AS EARLY AS THIS YEAR – 26. 1.

The digital tax on large Internet companies could be introduced in the Czech Republic as early as this year, but its rate could be lower than the proposed 7 percent, Jaroslav Faltynek, the chairman of senior ruling ANO movement's group of deputies, said in a discussion programme on the public Czech Television (CT) today.

According to opposition Pirates chairman Ivan Bartos, the tax rate should be lowered to 3-5 percent.

"Seven percent of turnover means 30 percent of the firms' income, which would make the tax huge," Bartos.

Faltynek said there was willingness to debate the tax rate in the Chamber of Deputies.

The Chamber of Deputies supported the government-sponsored digital tax bill in the first reading this week. The proposal is now to be discussed by the lower house's budget committee.

The tax would apply to Internet companies with global revenues in excess of EUR750m (about Kc19bn) and an annual Czech turnover of at least Kc100m. The tax would affect companies such as Google, Facebook, Amazon and Apple. It could add about Kc5bn a year to state coffers.

"We will try to push it through the Chamber of Deputies fast so that it could take effect this year," Faltynek said.

The state budget envisages an income of Kc2.1bn from the digital tax this year, he added.

The USA, where a number of the Internet giants are based, has expressed disagreement with the Czech digital tax bill. Its government representatives have threatened to introduce retaliatory measures.

RETAINED EXCESS VAT DEDUCTIONS FALL – 26. 1.

The value of excess VAT deductions retained by tax authorities went down to Kc994m at the end of 2019 from Kc1.07bn the year before, falling below the Kc1bn level in September, which happened for the first time since 2014, according to data from the Financial Administration.

In November, the value fell to Kc789m.

The highest volume of Kc18.2bn was registered in March 2014.

Excess deduction means entitlement to VAT refund. It is a difference between VAT on goods and services sold and bought by an entrepreneur as a registered VAT payer. A company may raise a request for the refund of money if, in a given taxation period, it bought more goods and services than it sold.

The downward trend is partly the result of introducing new effective tools of VAT management such as ledger statements, the administration said earlier.

COMMITTEE FOR NOMINATIONS TO STATE-RUN FIRMS – 27. 1.

The Czech government set up a committee for personal nominations to managements and boards of state-run companies at its meeting today, it writes on its website.

The committee will be assessing candidates for these posts selected according to the new rules of the nomination law which took effect at the beginning of the year.

The committee, whose operation will be secured by the Government Office, will have at least five members who would have a five-year mandate. It will recommend candidates to ministers. If a minister selected a different candidate than the recommended one, he or she will have to present his arguments for such a decision.

The committee will have ten days to assess nominations for a given post. It should reject candidates who do not meet the conditions set by law, such as a clean criminal record or possibly a security vetting.

The nomination law concerns companies in which the Czech state has a stake, state-owned firms, the Budvar brewery and the Czech Railway Infrastructure Administration (SZDC).

CR'S NET POSITION TO EU POSITIVE – 29. 1.

In 2019, the Czech Republic received CZK 68.5bn from the EU budget that it had paid to it. The information was provided by the Czech Ministry of Finance (MF). In the period, the Czech Republic received CZK 119.9bn from the EU budget and simultaneously paid CZK 51.4bn. The surplus was primarily due to revenues from the Structural and Cohesion Funds totalling CZK 83.1bn and revenues from the Common Agricultural Policy of CZK 32.6bn. The resulting net position on the EU budget for 2019 is higher than the balances in 2017 and 2018.

ECONOMIC GROWTH TO SLOW DOWN TO 2.2% – 29. 1.

Czech economy maintains a stable growth rate despite the slowdown in Q3 2019; the full-year growth rate in 2019 has been around 2.5%. This stems results from the quarterly report of the Ministry of Industry and Trade (MPO) - Analysis of the Czech Economy Development - January 2020. The economy is driven mainly by services whose growth eliminates the weakening contribution of industry, which is affected mainly by weak foreign demand. Given the unclear situation abroad, the Ministry of Industry and Trade expects the Czech economy to slow down to 2.2% in 2020 from an estimated 2.5% in 2019.

AGRICULTURE & ENVIRONMENT

FARMERS CAN APPLY TO USE POISON AGAINST VOLES – 23. 1.

Czech agricultural authorities plan to give permits to farmers to use Stutox II, a rat poison, to combat an infestation of voles in fields, orchards, meadows and vineyards.

Last summer, the Ministry of Agriculture put a ban on the poison's blanket use after the Ministry of Environment warned it poses a threat to birds and other animals, including pets.

Now, only areas with five times the so-called harmful threshold of voles can apply for permits to use Stutox II. The authorities expect the first permits will be issued by late February

LESY ČR HAS SIGNED CONTRACTS WORTH CZK 7BN – 23. 1.

Lesy České republiky has signed 49 contracts out of a total of 54 partners of forestry tender 2020+. The value of the contract is CZK 7bn. This was stated for ČIANEWS by company spokeswoman Eva Juklová, who added that another contract is about to be signed. Nine contracts have

been signed in nine called parts of the tender tied to planting activities as have 18 out of 22 focused on forestry activities with the sale of lumber and 22 out of 23 focusing on forestry work without the sale of lumber.

POLAND APPROVES TUROW MINE EXTENSION – 28. 1.

Poland took a step to extending the Turow open pit lignite mine near the Czech-Polish border, councilman for the environment Jiri Loffelmann said at a meeting of Liberec Region representatives today.

The Polish General Directorate for Environmental Protection decided to allow the extension of the mine as part of the environmental impact assessment (EIA) cross-border procedure despite criticism from the Czech Republic.

Loffelmann said the Liberec Region is ready to use all options in its attempt to stop the extension.

"They basically issued two statements, the second one meaning that their decision takes effect immediately. That means that although we can appeal it, I assume the immediate effect means that they continue preparing the start of extraction and to secure a mining license," Liberec Region governor Martin Puta said.

The mining license, issued in 1994, is set to expire in April 2021.

"We now have two weeks to appeal the officially published decision," Puta said.

The Turow mine supplies coal mainly to the nearby Turow plant, which generates 8% of Poland's energy supplies. The owner of both installations, PGE Group (Polska Grupa Energetyczna), plans to continue mining at the location until 2044.

PGE wants to extend the Turow mine so that it reaches up to 30 square kilometers and the mining would reach depths of up to 330 meters under the surrounding ground.

The mine extension is planned to progress along the road leading from German Zittau to Polish Bogatynia. The closest Czech towns are Uhelna, Vaclavice, Oldrichov na Hranicich and Hradek nad Nisou. Locals living near the border fear losses of water as well as increased noise and dust pollution. The Liberec Region has filed a complaint about the planned extension of the open pit lignite mine Turow with the European Commission, considering Poland's steps illegal.

At present, Poland does not cooperate with Czech authorities, trying to circumvent the opposition of the Czech Republic and the public to the extension.

The Liberec Region hopes that the EC will actively support the Czech Republic's efforts to protect the sources of drinking water on the Czech side of the border.

The Liberec Region has joined the authorisation procedure process in Poland and also filed a complaint about a change in the zoning plan thanks to which Bogatynia allowed another expansion of the mine last May.

The Liberec Region, towns and villages in the border area are collecting signatures for a petition demanding the conservation of drinking water, to be sent to the European Parliament.

The region is coordinating its steps with the Czech Environment Ministry, which announced a press briefing for Wednesday.

CZECH WATER, SEWERAGE CHARGES TO GROW – 29. 1.

Czech water supplies and sewage collection charges will rise by an annual rate of 3.6% to an average of Kc90-92 per cubic metre this year, according to data of the Water Supply and Sewerage Association (SOVAK).

The price growth is an acceleration from last year's 3.2%. The main factor behind the annual hike was inflation.

The association analysed prices in 13 regional and more than 30 district towns.

According to data from the Agriculture Ministry, a total of Kc14.3bn were invested in infrastructure repairs, renovations and construction in 2018. This amount corresponded to more than 38% of water and sewerage charges.

The amount of these investments is growing, SOVAK board chairman Miloslav Vostry said.

Total water losses in the water supply network reached 15.8% last year. According to SOVAK head Oldrich Vlasak, no country in Europe has losses below 10%.

SOVAK associates companies that supply drinking water, collect sewage and treat wastewater.

According to data from the Czech Statistical Office (CSU), consumer prices in the Czech Republic rose by 2.8% last year, marking the second highest average inflation rate in 11 years.

EDUCATION & RESEARCH & ICT & SECURITY

APPROVED PROPOSAL TO TAX DIGITAL SERVICES – 23.1.

The Chamber of Deputies of the Parliament of the Czech Republic (PSP) approved in the first reading the government proposal on a digital services tax. Finance Minister Alena Schillerová (for ANO) stated that a 7% tax will apply to legal entities which are either a part of a group with consolidated earnings exceeding EUR 750m or which have such earnings on their own. At the same time these companies must on their own or as part of a group collect the aggregate portion of the remuneration for the taxable services rendered in the Czech Republic, exceeding CZK 100 million. No news in this category.

CONSULTATION ON HIGH-SPEED INTERNET – 23. 1.

On January 17, 2020 the Ministry of Industry and Trade of the Czech Republic launched a public consultation regarding proposed intervention areas in which it will be possible to build high-speed internet access networks with support from public funds as part of the forthcoming next round of Call High-speed Internet.

E-MOTORWAY VIGNETTE ORDER OFFICIALLY CANCELLED – 23. 1.

A controversial order for the electronic motorway vignette in the CR has been officially cancelled, Industry and Trade Minister Karel Havlíček, announced on Thursday.

The 400 million crown contract, deemed overpriced by experts, had been awarded to Asseco Central without a tender.

Vladimír Kremlík was also formally dismissed from his post as Ministry of Transport, effective on Thursday, over the matter. PM Babiš said on Monday he was considering merging the ministries of Transport and Industry and Trade. For the moment, Havlíček is in charge of the portfolio.

NEW ONLINE MOTORWAY VIGNETTE SALES SYSTEM – 27. 1.

IT specialists who took part in a two-day hackathon to produce an online sales system for electronic motorway vignettes, officially launched the system on Sunday.

The two-day hackathon, attended by around 60 volunteers, followed the scrapping of an overpriced deal negotiated by the former transport minister.

The organizer of the event, IT specialist and entrepreneur Tomáš Vondráček, wants to offer the system to the government free of charge.

PM Babiš, who visited the event on Sunday, said that if the system proves to be functional, the government is ready to put it to use.

CTO CHIEF RESIGNS OVER 5G NETWORK AUCTION – 27. 1.

The head of Czech Telecommunications Office Jan Novák handed in his resignation on Monday morning over the postponement of the auction of 5G frequencies, arguing that it will cost the state at least CZK 6 billion lost revenue.

The auction was initially scheduled for the second half of 2019 but was postponed due to an objection by the European Commission over competition concerns.

The government accepted his resignation and appointed Jana Továrková, the current member of the office's board, in his place.

The Minister of Industry and Trade, Jan Havlíček, announced on Monday that the auction is likely to take place in May or June this year.

INTERIOR MINISTRY TO APPROVE IT TENDERS – 27. 1.

All tenders for state institutions' information technology (IT) over Kc6m will be subject to approval by the office of the chief eGovernment architect under the Interior Ministry, with disputes to be resolved by the government, the cabinet decided today.

The decision comes as a response to the motorway e-vignette issue, where the contract for the system was deemed overpriced by both the government and experts.

The regulation is strict, according to Prime Minister Andrej Babis.

If disputes arise between the architect's office and the contracting authority, the government will be informed of the tender, Babis added.

All IT tenders will be subject to approval by the chief architect, said government envoy for IT and digitisation Vladimir Dzurilla.

State IT specialists will be able to keep track of tenders and combine them, and use various synergies, he added.

The reporting duty will apply to state administration, ministries, state-subsidised organisations and state enterprises, Dzurilla said.

It has so far only applied to some institutions.

According to the government's resolution, the reporting duty will have to be met before the contract is signed or the processing of the tender documentation completed.

The measure will require hiring an additional ten people, with the posts to be created as of March 1. The Finance Ministry will allocate Kc11.7m to wages.

The state was supposed to pay Kc401m for the motorway e-vignette information system, but the contract was cancelled

by the State Transport Infrastructure Fund (SFDI) following heavy criticism.

The contract also resulted in the dismissal of Transport Minister Vladimir Kremlík last week.

IT experts held a hackathon during the weekend, where they created a motorway e-vignette information system. They want to hand it over to the state free of charge in the coming weeks.

CZECH GOVT APPOINTS TOVARKOVA AS CTO HEAD – 27. 1.

The Czech government today appointed Hana Tovarkova as new head of the Czech Telecommunication Office (CTU), dismissing Jaromir Novak from the post, Industry and Trade Minister Karel Havlicek said after the government meeting.

Earlier today, Novak resigned as chairman of the CTU over the ministry's attempt to change conditions of the planned auction for frequencies in 5G networks, he said in a resignation letter released on Twitter.

Novak wanted to leave at the end of January, but the dismissal is effective from today, Havlicek said.

The government proposed that Novak stay on the CTU Council, however, he resigned as a member, too, Havlicek said.

Today, the ministry submitted a document on the auction's course to the government, which it did not discuss with the CTU, the auction's organiser. The auction should bring in at least Kc6bn to the state budget.

Novak said he feels uncertain that the final version of the auction's conditions will bring the expected change to the telecommunications market and withstand a judicial review.

It is due to the CTU's activities that prices of mobile services in the Czech Republic are much more expensive than in the remainder of Europe, Prime Minister Andrej Babis told journalists today.

The auction's conditions have to secure quality competition, Havlicek said.

The auction needs to attract more companies, which would increase competition, lower data service prices, and create environment for 5G networks' development, Havlicek said.

At the moment, the auction is affected by changes requested by the European Union, and the interest is low, Havlicek said.

"We respect the independence of CTU but we also act in line with the economic competition rules. The auction proposal was criticised not only by current large players but also by other entities on of which could potentially become the fourth operator," Havlicek said.

In its current version, the auction might be challenged by the European Commission as being discriminatory since it put one domestic candidate at advantage, Havlicek said.

"My priority as the head of CTU is to prepare a new version of the frequency auction as transparently as possible in order to enable as many entities as possible to take part in it, which could eventually lead to a decrease in mobile data as consequence," Tovarkova said.

It is important for operators that regulatory conditions on the domestic market are foreseeable and transparent and lead to fair competition, Association of Mobile Networks Operators (APMS) head Jiri Grund said, adding that the association was ready to cooperate both with the regulator and with the ministry.

The CTU is going to auction frequencies in the 700 MHz and 3,500 MHz frequency bands.

The auction was originally scheduled for January. Today, the government postponed its launch in order for CTU to be able to change its conditions to make them more attractive for more mobile operators.

Havlicek said after today's cabinet meeting that the auction might be started in May or June.

Novak headed the office from 2013. He was the ministry's digital economy division head before that.

5G AUCTION TO BE OPENED BY THE END OF H1 2020 – 28. 1.

The 5G technology auction in new wording should be opened by the end of H1 2020. The information was provided by the Ministry of Industry and Trade (MPO). Foreign operators' interest in the 5G auction, which has been under preparation since mid-2019, was nil, Minister of Industry and Trade Karel Havlíček (for ANO) said after the government session on January 27, 2020; he added that under the current conditions, only one smaller Czech bidder would probably enter the auction. The government has also recommended to the Czech Telecommunications Office (ČTÚ) a new assignment accentuating cheaper mobile data and setting of criteria leading effective, fast, accessible and secure development of 5G networks. The government also dismissed ČTÚ chairman Jaromír Novák. Regarding his successor, the government expressed support for current ČTÚ board member Jana Továrková.

TENDER FOR E-VIGNETTE TO BE MOSTLY OPEN – 28. 1.

Tender for the Czech motorway e-vignette IT system will be mostly open, but parts involving intelligence and security services' requirements will remain in a secret regime, Transport Ministry spokesman Frantisek Jemelka told CTK today.

The state will, however, announce a selection process for companies with security clearance for the system's classified parts, Jemelka said.

The open tender will concern a portal, e-shop and mobile app for motorway vignettes, he said.

Over the weekend, a group of 60 volunteers developed an IT system for free. Using their system is another possibility, Jemelka said.

If the system is functional, the state will use it, Prime Minister Andrej Babis has said. The state may accept it in the coming weeks and then announce a public tender for its operation.

Originally, the entire IT system was in a secret regime. In the middle of January, the State Fund for Transport Infrastructure (SFDI) said the IT system's supplier and operator would be company Asseco Central Europe that would get Kc401m for the contract.

However, the contract price and the fact that the company was selected in a secret process received criticism of experts, the opposition and Babis.

Vladimir Kremlík was dismissed as transport minister over the contract and his replacement, Karel Havlicek, cancelled the deal.

The state will also cancel all related contracts, including a Kc477m deal concerning a distribution network.

Next year, motorway e-vignettes are supposed to replace current stickers that have to be affixed to car windshields. The system's launch is scheduled for the start of December 2020.

Last year, the state's revenues from the sale of motorway vignettes amounted to Kc5.35bn.

FACEMASK AGAINST CORONAVIRUS – 29. 1.

Respilon, a facemask developer based in the Moravian city of Brno says it will start producing facemasks capable of not just capturing, but also destroying coronavirus particles. The latter is apparently possible due to special nanoparticles of copper oxide in the mask, Respilon director Roman Zima said at a press announcement on Wednesday.

The masks should start being produced in two weeks' time in cooperation with an Israeli company and could be available for purchase in six to eight weeks for a price ranging in tens of crowns.

In cooperation with universities and other companies, Respilon develops nanofibers which are then sent to China, where they are assembled into facemasks and respirators. These are then distributed to countries in Asia, America and Europe. However, due to the situation surrounding the coronavirus in China, the company director says it is apparently impossible to access its mask supplies there.

INDUSTRY & ENERGY & TRANSPORT

BEIJING-PRAGUE DIRECT FLIGHTS STOPPED – 23. 1.

China's Hainan Airlines is halting regular direct flights from Beijing to Prague starting in March, Czech Foreign Ministry officials have confirmed.

Hainan Airlines gave no reason for the disruption. But bilateral relations have cooled significantly in recent months following a series of diplomatic spats.

Earlier in January, Prague signed a sister city agreement with the Taiwanese capital Taipei – after having scrapped one with Beijing in a dispute over a clause therein regarding the “One China” policy in October.

President Miloš Zeman, who has pushed for closer ties with Beijing, says he will not attend China's “17+1” summit being in April unless the country is ready to sign new deals with Czech entrepreneurs on specific projects.

24 VISION SYSTEM AT HYUNDAI – 23. 1.

Company 24 Vision has implemented a system for inspections and detection of faulty products at Hyundai's Nošovice plant. This was stated for ČIANEWS by 24 Vision CEO Martin Hriško, who added that the price of the system based on artificial intelligence (AI) is in the tens of thousands of euros. He specified that the automaker uses the solution for the manufacture seats. Hyundai produces these in more than 4,000 different configurations. The system is intended for quality control managers, who need to capture faulty products on production lines. This is a checkpoint using a neural network and camera to find visual defects and configuration mistakes. The precision of inspections is 99.9%.

TRANSPORT MINISTER REMOVED – 23. 1.

President Miloš Zeman has removed at the proposal of Prime Minister Andrej Babiš (ANO) effective January 23, 2020 Transport Minister Vladimír Kremlík (for ANO) from his position. He concurrently entrusted the management of the ministry effective January 24, 2020 to Deputy PM and Industry and Trade Minister Karel Havlíček (for ANO).

INDUSTRY MINISTER TAKES OVER TRANSPORT MINISTRY – 24. 1.

Trade and Industry Minister Karel Havlíček took over the transport ministry portfolio on Friday morning, following the dismissal of Vladimír Kremlík from the post earlier this week. Minister Havlíček will remain in charge of the Transport Ministry for the remainder of the government's term in office at the prime minister's request.

He said on Friday he would be making personnel changes at the ministry and open competitions would be held for all managerial posts. Previous considerations regarding a possible merger of the ministries will not be brought about. PM Babiš dismissed Transport Minister Vladimír Kremlík over an overpriced tender to operate a new online system of motorway vignette sales. The 400-million crown deal has been scrapped.

SKODA PRODUCTION IN CZECH PLANTS UP – 24. 1.

The car maker Skoda produced 910,000 vehicles in its three Czech plants in 2019, which represents a year-on-year increase of 2.25%, according to an annual report sent to the ctk news agency.

Overall production was down by 0.9% due to a drop in demand on Chinese and Indian markets.

The company's three Czech plants are in Mladá Boleslav, which manufactured 590,000 cars last year, half of which were the popular Octavias, as well as the Fabia, Scala, Kamiq a Karoq; in Kvasinky which specializes in SUVs and in Vrchlabí which produces car components.

SŽDC PLANS 75 PROJECTS WORTH OVER CZK 30M – 24. 1.

In 2020, the Railway Infrastructure Administration (SŽDC) counts on realising over 75 investment projects with costs of CZK 30m each. General director Jiří Svoboda said that the preparation of the railway connection between Václav Havel Airport Prague and Kladno, modernisation of the Pardubice node and reconstruction of the Vsetín station all continued. The first investment projects funded from the Blending Call tool will start. Apart from that, preparations of pilot sections of high-speed routes and reconstructions of train-station buildings are continuing. The priorities also include safety at railroad crossings.

31,508 UTILITY VEHICLES SOLD IN CR – 24. 1

The total number of new utility vehicles registered in the Czech Republic in December 2019 dropped 1.9% y/y to 2,504. For the entire year 2019, 31,508 utility vehicles were registered in the country, up 0.6%. Registrations in Slovakia in December decreased 26.1% to 718. Between January to December 2019, 12,295 utility vehicles were registered, down 10.8%. These figures stem from the European Automobile Manufacturers' Association (ACEA).

ÚOHS TURNS DOWN KAPSCH'S MOTION – 28. 1.

Petr Rafaj, the chairman of the Office for the Protection of Competition (ÚOHS), by his decision of January 24, 2020, rejected the remonstrance of Kapsch Telematic Services (Kapsch TS) and thus definitively turned down its motion against the Road and Motorway Directorate's tender for electronic road toll supervisor services. According to the Office, the reasons for which the contracting authority defended the rules for the evaluation of tenderers were sufficiently rational, logical and proportionate with regard to

the nature of the public contract and the legitimate needs of the contracting authority. As ČIANEWS has previously informed, toll collection will be controlled by CGI IT under the extended mandate.

CONSULTATION ON NUCLEAR UNIT CONTRACT – 28. 1.

The government will hold consultations with candidates interested to become suppliers for the construction of a new nuclear unit in the Czech Republic in February, power utility CEZ CEO Daniel Benes told journalists today.

According to information obtained by CTK, the consultations are to be headed by government envoy for nuclear energy Jaroslav Mil and CEZ representatives.

Following the talks, the government and CEZ will sign a framework contract and a contract to implement the first stage of the project in March, Benes said.

According to earlier information, the first stage is to end by the completion of the tender procedure and a zoning and planning decision.

Both contracts are ready, with details being tuned up, Benes said.

Originally, the contracts were to be signed by the end of 2019, but the signing was postponed with regard to preparations for the EU approval process and talks on the supplier model with candidates, Benes said.

"We do not want to make the final decision before holding consultations with all candidates," Benes said.

There are about five candidates and the consultations with them are to end on February 19, he added.

The timetable of preparations for the new unit announced earlier will not change, Benes said.

Prime Minister Andrej Babis said after a meeting of the Standing Committee for Nuclear Energy last November that a new unit at nuclear power plant Dukovany would start to be built in 2029 and would be completed in 2036.

Under the plan, a zoning and planning decision for the project will be granted in 2021 and the supplier of the unit will be picked by the end of 2022, according to Babis.

Industry and Trade Minister Karel Havlicek said in October discussion on the enlargement of nuclear power plant Temelin should start within five years.

The investor model for the construction of new nuclear units was approved by the cabinet in July 2019. It counts on CEZ's subsidiaries to be investors in the new units. Under certain conditions, CEZ will be able to transfer the subsidiary in charge of the nuclear project to the state.

Last year, nuclear sources generated about one third of total Czech electricity output.

According to earlier information, six companies have shown interest in building nuclear units in the country: Russia's Rosatom, France's EDF, South Korean KHNP, China General Nuclear Power, joint venture of Areva and Mitsubishi Atmea, and US company Westinghouse.

Benes confirmed today that the tender to select the supplier might start this year.

BUILDING ACT TO PRESERVE BUILDING AUTHORITIES – 29. 1.

The new Building Act, which will come into effect in 2021, provides for the preservation of building offices in municipalities with extended powers. Totally ca. 300 offices are foreseen. The Ministry of Regional Development (MMR) as informed that the professional sphere accepted the

proposed structure as a compromise. Municipal building authorities will permit constructions of local importance, the definition of which will be stipulated in the Decree to the Act. The Regional Building Authority will consist of 14 offices plus one dedicated to dedicated buildings, which will focus on the most complex construction projects such as motorways.

INVESTMENTS & TRADE & SERVICES

JANUARY BREXIT NOT TO HAVE NOTABLE IMPACT – 26. 1.

The formal departure of Britain from the EU on January 31 will not have significant impacts on markets and the Czech economy, but the possibility of hard Brexit at the end of the year remains a risk, according to analysts polled by CTK.

"The end of January will just mark a beginning of a transitional period, which virtually extends current EU-UK relations until the end of 2020. Markets have expected this development, so the reaction to the January departure from the EU will be minimal," ING's chief economist Jakub Seidler noted.

Markets' attention will therefore focus on negotiations on further EU-UK relations, he added.

According to foreign trade experts and exporters, the setting of new trade deals could bring not only risks for Czech firms but also opportunities.

Domestic entrepreneurs do not expect any fundamental changes in the months ahead.

The British government is making it clear that it intends to apply its own regulatory frame, in particular economic deregulation. Besides the well-known risks, this could also be an opportunity for Czech firms, as British demand for Czech goods could increase, Martin Macourek of the London office of Czech state-run agency CzechTrade said.

"Great Britain has always ranked among our allies, so we are losing our 'older brother' in the EU," Exporters Association deputy chairman Otto Danek said.

Exports to Britain can be expected to decrease after Brexit due to Britain's stocking up last year, he added.

According to tax expert Martin Houska of consulting firm BDP, Prague should aspire to become a new European centre for US firms.

"In an overwhelming majority of cases, US investments used to go to Europe via London or Luxembourg, where US firms had their European seat. Now, they are looking for a successor to this seat. It could be Prague," Houska said.

Brexit is an opportunity to bring foreign capital to CR and to set reasonable taxation for foreign employees, which would generate huge incomes to the state budget, Houska said.

Annual Czech exports to Britain exceed Kc200bn. Czech firms export mainly machinery and vehicles.

"The share of exports to Britain ranges between 4.5 and 5.2% of total exports," Danek said.

LOWER NUMBER OF CHINESE NOT TO HURT SERVICES – 28. 1.

Drop in the number of Chinese tourists caused by the spread of the coronavirus should not hurt Czech hoteliers and restaurateurs significantly, Czech Association of Hotels and Restaurants president Vaclav Starek told CTK today.

Chinese tourists form about 6% of the overall number of guests of Czech accommodation facilities.

The situation needs to be monitored, Starek said.

About 620,000 Chinese tourists came to CR last year, about the same number year on year, according to estimates of

agency CzechTourism. They spend 2.5 days here on average and about Kc1,300 a day.

A 0.1 percentage point drop in Chinese economic growth causes economies in Central and Eastern Europe to decelerate by 0.25-0.3 percentage points, Czech Fund analyst Lukas Kovanda said referring to the Czech National Bank calculations.

However, if the coronavirus spreads to Europe, the Czech economy will be affected by a slowdown of its key partners, like Germany, Kovanda said.

Czech tour operators are receiving first cancellations of trips to Asia from clients who are afraid of the new type of coronavirus in China, and tour operator China Tours has even cancelled all its trips to China and Tibet planned for the first half of this year, according to a poll conducted by CTK among tour operators.

China Tours is going to offer the affected clients a refund or a trip to another country, its head Milos Podpera said.

Invia has no client in China at the moment but has registered one cancellation for a sightseeing tour of China. Simon-Tourist has received one cancellation as well as several queries from clients about the situation in China. Delfin travel has not received any cancellation but has registered queries as well.

China has banned its citizens from international group travel.

LABOUR & HEALTH & SOCIAL

ŠKODA AUTO UNIONS FEAR PRODUCTION MAY MOVE – 23. 1.

Škoda Auto unions fear partial production of the Fabia model could shift to Seat, a Spanish subsidiary of the Volkswagen Group, with the departure of that company's CEO, Luca de Meo.

Production of the Superb model in the CR is also still in jeopardy, Škoda trade union head Jaroslav Povšík is quoted as in the union weekly, saying it may move to Turkey.

Škoda Auto is the biggest Czech car producer and country's top exporter. It raised its domestic production by 2.5% to 670,156 cars in the first nine months of 2019.

GOVT TO DISCUSS ACT ON SICKNESS INSURANCE – 24. 1.

On January 27, 2020, the government of Prime Minister Andrej Babiš (ANO) will discuss an MPs proposal to amend the act on sickness insurance. The agenda also includes the proposal to appoint the rector of the University of South Bohemia in České Budějovice for the 2020-2024 period and the information about the Czech Republic's participation in the project of NATO's Centre for Counter-Air Defence.

MORE EMPLOYEES CAN USE MEAL VOUCHERS – 24. 1.

As of January 2021, employees will get money instead of meal vouchers. The amendment to the act on income tax, which is being prepared by the Czech Ministry of Finance (MF), counts on a meal-voucher lump sum. This change is asked for by restaurant operators who pay up to a 7% commission to meal-voucher companies at the expense of their own margin. Thanks to low administration, the contribution is also affordable for small companies and sole traders with one or two employees. According to the MF, it can newly be drawn by up to 1m more employees.

ŠKODA AUTO UNIONS TO START NEGOTIATIONS – 24. 1.

ŠKODA AUTO trade unions will submit their starting proposals for wage negotiations to the carmaker's management on February 11, 2020. Employee representatives said as much in the Škodováký ODBORÁŘ publication, adding that the negotiation team's task was also to start working on preparing a possible time-unlimited strike the trade unions would start should the talks fail. At the same time, trade-union members announced that an agreement on wages has to precede an agreement on flexi accounts which otherwise would not be signed.

MINISTRY ADVISES CZECHS TO SHUN CHINA'S CITIES – 24. 1.

The Czech Foreign Ministry recommends that Czechs not travel to eight cities in China's Hubei province, which local authorities closed over the outbreak of a new coronavirus, and that all Czechs in China intensify hygienic care, it has written on its website.

The ministry also advises the Czechs in China to wear face masks and shun places with a high concentration of people. Chinese authorities have registered 26 victims of the coronavirus so far.

On Thursday, the ministry recommended that Czechs should not travel to Wuhan, a city in the Hubei province where the infection appeared first in mid-December.

China has declared the first degree of a public health threat in 11 provinces and administrative regions, the ministry wrote, and asked Czech citizens staying in the given places to contact the relevant Czech diplomatic missions' staff.

The Czechs who planned to travel to China are recommended to register in the Drozd voluntary database of travellers.

SECURITY COUNCIL MEETS OVER CORONAVIRUS – 27. 1.

The country's National Security Council addressed the spread of the new coronavirus at its extraordinary meeting on Monday. Prime Minister Andrej Babiš later told journalists that he wants to improve measures taken at Prague's international airport to ensure the public feels safe. The fast-spreading infection, which causes pneumonia-like symptoms, has killed more than 80 people in China and infected at least 3,000 globally since its discovery in the Chinese city of Wuhan in December. Eva Gottvaldová, the Czech Republic's chief hygiene officer, said blanket screening of patients arriving from the affected areas wouldn't make sense at the moment, but random checks are already being carried out focusing on people who are showing symptoms of the disease. Health Minister Adam Vojtěch said there were no immediate plans to cancel flights from China. However, Prague Airports has singled out two special exists for flights from China, which will be regularly disinfected.

CR HAS HIGHEST INCIDENCE OF KIDNEY CANCER – 28. 1.

The CR has the highest per capita incidence of kidney cancer of any country in the world, the news website iDnes.cz reported, citing the League Against Cancer, which is focusing on that form of the disease in its campaigning this year. The renal cancer rate in the CR is twice the average rate for the European Union. There is also a relatively high incidence of it in neighbouring Bavaria.

Around 2,000 people are diagnosed with kidney cancer in the CR every year, with around 800 dying of it annually.

MINISTRY OF EDUCATION AGAINST CUT OF BENEFITS – 28. 1.

A proposal from the Czech minister of labour and social affairs, Jana Maláčová, to withhold benefits from parents of children who played truant has met with resistance from the Ministry of Education, the news site Novinky.cz reported. Officials at the government department said the plan would make conditions for teaching children worse and impact their motivation and futures.

Under Ministry of Labour and Social Affairs draft legislation, benefits for accommodation would not go to people whose children missed 100 hours or more of school for non-health reasons.

20 PCT OF CZECHS CHANGE JOBS IN PAST 6 MONTHS – 28. 1.

Some 20.5% of Czechs changed jobs in the past six months, while 6.9% were actively searching and 15.3% were on the lookout for interesting opportunities, according to the Workmonitor survey of consulting company Randstad.

Some 65% of respondents said they were satisfied with their employer.

The fluctuation rate was slightly higher in men (21.5%) than women (19.5%).

People changing jobs were mostly in the 18-24 age group. Dissatisfaction with the current employer was cited as the most frequent reason for leaving (35%), followed by better working conditions (32%) and desire for change (22%).

The highest fluctuation was recorded in telecommunications and postal or delivery services, hotel and restaurant services, financial services and food production.

Compared to the previous period, a significantly higher number of respondents changed jobs due to dissatisfaction with their employer.

This is a surprising finding, given that 2019 was a year of wage growth and improvement in working conditions, said Alzbeta Honsova, marketing manager at Randstad's Czech branch.

The common denominator was discontent with the firm's culture, its atmosphere or the direct superior, she added.

Some 9% of women are actively looking for a job against 4.6% of men.

Women are most active in the 35-44 age group (14%) and men in the 25-34 age category (9%).

Women looking for a job are most frequently mothers of young children and as such are particularly interested in flexible arrangements.

Working from home and flexible working hours have become relatively common in office jobs, but other professions are still lagging behind, Honsova said.

The proportion of people fearing for their job remains at 6%, with men (6.7%) slightly more afraid than women (5.2%).

Workers in telecommunications and postal or delivery services, wholesale, retail, distribution, manufacturing and industry are relatively most worried, particularly people with fixed-term contracts and those dependent on seasonal demand.

NO CONFIRMED CORONAVIRUS CASES IN CR – 29. 1.

Tens of Czech students left for China in autumn, with the Education Ministry (MSMT) ready to provide assistance if they decide to return to the Czech Republic in connection with the coronavirus outbreak.

The ministry sent 90 students to various parts of China through several different study programmes.

The ministry said it recommends to the students that they watch information issued by the Foreign Ministry.

Other students are in China for longer periods of time already.

"Through the scholarships provided by the Chinese government, which provide an opportunity to study a comprehensive programme, the Education Ministry sent 45 students to China in the 2015/2016 academic year," MSMT spokeswoman Aneta Lednova said.

There are also several Czech teachers active in China, one of them in Beijing. The MSMT has no information about other Czech teachers in China.

Czech schools began warning their students, with Brno's Masaryk University issuing a recommendation that the students who wanted to go to China in the summer semester should postpone their plans.

"At the moment, we have only five students in China. One of them, who was directly in Wuhan, was able to leave before the city was closed down," the university's Foreign Cooperation Centre director Jan Pavlik told CTK.

The university is in contact with all of its other students in China and they are all safe. The same goes for other Czech universities as well.

In the Czech Republic, the sanitary officials in Zlin, central Moravia, reported today that the five persons who were tested for coronavirus infection after returning from Asia and showing flu symptoms are not infected.

In Prague, the woman who was taken to the Na Bulovce hospital on Tuesday after showing relevant symptoms also tested negative for coronavirus infection.

Experts advise people who fit the profile, meaning they show flu symptoms after returning from China or a South Asian country, should not visit their doctor personally but should first call them.

MISCELLANEOUS

CR DROPS ON TI'S CORRUPTION PERCEPTION RANKINGS – 23. 1.

The CR has significantly worsened its standing in watchdog Transparency International's annual Corruption Perception Index for 2019.

Under TI's criteria, the country picked up 56 points compared to 59 in 2018, falling from 38th to 44th spot in the ranking of 180 countries. In Europe, the CR dropped to 19th spot from last years' 16th, lagging behind the EU average by eight points.

According to Transparency International, the drop is caused by PM Babiš' alleged conflict of interest stemming from the multi-billion crown agro-chemical empire Agrofert he owned and later placed in trust funds and EU subsidies to the said holding.

Transparency International's annual Index has rated countries by perceived levels of corruption since 1995 on a scale of 0 to 2100, with 0 being very corrupt and 100 being very clean.

JUREČKA ELECTED LEADER OF CHRISTIAN DEMOCRATS – 25. 1.

Marián Jurečka has been elected chairman of the Christian Democrats at a party congress in Prague on Saturday. Mr Jurečka, former agriculture minister, received 205 out of 357 votes. Šárka Jelínková was elected first deputy chair.

Unlike his main rival for the post, Jan Bartošek, the new chairman is reserved about possible cooperation with the current opposition parties and has not categorically ruled out collaboration with the ruling ANO party.

Speaking to delegates after his election, Mr Jurečka said the CR needs people who want children. He also said he wanted to focus on the problem of housing shortage.

The outgoing leader of the Christian Democrats, Marek Výborný, who has been in the post for less than a year, has stepped down following his wife's sudden death in late September.

PROTESTORS THROW UMBRELLAS, PAPER RATS AT CHINA EMBASSY IN PRAGUE – 25. 1.

Some 15 people protested against the regime in China outside the Chinese embassy in Prague, throwing umbrellas and paper rats with slogans, such as "Freedom for Tibet" and "Free Hong Kong," across the office's fence today.

The demonstrators left calmly after some 15 minutes. The organisers, the Kaputin association headed by Otakar van Gemund, expressed surprise that the police had not interfered.

The umbrellas were to remind of the symbol of the Hong Kong protest movement, while rats refer to the Chinese new year, which is the Year of the Rat in the Chinese zodiac cycle, van Gemund said.

"These rats are bringing happiness, this is nothing negative. The Chinese know it very well," he said.

Demonstrators came to the Chinese embassy shortly after 12:00. They spread around the fence, opening their umbrellas with slogans for freedom and against human rights violations in Czech and Chinese.

Then they threw the umbrellas across the fence to the embassy's plot. They did the same with paper rats with pro-democracy slogans. The activists ended the protest by putting on mouth masks and hanging further umbrellas on the embassy fence.

China celebrates the New Year today.

No one went out of the embassy during the protest or reacted to it elsewhere.

Van Gemund said the demonstrators expected the police to interfere. "They surprisingly did not, though we apparently committed a minor offence there," he told CTK.

The Chinese political system poses a danger to the whole world, Van Gemund said. "They are not only violating human rights to an unbelievable extent, but they are also spreading their influence to the rest of the world," he said, adding that Beijing is attempting to undermine the democratic system.

Van Gemund drew the media attention in 2018 by throwing flowers from some politicians into a dustbin during the celebrations of the anniversary of November 17, a national holiday marking the beginning of the 1989 Velvet Revolution which ended the Communist era in the country.

BRITISH POPULATION IN CR GROWING – 27. 1.

According to data released by the Ministry of the Interior, the number of British citizens living in the Czech Republic has increased about 35% since the Brexit referendum, and Brits with their permanent residence in the Czech Republic have risen almost 55% since 2016. At the end of 2019 a total of 8332 British citizens lived in the country while 2666 of those had

permanent residence status. In comparison to 6111 Brits of which 1716 had permanent residence in 2016.

Increases in populations of French and German residents are also on the rise, but to a lesser extent. Some reasons for the increases could be the recent economic boom and increasing daily use of the English language in the country.

The Czech Republic has promised that whatever the outcome of the Brexit negotiations, British citizens will be able to continue on in the country in the same manner as other EU country citizens. Then in 2021 it will depend on the conditions of the separation contract.

PM'S CONFLICT OF INTEREST – 29. 1.

Officials from the Czech State Agricultural Intervention Fund (SAIF) say that negotiations into whether Czech Prime Minister Andrej Babis is in a conflict of interest or not have so far been inconclusive. The announcement came at a press briefing following Tuesday's discussions between representatives of the European Commission and the Czech state about the results of an EU audit sent to the Ministry of Agriculture regarding a potential conflict of interest that Mr Babiš may have due to his position as head of government while also allegedly controlling Agrofert, the company he founded, through trust funds. The Czech prime minister insists there is no conflict of interest.

According to SDIF director Martin Šebestýán, the European Commission has approved sending funds to all Agrofert projects except one enterprise which called for a contribution worth CZK 1.6 million.

Deputy Minister of Agriculture Jiří Šír said at a briefing on Wednesday that negotiations are confidential and detailed information cannot be disclosed, but stressed that the audit results are not yet final.

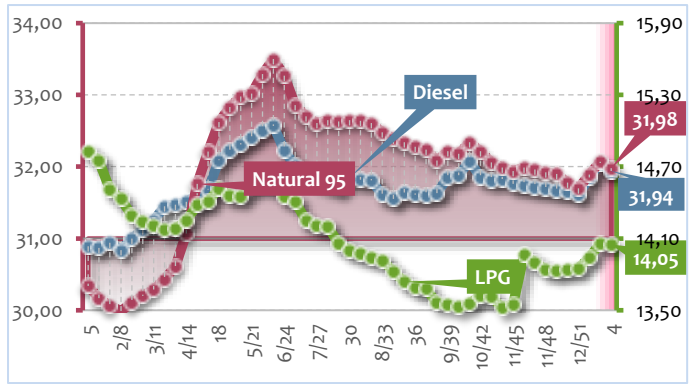
According to Mr Šír the European Commission now has a month to look into the results of the negotiations. The final audit should then be presented after a further six months.

STATISTICS

FUEL PRICES – 24. 1.

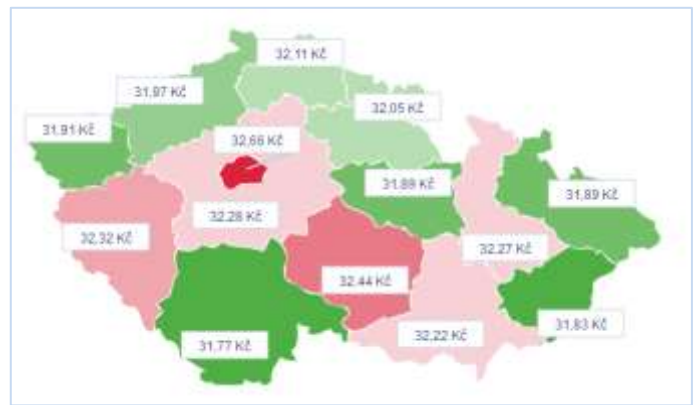
Natural 95 decreased by 9h¹ to CZK31.98/l² over the past week. Diesel oil decreased by 11h to CZK31.94/l.

Graph 1: Average prices³, 2019 – 2020, Month/Week (in CZK/l)



¹h: Heller, a term was used for a coin valued at 1/100 of a CZK, it continues to be used as a means of calculation since the CNB removed the coins themselves from circulation in 2008 and notionally replaced them with rounding to the next CZK.
²l: litre, is an SI accepted metric system unit of volume equal to 1 cubic decimetre (dm³), 1,000 cubic centimetres (cm³) or 1/1,000 cubic metre.

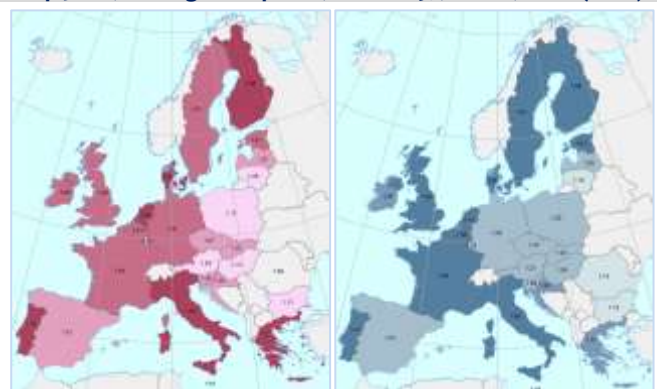
Map 1: Regions, fuel prices, Natural 95, 26. 1. (in CZK/l)⁴



Map 2: Regions, fuel prices, Diesel, 26. 1. (in CZK/l)

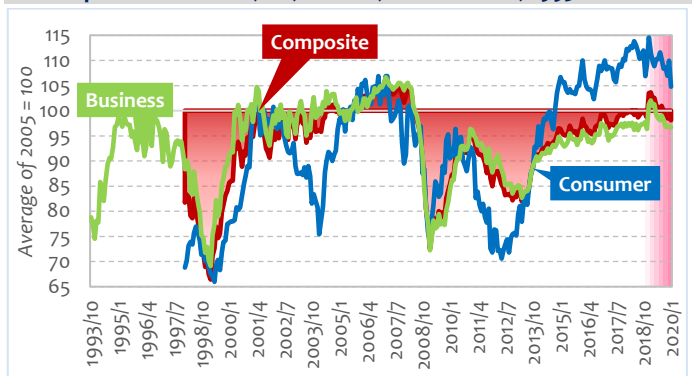


Map 3: EU, Average fuel prices, Natural 95, Diesel, 20. 1. (in €/l)⁵



BUSINESS CYCLE SURVEY – 24. 1.

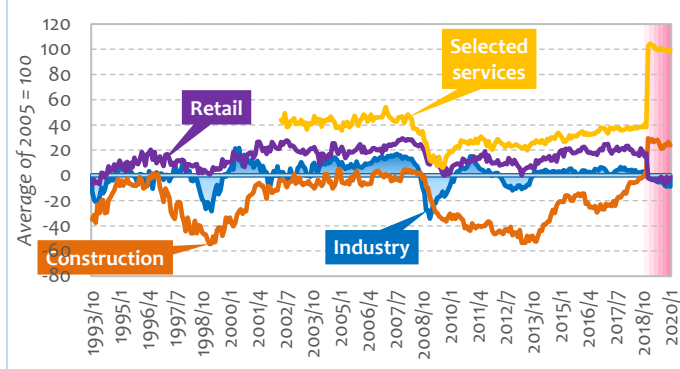
Graph 2: Confidence, SA, Overall, Basic Indices, 1993 – 2020



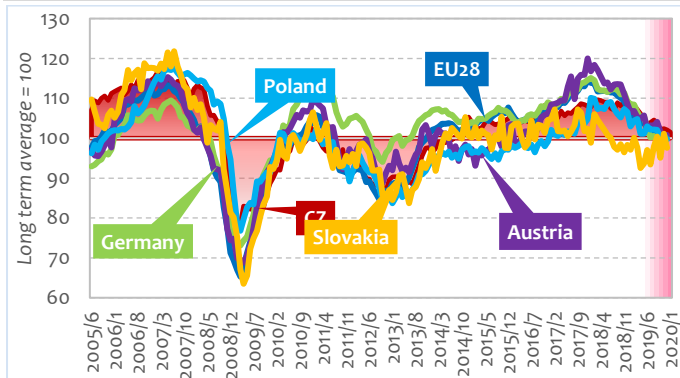
³ Consumer price indices calculated from the weekly price survey are not qualitatively adjusted and thus do not express the net price development applied at inflation measurement, data issued by the CSO
⁴ data issued by the mBenzin.cz; <https://www.penize.cz/ceny-benzinu-a-ceny-nafty>
⁵ data issued by the EC; <https://ec.europa.eu/energy/en/data-analysis/weekly-oil-bulletin>

The composite confidence indicator⁶ decreased slightly by ▲1.0pps to 98.1, mom. Business confidence decreased very slightly by ▲0.1pps to 96.7 compared to December. Consumer confidence indicator decreased by ▲5.2pps to 104.8, mom. Composite confidence indicator, business confidence indicator and consumer confidence indicator are lower, compared to January 2019.

Graph 3: Confidence Indicators, SA, Sectors, Balances, 1993 – 2020

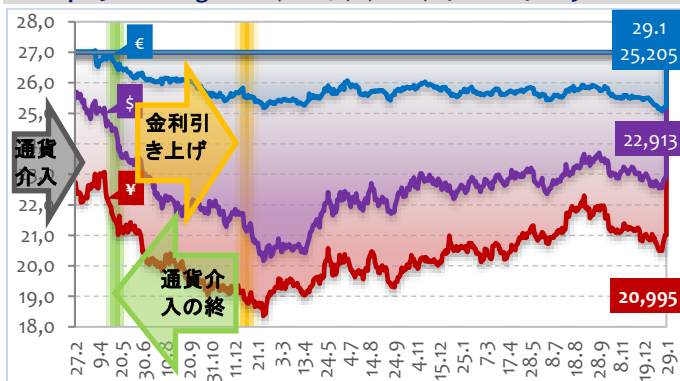


Graph 4: Confidence Indicators, Countries, 2005 – 2019



CZK vs €, \$, ¥ – 29. 1.

Graph 5: Exchange rates, CZK/€, \$, 100¥, 27. 2. 2017 – 29. 1. 2020



⁶ economic sentiment indicator, stated by basic indices

- Chamber of Deputies of the Parliament of the CR
- CIA News (Česká informační agentura Ltd.); a news agency, specialising in the CR's economy and markets. It is owned by Inergo Slovakia Jsc., owned by Emil Hubinák.
- CNB, CNB (Česká národní banka); is the central bank and financial market supervisor in the CR and a member of the European System of Central Banks.
- ČTK, Czech Press Agency (Česká tisková kancelář); a national news agency dealing with the gathering, processing, storing, and distributing of text and pictorial information. ČTK is a public corporation and is governed by the law on ČTK number 517/1992 Coll.
- ČSÚ, Czech Statistical Office (Český statistický úřad), is the main organization which collects, analyses and disseminates statistical information for the benefit of the various parts of the local and national governments of the CR.

- MF, Ministry of Finance of the Czech Republic (Ministerstvo financí České republiky)
- MIT, Ministry of Industry and Trade of the Czech Republic (Ministerstvo průmyslu a obchodu České republiky)
- MRD, Ministry of Regional Development of the Czech Republic (Ministerstvo regionálního rozvoje České republiky)
- MT, Ministry of Transport of the Czech Republic (Ministerstvo dopravy České republiky)
- Office of the Government of the Czech Republic (Úřad vlády České republiky)
- Office of the President of the Republic (Kancelář prezidenta republiky)
- Prague Daily Monitor; is an English-language electronic daily about the Czech Republic.
- Radio Prague (Český rozhlas); is the official international broadcasting station of the CR. Radio Prague broadcasts in six languages: English, German, French, Spanish, Czech and Russian. It broadcasts programmes about the CR on satellite and on the Internet. Broadcasting first began on August 31, 1936.