

ECONOMIC NEWS SUMMARY DECEMBER 13 – DECEMBER 19

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ECONOMY & FINANCE

CZECH BALANCE OF PAYMENTS SHOWS SURPLUS – 14. 12.

The economy's current account balance of payments, a broad measure of goods and money flowing in and out of the country, ended in a surplus of CZK¹44.7b² in Q₁³ – Q₃ 2018, according to the CNB⁴. The surplus for H₁⁵ 2018 totals CZK7.9bn.

CZECH BANKS' PROFIT INCREASES – 17. 12.

Czech banks' net profit in Q₁ – Q₃ 2018 increased by CZK2.7bn y-o-y⁶ to a record CZK62.6bn, the CNB said. The sector's balance sheet at the end of September was CZK7.6tn⁷, an increase by CZK567bn since the end of last year. There are currently 47 banks and savings banks operating on the Czech financial market.

AVERAGE MORTGAGE RATE ROSE – 19. 12.

The average interest rate on a residential mortgage rose in November to 2.78% up from 2.66% the previous month, the total value of mortgage loans drop by ▲20%.

The number of applicants had surged in September as people sought to get mortgages before tougher lending guidelines set by the CNB came into effect on October 1.

Under the new CNB's guidelines, a borrower should not be eligible for a loan greater than 9 times their annual net income or need to spend over 45% of their monthly net income to service the debt.

CHD TO RUBBERSTAMP 2019 BUDGET – 19. 12.

MPs⁸ are expected to approve a state budget for 2019 with a deficit of CZK40bn. Old age pensions are set for a record rise while salaries for teachers and other state employees will also increase.

The budget bill will pass in the ChD⁹ thanks to the votes of the KSČM¹⁰, who support the ANO¹¹- ČSSD¹² minority Cabinet¹³ on key votes under a "tolerance" deal.

¹ CZK: Czech Crown, the currency of the CR since 8 February 1993

² bn: billion

³ Q: * quarter of the year

⁴ CNB: Czech National Bank, is the central bank and financial market supervisor in the Czech Republic and a member of the European System of Central Banks. In accordance with its primary objective, the CNB sets monetary policy, issues banknotes and coins and manages the circulation of the Czech koruna, the payment system and settlement between banks. It also performs supervision of the banking sector, the capital market, the insurance industry, pension funds, credit unions and electronic money institutions, as well as foreign exchange supervision.

⁵ H: Half of year

⁶ Y-o-y: year on year, compared, compared with the corresponding month of preceding year

⁷ tn: trillion

⁸ MP: Member of Parliament

⁹ ChD: Chamber of Deputies of Parliament

¹⁰ KSČM: Communist Party of Bohemia and Moravia, far-left party

¹¹ ANO: ANO 2011, centre-right party

¹² ČSSD: Czech Social Democratic Party, centre-left party

¹³ Cabinet: The Government of the Czech Republic exercises executive power in the Czech Republic. The members of the government are the Prime Minister of the Czech Republic (Chairman of the Government), the deputy ministers and other ministers. It has its legal basis in the Constitution of the Czech Republic. The government is led by the Prime Minister, who selects all the remaining ministers. Government of the Czech Republic is responsible to the Chamber of Deputies of the Czech Republic. The Prime Minister is appointed by the President of the Czech Republic. The current Prime Minister is Andrej Babiš.

AGRICULTURE & ENVIRONMENT

LČR'S GROSS PROFIT DROPS – 13. 12.

Gross profit of LČR¹⁴ plunged annually by ▲60% to CZK1.62bn in in Q₁ – Q₃ 2018, which was due to a drop in timber prices, and its sales fell by ▲28% to CZK6.23bn, LČR said.

The major fall in profit of LČR was caused by timber prices and necessary logging of wood damaged by bark beetle and wind, it said.

There is a surplus of wood of a poorer quality in the CR¹⁵, which explains why sales revenues decreased even though the logging volume was higher, Jouklova.

Timber logging increased annually by 25% to 7.88mn¹⁶ m³ by the end of September, reaching almost the annual volume reported over the past few years.

LČR has recently said it expects its pre-tax profit to plummet from CZK3.74bn in 2017 to CZK600mn-CZK800mn in 2018.

Despite that the company will be able to pay CZK2.5bn to the state budget at the end of the year, amount approved by the government in October, LČR has said.

Over the past 5 years, LČR contributed nearly CZK30bn to the state budget. The company does not rule out the possibility of taking out a loan in the future, being financially self-sufficient until now.

The current bark beetle calamity is the largest one in the history of the Czech lands. This year, 12-15mn m³ of wood will likely be damaged, while it was about 6mn last year.

Every year, LČR calls 5-year tenders covering forestry work on about a ⅓ of its area. It gets most of the logging work and timber sales done by private companies winning the tenders.

LČR currently evaluates a tender worth CZK8bn for work in 2019-2023.

Table 1: Lesy CR's business results in 2010-2018 (in CZK bn, mn m³)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
after-tax profit	2.558	4.225	4.408	3.99	6.818	5.395	4.159	3.084	-
pre-tax profit	3.160	5.275	5.478	4.957	7.963	6.494	4.984	3.744	1.620
sales revenues	9.770	11.800	11.600	11.500	12.100	11.800	10.900	10.200	6.230
timber logging	8.05	8.02	7.84	8.04	7.98	7.70	8.10	8.05	7.88

LČR TO CUT INVESTMENTS – 14. 12.

LČR will cut investments and operating and marketing expenditures by about CZK1bn next year and will use the money for logging of bark beetle-affected trees and

¹⁴ LČR: Forests of the Czech Republic, state enterprise based in Hradec Kralove founded by the Ministry of Agriculture. LČR main activity is the management of the majority of forests, nearly a half of all forests in the CR (over 1.19 million ha), which are owned by the CR. Furthermore, the company is in charge of nearly 20,000 kilometres of small watercourses.

¹⁵ CR: the Czech Republic, a nation state in Central Europe. The Czech Republic covers an area of 78,866 km² with a mostly temperate continental climate and oceanic climate. It is a unitary parliamentary republic, has 10.5 million inhabitants and the capital and largest city is Prague, with over 1.2 million residents.

¹⁶ mn: million

renewal of forests, said. Investments will be cut by ▲80%, operating expenditures by hundreds of millions of crowns.

The company also wants to cancel the possibility of repeated electronic auctions for logging. If nobody shows interest in an auction, LČR will log the relevant part of woods without repeating the auction, it said.

There have been tens of cases when auctions had to be repeated before the purchaser and processor were found. "The speed of processing the beetle-affected wood has to have priority," it said.

According to LČR, the process of tenders and auctions is too lengthy and non-flexible for fight against the bark beetle calamity.

Despite the drop in profit, the company will be able to transfer CZK2.5bn to the state budget at the end of the year, as decided by the government in October.

The MA¹⁷ is preparing an amendment to the forest law that would divide the country into 3 zones according to the level of destruction of spruce forests affected by bark beetle, which will enable fighting the spread of the bark beetle effectively, Deputy MA Minister Mlynář said.

"We are changing the rules to respond better to the current calamity situation, so that forest owners can fight the bark beetle more effectively. The principles they used to follow in the past are no longer sufficient," MA Minister Miroslav Toman said.

The MA also wants to negotiate with the MF¹⁸ on reducing VAT on firewood by 5pps¹⁹ to 10% in the hope that people's interest in firewood would increase.

According to former MA Minister Jurečka, who wants to propose the VAT²⁰ cut, the measure "may improve the situation on the wood market and boost wood consumption in the CR."

Jurečka wants to add the proposal to the draft amendment to the law on registration of sales which is on the agenda of the current session of the ChD.

The MA is also planning to raise subsidies for forest management from this year's CZK630mn to CZK1.15bn. Owners of non-state forests could get about CZK3bn.

Think-tank Czech Forest welcomes the MA measures, it said. "They present a necessary prerequisite for the moderation of the impacts of drought and the subsequent bark beetle calamity," it said. According to think-tank, the loss caused by the decrease in wood prices resulting from the necessary logging bark beetle-affected trees will amount to CZK18bn this year.

As many as 12-14mn m³ of affected wood are expected to be logged this year, compared with 5.8mn m³ last year.

RAISING FOREST RENEWAL FUNDING – 17. 12.

MA raised subsidies for forest renewal from CZK630mn to CZK1.15bn. Forest owners may use the subsidies e.g. for forestation or protection and cultivation of growth. The

¹⁷ MA: Ministry of Agriculture

¹⁸ MF: Ministry of Finance

¹⁹ Pps: percentage points

²⁰ VAT: Value-added tax, a type of tax that is assessed incrementally, based on the increase in value of a product or service at each stage of production or distribution. VAT essentially compensates for the shared services and infrastructure provided in a certain locality by a state and funded by its taxpayers that were utilized in the elaboration of that product or service. Not all localities require VAT to be charged and goods and services for export may be exempted (duty free). VAT is usually implemented as a destination-based tax, where the tax rate is based on the location of the consumer and applied to the sales price.

ministry is readying rules for new subsidies for the compensation of lower returns from forests due to lower prices of timber and sales crisis. The subsidy for non-governmental forest owners could total approximately CZK3bn.

SUPPORTING PURCHASE OF ECO-CARS – 18. 12.

The ME²¹ is offering subsidies for vehicles with low or zero emissions and charging stations. Municipalities can apply for a total of CZK100mn. ME Minister Brabec pointed out that up to 90% of the funds were to support electric cars and plug-in hybrids and that eligible applicants now included state-budget organisations and public research organisations.

CZECHIA HIT BY SOCIOECONOMIC DROUGHT – 19. 12

The hydrological and agricultural drought in the CR turned also into the socioeconomic drought after 4 years of a permanent rainfall deficit, the Intersucho project said.

Socioeconomic drought is a situation when the lack of water affects the productivity and stability of the system.

According to the CHMI²², more than 500mm of precipitation was lacking in a large part of the Czech territory from January 2015 to September 2018, somewhere the deficit was even 700mm.

All parts of the country have been hit by drought since 2000. Drought seasons occur more and more often and the models assume that this trend will last. Next year, the global temperature may be as high as in 2016, which has been the hottest year in history so far. The climate change is undoubtedly affecting the CR.

Farmers have been hit by drought this year not only in the CR but also in West and Central Europe in general.

Austria must pay drought compensation to its farmers even though it was used as an example for the CR to follow in good care for the environment. Czech farmers will be compensated as well.

Intersucho warned farmers that they may not be paid compensations for drought in the near future anymore.

"Europe pays compensations for affliction by accidental phenomena. But drought is becoming standard. And compensations won't solve the drought," it said.

WILD BOAR CONSUMPTION BAN PARTLY LIFTED – 19. 12.

A ban on the consumption of wild boar hunted in an area of Moravia where cases of ASF²³ were detected will be partly lifted as of January, the SVA²⁴ decided.

Following consultations with the EC²⁵, the authority in October reversed its order for imported pork products to undergo tests for ASF, which had not been detected in

²¹ ME: Ministry of the Environment

²² CHMI: Czech Hydro-Meteorological Institute

²³ ASF: African swine fever, a haemorrhagic fever with high mortality rates in pigs, but persistently infects its natural hosts, warthogs, bushpigs, and soft ticks of the Ornithodoros genus, with no disease signs. The virus causes a lethal haemorrhagic disease in domestic pigs.

²⁴ SVA: Czech State Veterinary Administration), an administrative authority of the Ministry of Agriculture and the highest veterinary authority with nationwide jurisdiction.

²⁵ EC: European Commission, is the executive body of the EU responsible for proposing legislation, implementing decisions, upholding the EU treaties and managing the day-to-day business of the EU.

commercial pig farms within the EU²⁶, but had been found among wild boar.

The SVA said it would pay hunters CZK3,000 for each boar killed, regardless of the animal's weight. Until now, hunters were entitled to a premium of CZK4,000 per wild boar under 50kg and CZK8,000 for heavier ones.

ENERGY & INDUSTRY & TRANSPORT

CAR PRODUCTION UP – 14. 12.

Car production rose by 2.9% to nearly 1.4mnmn in Q₁ – Q₃ 2018, the AIA²⁷ said. Exports have grown by 3.3% to 1.25mn vehicles.

By contrast, domestic sales of cars have dropped by around 2%. The Škoda Auto²⁸ raised output by 4.5% to over 831,000 cars and TPCA²⁹ recorded growth by 11% to nearly 197,000 cars. According to the AIA, car production for the whole of 2018 is expected to reach 1.4mn, which should slightly exceed last year's figure.

MEMORANDUM REGARDING PRAGUE-MUNICH LINE – 14. 12.

The CR would like to sign a memorandum with Germany next year regarding the Prague-Plzen-Munich railway in which the Germans would pledge to build a high-speed, double-track, electrified line on their territory, a MT³⁰ Minister said.

It would be good if Bavaria stated it would build a double-track, electrified line so that Czechia could prepare a similar line to the state border, MT Minister Ťok said after a meeting with his German counterpart Andreas Scheuer.

The Prague-Plzen section is electrified and has 2 tracks, while the section from Plzen via Stod to the state border with Germany is a single-track, non-electrified line. That should change by 2025, however, the German course of action will also play a role in this respect.

Germany made the high-speed rail line its priority but has not yet promised to make it a double-track line.

Trains would run on the line at a minimum speed of 160 km/h.

The memorandum might be signed next year and should help get EU funding, Ťok said.

²⁶ EU: European Union, is a politico-economic union of 28 member states that are located primarily in Europe. It has an area of 4,324,782 km², and an estimated population of over 510mn. The EU has developed an internal single market through a standardised system of laws that apply in all member states. EU policies aim to ensure the free movement of people, goods, services, and capital within the internal market, enact legislation in justice and home affairs, and maintain common policies on trade, agriculture, fisheries, and regional development. Within the Schengen Area, passport controls have been abolished. A monetary union was established in 1999 and came into full force in 2002, and is composed of 19 EU member states which use the euro currency.

²⁷ AIA: Automotive Industry Association (AutoSAP), an interest industrial grouping of the manufacturing, commercial and other companies which make up the Czech automotive and allied industries. AIA represents companies making up nearly 90% of the Czech automotive industry. Their share in total industrial production posted an annual rise of 1% to 22%.

²⁸ Škoda Auto: is a Czech automobile manufacturer founded in 1895 as Laurin & Klement. It is headquartered in Mladá Boleslav, Bohemia, Czech Republic. The car manufacturer was acquired by Škoda Works in 1925 and became a wholly owned subsidiary of the Volkswagen Group in 2000, positioned as the entry brand to the group. Škoda Auto supplied 1.2mn cars to clients in the whole world in 2017. It has 3 production plants in the CR and produces cars also in China, Russia, Slovakia, Algeria, India, Ukraine and Kazakhstan. The company employs more than 35,000 people and is active on over 100 markets.

²⁹ TPCA: Toyota Peugeot Citroën Automobile Czech (TPCA) is an automobile manufacturing company in Kolín, Czech Republic. It is a joint venture between Toyota Motor Corporation of Japan and PSA Peugeot Citroën of France.

³⁰ MT: Ministry of Transport

Ťok is not afraid of the railway line being used insufficiently, saying that Bavaria is a big, long-time trading partner of Czechia. The line's section in Czechia would cost CZK10bn.

RIA³¹ was more pessimistic recently. From a point of view of economic efficiency, a full double-track line does not seem realistic at the moment, it said.

DEFENCE MINISTRY LAUNCHES TENDER – 15. 12.

The MD³² has officially begun a tender for the delivery of 210 armoured infantry vehicles at a projected cost of more than CZK50bn, the largest public contract in modern Czech history.

MD Minister Metnar is due to brief the cabinet about the candidates and then ask 4 selected companies, BAE Systems, General Dynamics European Land Systems (GDELS), PSM and Rheinmetall Landsysteme, to submit their bids.

To bid, a significant part of the production and servicing must take place in conjunction with VOP CZ, a Czech state enterprise run by the MD.

The MD hopes to sign a contract in August 2019.

ADDITIONAL SUBSIDIES FOR ELECTRONIC VEHICLES – 15. 12.

The MIT³³ has launched a further round of subsidies to support the development and purchase of electronic vehicles and charging stations to reduce Co₂ emissions.

It offers entrepreneurs up to CZK200mn from EU funds³⁴ for the purchase of electric cars and the purchase of non-public recharging stations. Applicant can ask for money until May 2019. Subsidies range from CZK50,000 to CZK10mn.

In the CR, there are currently 178 public pay stations. The government aims to have some 800 charging stations nationwide within 5 years. Their construction is being supported by MIT subsidies.

EU lawmakers in October hammered out a deal to cut vehicle emissions 35% by 2030 in a bid to fight climate change and pollution.

The EU also agreed to offer incentives for manufacturers to sell zero- and low-emission cars in markets such as the CR where the current sale of such vehicles is below 60% of the EU average.

TRACTOR-MAKERS ZETOR TO MAKE MAJOR LAYOFFS – 18. 12.

Zetor Tractors plans to let around 40% of its staff go at the end of March. Some 260 jobs will be lost. TU³⁵ said that Zetor was in financial difficulties.

Whereas Zetor sold almost 4,200 tractors in 2014, that figure had fallen to below 2,800 last year. Since its foundation in 1946 Zetor has produced over 1.3mn tractors. In 2016 some 86% of its vehicles were exported.

³¹ RIA: Railway Infrastructure Administration (also SŽDC in Czech), is the national railway infrastructure manager in the Czech Republic. Its main customers include passenger train operator České dráhy and its cargo subsidiary ČD Cargo. It manages 9,478 km of tracks in the Czech Republic - all main lines and almost all regional lines.

³² MD: Ministry of Defence

³³ MIT: Ministry of Industry and Trade

³⁴ EU Funds: financial tools set up to implement the regional policy of the EU (CP – Cohesion Policy and CAP – Common Agricultural Policy), funds under CP consist of the Structural Funds (the ERDF – the European Regional Development Fund and the ESF – the European Social Fund), and the CF – the Cohesion Fund. Funds under the CAP, consist of the EAGF – the European Agricultural Guarantee Fund, the EAFRD – the European Agricultural Fund for Rural Development, and the EFF – the European Fisheries Fund.

³⁵ TU: Trade union, around 1/6 of all employees are union members in the CR.

CIA CHINESE XZB TO BUILD PLANT IN MOŠNOV – 18. 12.

XZB³⁶, will built a 20,000 m2 plant in the Mošnov Strategic Industrial Zone within 2 years.

At least 50 persons will find work in the facility in fully automated operations, including at least 10 positions with higher added value. City of Ostrava, approved the sale of a lot for the facility's construction for CZK 7.14mn, excluding VAT.

CIA HITACHI TRANSPORT SYSTEM IS ESA'S SOLE OWNER – 18. 12.

Hitachi Transport System, the current majority owner, became the sole owner of ESA.

INVESTMENTS & TRADE & SERVICES

CTK CZECH EXPORTS TO BRITAIN FALL – 16. 12.

Czech exports to Britain decreased annually by ▲3.4% to about CZK137.4bn in January-October this year, which was the 1st drop after 8 years of steady growth, according to the CSO³⁷.

In recent years, Britain has been the 5th biggest export market for the CR after Germany, Slovakia, Poland and France. The CR keeps positive balance in its external trade with Britain.

Exports to the UK have been growing in recent years, even after the 2016 referendum that decided on Britain's departure from the EU.

The Czech-British trade sank just briefly immediately after the referendum, with Czech exports falling below CZK10bn in July 2016, the lowest value since December 2013. But in the following months the exports returned to stable levels around CZK14bn-CZK15bn.

For the entire 2016 as well as for 2017, exports to Britain posted an annual growth. According to the CAE³⁸, Czech exporters are worried about the Brexit.

The Brexit situation is unclear and Czech exporters are carefully considering their further activities in the country, CAE said.

Uncertainty around Britain leaving the EU is worse than a hard Brexit for exporters, and Czech products are getting dearer, and with that less competitive, because of the British pound's fall, CzechTrade agency's London office said.

CIA HOUSING CRISIS IN PRAGUE MOVES – 16. 12.

The housing crisis in Prague moves from the segment of construction and sales of new apartments to the segment of rental housing. Rents in residential properties in Prague increased 39% to an average of CZK16,704 per average apartment in last 3 years. According to developers, the situation could be changed by the new construction and introduction of more apartments on the market.

≡ AVERAGE PRICE OF NEW FLATS IN PRAGUE UP – 17. 12.

The average price of new flats in Prague increased in October by 11.8% to 104,100/m², according to the Deloitte. At the end of October, there were 5,587 new flats available in the Czech capital, which is an increase by 18% on the previous year.

CTK HALTING PROCEEDINGS OVER KAPSCH COMPLAINT – 17. 12.

OPC³⁹ halted proceedings over 4 objections to an OPC's decision on the toll tender raised by Kapsch⁴⁰ as the MIT has signed a contract with the picked winner.

OPC cancelled 4 statements of September 20, a step against which Kapsch, the current operator of the toll collection system in the CR which failed in the tender, filed an appeal.

The proceedings were halted, too, which was the only possible course of action given the fact that the contract has already been signed, OPC said.

The MIT, the contracting authority, signed the contract for a 10-year operation of the toll system with a consortium of firms CzechToll and SkyToll on September 20. It was the same day OPC ruled on Kapsch's objections, partly dismissing them and partly halting the proceedings regarding the complaint. The administrative proceedings comprised several parts, with the possibility of filing an appeal against each of them.

The current decision applies to parts II, III, IV and VI, and it cannot be appealed. The MIT or Kapsch can only file a lawsuit against it with the Regional Court in Brno.

CzechToll/SkyToll consortium ranked first in the tender with a price bid of CZK10.75bn.

CTK ŠKODA AUTO IS DECLARED EXPORTER OF THE YEAR – 17. 12.

Škoda Auto was the biggest exporter last year again, as it was declared the winner of the Exporter of the Year contest. Škoda Auto exported cars worth CZK366bn in 2017, which was 18% more than in the previous year. It accounted for 8.6% of total exports from the CR.

The 2nd place in the contest was defended by Foxconn, even though it registered a drop in exports last year.

In terms of a y-o-y increase in exports, the contest was won by DGS Druckguss Systeme, a manufacturer of die casting components, which raised exports by 51% last year. 2nd in this category came Rieter CZ.

CommScope CR, a producers of aerials and other telecommunication devices, won an award for exporting goods and services to the biggest number of countries in 2017. It exported its products to 130 foreign markets.

Engineering-supply company Hutni Projekt Frydek-Mystek won the category of medium-sized exporters with exports below CZK0.5bn.

Volume of exports 1993 - 2017		Increase in exports 1993 - 2017	
1	Škoda Auto	1	Iveco
2	Foxconn	2	AGC Automotive

³⁶ XZB: a chinese company manufacturing components for the automotive industry

³⁷ CSO: Czech Statistical Office, 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. It accomplishes this goal through the management of the Czech Statistical Service.

³⁸ CAE: Czech Association of Exporters, a voluntary association that represents its members in the promotion of common interests, a transparent, non-discriminatory and free business environment in order to maintain and increase the competitiveness of domestic companies and companies, especially export companies. AE acts with state administration bodies, promotes its goals in the media, organizes educational, social and promotional actions aimed at achieving the goals.

³⁹ OPC: Office for the Protection of Competition (Úřad pro ochranu hospodářské soutěže), the central authority of state administration responsible for creating conditions that favour and protect competition, supervision over public procurement and consultation and monitoring in relation to the provision of state aid.

⁴⁰ Kapsch: The Kapsch Group, headquartered in Vienna, Austria, is an international Road Telematics, Information Technology and Telecommunications Company. The corporate group, with more than 5,000 employees worldwide generated total revenue of € 908.8 million as of March 2015. It is the current operator of the toll collection system in the Czech Republic.

3	Agrofert	3	Škoda Auto
4	Panasonic AVC Networks	4	Siemens Group
5	Moravia Steel A.S.	5	Saint-Gobain Adfors
6	Siemens Group	6	Škoda JS
7	Bosch Diesel	7	Sellier&Bellot
8	Robert Bosch	8	Deza
9	Iveco	9	Ceska Zbrojovka
10	Deza	10	Gumotex

CR EU'S BIGGEST TOY EXPORTER – 17. 12.

The CR is Europe's biggest exporter of toys, suggests an analysis carried out by UniCredit⁴¹. Czech production of toys last year amounted to a total of CZK51.6bn.

The CR, along with Slovakia, has been the fastest growing toy exporter in the EU since 2004. The growth is fuelled mainly by production of LEGO brick sets, which had been gradually moved to the country. LEGO, along with dolls and miniature models, belong the most exported items.

LABOUR & HEALTH & SOCIAL

MEASLES CASES ON THE RISE – 16. 12.

While last year 142 cases of measles⁴² were detected in the CR, already 182 cases had been detected as of December 4, according to the SHI⁴³.

Doctors warn that although it is mandatory to vaccinate children against measles, many are not. The disease is preventable through 2 doses of a safe and effective vaccine. The highly contagious, airborne disease experienced an unrepresented resurgence in 2017 in the Americas, Eastern Mediterranean and Europe, according to the WHO⁴⁴.

It can cause debilitating or fatal complications, including encephalitis (an infection that leads to swelling of the brain), severe diarrhoea and dehydration, pneumonia, ear infections and permanent vision loss.

PEOPLE COMING TO WORK IN CR EXCEEDS LEAVING – 16. 12.

The number of foreigners coming to work in the CR is higher than the number of Czechs leaving for work abroad, the CR being the 2nd most attractive country in CEE⁴⁵ in this regard, according to a study conducted by the British Legatum Institute with the support of Erste⁴⁶.

⁴¹ UniCredit: UniCredit Bank CR and Slovakia, is a Czech and Slovak bank based in Prague, the Czech Republic. The bank was a subsidiary of Italy-based UniCredit Group for 99.96% stake. UniCredit S.p.A. is an Italian global banking and financial services company. Its network spans 50 markets in 18 countries, with more than 8,500 branches and over 147,000 employees. Its strategic position in Western and Eastern Europe gives the group one of the region's highest market shares

⁴² Measles: Measles is a highly contagious infectious disease caused by the measles virus. Symptoms usually develop 10–12 days after exposure to an infected person and last 7–10 days. Initial symptoms typically include fever, often greater than 40 °C, cough, runny nose, and inflamed eyes. Small white spots may form inside the mouth 2 or 3 days after the start of symptoms. A red, flat rash which usually starts on the face and then spreads to the rest of the body typically begins three to five days after the start of symptoms. Complications occur in about 30% of cases and may include diarrhea, blindness, inflammation of the brain, and pneumonia, among others. Measles is an airborne disease which spreads easily through the coughs and sneezes of infected people. It may also be spread through contact with saliva or nasal secretions. Nine out of ten people who are not immune and share living space with an infected person will catch it. People are infectious to others from 4 days before to 4 days after the start of the rash. Most people do not get the disease more than once.

⁴³ SHI: State Health Institute

⁴⁴ WHO: World Health Organization

⁴⁵ CEE: Central and Eastern Europe, is a generic term for the group of countries in Central Europe, Southeast Europe, Northern Europe (Baltic countries), and Eastern Europe

⁴⁶ Erste: Erste Group Bank AG (Erste Group) is one of the largest financial services providers in Central and Eastern Europe serving 15.7 million clients in over 2,700 branches in 7 countries: Austria - Erste Bank der oesterreichischen Sparkassen AG; Czech Republic - Česká spořitelna a.s.; Slovakia - Slovenská sporiteľňa; Montenegro - Erste Bank Montenegro; Hungary - Erste Bank Hungary Zrt.; Croatia - Erste & C:\Users\19999\AppData\Local\Temp\JsJustPdfCreator.tmp\šPcBC76.tmp\ES, Meeting, 2018-12-19.docx

The most attractive labour market in the CEE region was Austria.

Between 2000 and 2015, the surplus of employees coming to the CR over the number of Czechs leaving for work abroad reached 3.5%.

The CR also ranks 2nd after Austria among 17 CEE countries in terms of respondents' satisfaction with living standards.

As regards satisfaction of employees with their monthly wages, the CR places 4th in the region.

According to study, one of the main tasks for the CR and other countries in the region will be to create the conditions that the new generation of "Millennials" expects at work.

The CR's further success will also depend on how it will be able to cope with its biggest comparative weaknesses, such as the lengthy process of establishing of companies and the low transparency of decision-making in the public sector, the analysis says.

The CR also ranks 26th among 149 countries in terms of prosperity, according to the Legatum Institute.

SUBSISTENCE MINIMUM RISE AS OF JANUARY FAILS – 17. 12.

MLSA⁴⁷ Minister Maláčová failed to push through her proposal to raise the monthly living and subsistence minimum level by CZK380 as of January.

The Cabinet interrupted the debate and will resume it in January, Maláčová said. She said the living and subsistence level may be raised as of February.

The MLSA's budget reckons with the CZK450mn spending on the increase in 2019.

The plan was previously debated by the coalition council of the leaders of the ČSSD and ANO, but they failed to reach agreement.

Maláčová proposed that the monthly living minimum for an adult person rise by CZK380 to CZK3,790, and by CZK190-350 for other members of the family.

The ANO-controlled MF, however, insists that the consumer basket from which the living minimum is derived should be updated and only then the living minimum should be raised accordingly as of 2020. In the 15-member cabinet, ANO has 10 seats and the ČSSD has 5 seats.

At present, the living minimum stands at CZK3,410 for an adult and ranges from CZK1,740 to 3,140 for other members of the family.

"Without any indexation, the sum would decline in terms of real [prices]," Maláčová said.

MLSA's website defines the living minimum as the socially recognized minimum level of income to ensure sustenance and other basic personal needs.

Subsistence minimum, on its part, is a minimum level of income, which is considered to be necessary to ensure sustenance and other basic personal needs at a level allowing the individual to survive. In addition to living minimum, the institute of subsistence minimum is introduced in order to increase motivation of adults in material need. Subsistence minimum cannot be used for dependent children, the recipients of an old-age pension, for disabled persons at the 3rd level and for persons over the age of 68.



TEMELÍN TU WANTS WAGE HIKE – 17. 12.

Employees of Temelín NPP⁴⁸ staged a protest in front of the plant today, demanding a 9% pay rise, ČEZ⁴⁹ offers a 4% growth, and the TU said a shutdown might be one of the protest options.

About 70 people took part in the protest, thus supporting collective bargaining within ČEZ. 9 rounds of collective bargaining have taken place so far.

TU said ČEZ had ignored their demands.

"We've been holding talks for more than 3 months," said Temelín TU. The last offer of the employer is 4% and the TU's 9%, he said. The last round of talks will be held on December 20.

The TU's demands include higher bonuses for night shifts and a severance pay being an equivalent of 14 instead of 12 monthly wages.

TU said that protest would have no impact on Temelín NPP's operation. "We take it as part of the collective bargaining process within the entire firm," he said.

Temelín NPP has some 1,250 employees. TU's original request was a 15% pay rise. A similar protest was held in Temelín NPP on Dec 4. ČEZ has 28 TU organisations. Dukovany NPP's⁵⁰ employees backed the protest.

ČEZ does not disclose the average wage of its employees, arguing that the indicator has no informative value as the company employs people of various professions in different positions.

The weekly Euro said in November the average monthly gross wage at ČEZ, including bonuses, was CZK63,805 in 2017.

According to data from the CSO, the average gross monthly wage in the sector of electricity, gas and heat generation and distribution reached CZK43,260 in Q₃ 2018.

The average gross wage in the entire CR rose annually by CZK2,458 to CZK31,516 in Q₃. The nominal rise was 8.5%, while in real terms the average wage was 6% higher, according to the CSO.



ČD TO RAISE TARIFF WAGES BY 5.5% - 19. 12.

ČD⁵¹ entered on December 18, 2018, into the Corporate Collective Agreement for 2019 with all 10 TUs in the company. All existing benefits will be preserved and wages in all tariff classes will be raised by 5.5%. Some of the bonuses will be raised as well. ČD has currently ca. 14,800 employees. The average wage totals approximately CZK 35,000.

⁴⁸ **Temelín NPP:** Temelín NPP is owned by ČEZ Group, which employs 1000 workers at this site. It is, with 2,000 MW of installed capacity and 4 units, largest power resource in the Czech Republic.

⁴⁹ **ČEZ:** ČEZ Group is a conglomerate of 96 companies (including the parent company ČEZ, a.s.), 72 of them in the CR. Its majority shareholder is the Czech government, owning 70% of shares. It is involved in the electricity generation, trade, distribution and heat, as well as coal mining. ČEZ is the biggest electricity supplier in the Czech Republic.

⁵⁰ **Dukovany NPP:** Dukovany NPP annually supplies approximately 14 TWhr of electric energy to the national power network. NPP is owned and operated by ČEZ Group. Dukovany covers a 1/5 of the total electricity consumption in the CR with its installed output of 2,040MW. The NPP has 4 units. ČEZ has submitted request for new licences for further operation of units 3 and 4 to the SONS. Current 10-year licences for the units will expire at the end of this year. SONS has granted new operation licences for units 1 and 2.

⁵¹ **ČD:** Czech Railways, is the main railway operator in the Czech Republic providing regional and long-distance services.

MISCELLANEOUS

EP CALLS ON EC TO ACT ON CASE OF CZECH PM – 13. 12.

The EP⁵² has approved a resolution calling on the EC to suspend all EU subsidies to companies belonging to the Agrofert⁵³ conglomerate founded by PM⁵⁴ Babiš until the question of whether he de facto retains control over it is settled.

The debate in the EP focussed on whether Babiš, who as PM can influence the disbursement of both Czech and EU subsidies, has a conflict of interest despite having placed Agrofert in trust funds.

MEPs⁵⁵ also discussed subsidies that Slovak-born billionaire Babiš's agribusiness group is alleged to have abused, especially to finance the so-called "Stork's nest" project, control of which was allegedly transferred from Agrofert temporarily a decade ago solely to receive EU subsidies meant for small businesses.

EU SUBSIDY FREEZE NOT TO AFFECT BUSINESSES – 13. 12.

The call for the suspension of EU subsidies to companies belonging to the Agrofert conglomerate founded by PM Babiš does not concern any other businesses in the CR, MRD⁵⁶ Minister Dostálová said. The MRD coordinates the distribution of EU funds.

The ČSSD's leader Hamáček said the government would debate the situation around Agrofert at its next session.

Meanwhile, the EC has announced it will send a team of auditors to the CR to look into the distribution of EU subsidies from 2007 until the present day.

PROPOSAL TO TAX CHURCH RESTITUTIONS – 13. 12.

The ChD sent a proposal to tax church restitutions into its 3rd and final reading, due to take place in January of next year.

The bill was put forward by the KSČM and has support from the ANO and the ČSSD as well as the opposition SPD⁵⁷.

Taxing money returned to churches, predominantly the Catholic Church, in return for property confiscated by the communists, is a highly sensitive issue. Right-wing opposition parties are vehemently against the idea, arguing that stolen property should be returned without financial strings attached.

⁵² **EP:** European Parliament, is the directly elected parliamentary institution of the European Union. Together with the Council of the European Union and the European Commission, it exercises the legislative function of the EU. The Parliament is composed of 751 members, who represent the second-largest democratic electorate in the world (after the Parliament of India) and the largest trans-national democratic electorate in the world (375 million eligible voters in 2009).

⁵³ **Agrofert:** an agricultural, food processing and chemical holding company based in CR. The holding consists of more than 230 companies mainly in CR, Slovakia and Germany. It is the 4th largest company in the CR by revenue with revenue exceeding CZK 117bn. It owns or has rented over 57 thousands ha of Czech arable land - 0.7% of total area of the CR or 1.6% area of Czech arable land. The company was founded in 1993. Its current CEO and sole owner is Andrej Babiš.

⁵⁴ **PM:** Prime Minister, the Czech Republic is a parliamentary representative democracy, with the Prime Minister acting as head of government and the President acting as head of state. The first Prime Minister of the Czech Republic was Václav Klaus, who served as the second President from 7 March 2003 until 7 March 2013. The current and 12th Prime Minister is Andrej Babiš, leader of the ANO 2011, who was appointed by the President on 6 December 2017.

⁵⁵ **MEP:** Member of European Parliament

⁵⁶ **MRD:** Ministry of Regional Development

⁵⁷ **SPD:** Freedom and Direct Democracy, an eurosceptic, and pro-direct democracy political party in the CR. The party was founded in May 2015 by Tomio Okamura and Radim Fiala after a split of a few MPs from the Dawn of Direct Democracy, now Dawn - National Coalition

Taxing church restitutions was one of the conditions laid down by the KSČM in return for supporting the minority government.

☰ WAYS TO AVOID CONFLICT OF INTEREST – 16. 12.

EU Budget Commissioner Oettinger has recommended 3 ways for PM Babiš to avoid a conflict of interest as regards the Agrofert concern, the weekly Respekt reports.

Oettinger said in a letter, published in part by Respekt, that Babiš should either sever his and his family's ties to Agrofert, which thebnair businessman founded; ensure that Agrofert ceases to accept EU subsidies; or refrain from taking part in some decisions on allocating funds.

CTK HELPING CZECHS IN BRITAIN IN CASE OF HARD BREXIT – 17. 12.

The MFA⁵⁸ is prepared to help Czechs permanently living in Britain in the case of hard Brexit, also via the new general consulate in Manchester to be opened next year, MFA Minister Petříček said.

The MFA is also communicating with Czech businesspeople in this respect, Petříček added.

"The MFA is trying to maximally help Czech citizens who have long been living in Britain. This is why we will open the general consulate in Manchester at the beginning of next year to secure the assistance to Czechs permanently living in Britain," said Petříček.

The government decided to open the consulate in the summer of 2017.

Petříček said the MFA had also launched special information channels for Czechs in Britain.

In November, a special Brexit chapter was opened on the MFA's website, explaining the future status of the EU citizens in Britain and answering the questions connected with Brexit. It also offers references to British offices and significant documents to be downloaded.

"We are communicating with Czech businesspeople in the same way to prepare them for possible Brexit consequences," Petříček said.

Czech ministries are also drafting particular amendments to laws just in case Britain left the EU without any agreement on March 29. Consequently, the prepared transition period would not be applied and all current regulations concerning business relations and the EU citizens' status would become invalid at once.

PM Babiš previously said the government would like to have the respective bill prepared and debated with the opposition to enable its quick passage in the ChD if need be.

☰ MI TO PREPARE FOR "HARD" BREXIT – 17. 12.

The MI⁵⁹ will prepare a bill defining the rules in case of a "hard" Brexit, PM Andrej Babiš said after the Cabinet meeting, adding that other ministries have been asked to submit draft clauses dealing with the issue from their respective viewpoints this week.

The Cabinet will discuss the bill on January 7 and wants to push it through by March 29 when Britain is to leave the EU, Mr Babiš said.

Among other things, the bill would temporarily define the conditions of the British nationals' entry to the CR and their stay in the CR.

⁵⁸ MFA: Ministry of Foreign Affairs

⁵⁹ MI: Ministry of the Interior

☰ PM BABIŠ NOT TO CHAIR COUNCIL FOR EU FUNDS – 17. 12.

PM Babiš sent a letter to EU Budget Commissioner Günther Oettinger informing him that he had left the board of the government Council for the EU Structural and Investment Funds, which makes recommendations for the distribution of EU money. Under a draft amendment to the Regional Development Act, approved by the Cabinet, the council can be chaired by another cabinet member.

The PM made the move in reaction to the EU's criticism of the Czech PM over potential conflict of interest. MEPs on voted for the suspension of all EU payments to Agrofert, a company linked to Mr Babiš, until his alleged conflict of interests is settled.

CTE WARNING OF HUAWEI, ZTE SOFTWARE, HARDWARE – 17. 12.

The NCISA⁶⁰ has issued a warning against the use of both the software and hardware of the Huawei⁶¹ and ZTE⁶². The use of these means poses a security threat, it added.

„Issue of this warning concludes our findings and those of our allies and security partners. The main issue is a legal and political environment of the PRC⁶³, where aforementioned companies primarily operate. China's laws, among other things, require private companies residing in China to cooperate with intelligence services, therefore introducing them into the key state systems might present a threat," NCISA said.

"Another reason NCISA has issued a warning is that the PRC actively pursues its interests in the territory of the CR, including influence and espionage intelligence activities. This is exemplified in the annual reports of security services for 2017," it said.

„According to the Act on Cyber Security, a warning means that system administrators in the critical information infrastructure, important information systems or essential service providers are obliged to acknowledge the threat and issue adequate measures," NCISA said.

Huawei absolutely dismissed the allegation that it posed any risk for national security, asking NCISA to present facts instead of harming its reputation.

Cyber security has always been a priority of the firm, Huawei said. The company has enough demonstrable experience in the CR and across the world confirming that its products and solutions are safe. It said that in China, there were no laws or orders forcing Huawei or any other firm to compulsorily installing "the back doors" in their products.

⁶⁰ NCISA: the National Cyber and Information Security Agency, NÚKIB (Národní úřad pro kybernetickou a informační bezpečnost), is the central body of state administration for cyber security, including the protection of classified information in the area of information and communication systems and cryptographic protection. It is also in charge of the public regulated service of the Galileo satellite system. It was created on August 1, 2017 on the basis of Act No. 205/2017 Coll., amending Act No. 181/2014 Coll., on the Cyber Security and on the Amendments of the Related Acts (Cyber Security Act).

⁶¹ Huawei: Huawei Technologies Co. Ltd. is a Chinese multinational networking and telecommunications equipment and services company headquartered in Shenzhen, Guangdong. It is the largest telecommunications equipment manufacturer in the world,

⁶² ZTE: a Chinese multinational telecommunications equipment and systems company headquartered in Shenzhen, China. ZTE operates in three business units - Carrier Networks (54%)-Terminals(29%)-Telecommunication(17%). ZTE's core products are wireless, exchange, access, optical transmission, and data telecommunications gear; mobile phones; and telecommunications software. It also offers products that provide value-added services, such as video on demand and streaming media. ZTE primarily sells products under its own name but it is also an OEM. ZTE is one of the top five largest smartphone manufacturers in its home market, and in the top ten, worldwide.

⁶³ PRC: People's Republic of China

"Huawei has never received such a demand from the government or any other government institution and our company would never agree with this," it said.

MI Minister Hamáček said due to the NCISA warning, a methodological instruction should be issued for the work of the authorities using the products of Huawei and ZTE.

When it comes to the future orders, it will be good to clear up the public procurement law so that the organisers could eliminate them from the tenders, Hamáček said.

Hamáček said the NCISA had proceeded in harmony with the law. "Each administrator of key infrastructure must take into account the warning," Hamáček said, adding that the MI, too, was using the technologies of the 2 companies.

PM Babiš said the government had discussed the issue in a classified regime.

"It is a surprise for us that the office issued the position. There are some things which are not fully finished and may have an impact on our country," Babiš said.

MD⁶⁴ Minister Metnar said he had let some practical steps taken in order to map up the situation.

Other ministries, too, will take similar steps, Metnar said.

After the South Korean Samsung, the Huawei is the 2nd bigger seller of smart cell phones in the world.

Some Western countries have banned or reduced cooperation with it for fear that its products may contain spying software.

Such countries as the USA, Britain or Australia are afraid of the firm's links with the Chinese authorities.

Huawei is the biggest supplier of mobile networks and further infrastructure for Czech operators.

The firm wants to invest \$360mn and to create over 4,000 jobs in the CR by 2022.



INSTRUCTION ON HUAWEI IN JANUARY – 18. 12.

The NCISA will issue a methodological instruction for offices using both the software and hardware of the Chinese companies Huawei and ZTE in the first half of January.

The NCISA had not expected any other reaction, but that it had no reason to comment on it, also because many arguments were of a classified character.

"We would like to issue the basic methodology in the first half of January. However, it will be based on the law on cyber security dealing with these issues," NCISA said, adding that the instruction would be universal to apply to ministries, other public offices and firms.

It is up to the users, including individuals, to take a stance on the NCISA warning, since this is not a ban, it said.



AUTHORITIES VOW TO GET RID OF HUAWEI PHONES – 18. 12.

PM Babiš has ordered the OGCR⁶⁵ to get rid of the cell phones from the Huawei and the MIT will proceed in the same way, Babiš and the MIT said.

"A few months ago, I found out that the OGCR has some cell phones from Huawei. I do not know how they appeared there. To put it simply, I have ordered that they should not be there," Babiš said.

The MIT will also withdraw all the equipment from Huawei, replacing it with other makes, it said.

"In the case of private cell phones of the ministerial staff, attached to the MIT's network, the access will be ended," MIT said.

The MH⁶⁶ will also replace the Huawei machines. It only used a few cell phones from Huawei.

"We are analysing the warning," OPCR⁶⁷ said.

The MRD now has 120 phones and 184 modems from Huawei. "The MRD is monitoring and evaluating the affair. At present, there are still the conditions of public procurement, under which the tenders are held according to parameters," the MRD said, adding that it was necessary for the NCISA to issue a legally binding document by which the offices would be guided.

The MT only has a few phones from Huawei, it will continually replace them. "We will ask the supplier of the services to check the situation," it added.

The MJ⁶⁸ uses the servers, network elements and 20 cell phones from Huawei and is waiting for the release of the NCISA methodology, but now it is not buying any products from Huawei, it added. "Until further notice, all branches of the office were centrally suspended any orders from the framework agreement," it said, adding that a possible exchange in the equipment would not pose any major problem.

The ME does not use the products of Huawei and ZTE. It is checking whether it has any cell phones. "According to the available information, no risk is posed by primarily cell phone equipment. ICT⁶⁹ within the entire infrastructure are of vital importance," ME said.

MI said out of its equipment, only a few percent were from Huawei and ZTE. The MI will take measure according to the NCISA methodology, it added.

The MA will take into account the situation in next tenders. Now it does not have any infrastructure from ZTE and Huawei, such as servers and network elements, it added. The MA will stop using the phones from the Chinese firm Huawei and its existing 77 phones will be gradually replaced with a different make, it said.

The RIA and ČD, managed by the MT, said they would proceed in keeping with the instructions of the MT and the government. "ČD does not operate any systems or information connected with national security with Huawei devices," ČD said.

The ČEZ uses individual devices from Huawei, but there is no critical information infrastructure among them, ČEZ said. The firm acts according to NCISA recommendations, awaiting its methodological instruction, it added.

Prague City Hall said the office did not use any key systems from Huawei.

The PPF⁷⁰ will deal with the warning. "We may take the required measures in harmony with the valid legislation," PPF said. PPF has concluded a memorandum on the development of telecommunication networks with Huawei,

⁶⁶ MH: Ministry of Health

⁶⁷ OPCR: Office of the President of the Republic

⁶⁸ MJ: Ministry of Justice

⁶⁹ ICT: Information and Communication Technology

⁷⁰ PPF: PPF is a privately held international financial group. It operates in the area of consumer financing, retail banking and insurance. It develops its activities in many countries. Its headquarters is located in the Netherlands. The largest shareholder of PPF is Petr Kellner (98.94%). PPF invests into a number of sectors, from banking and financial services to telecommunications, insurance, real estate, agriculture, retail services and biotechnologies. It operates in Europe, Russia, Asia and the USA.

⁶⁴ MD: Ministry of Defence

⁶⁵ OGCR: Office of the government of the Czech Republic

but it does not oblige PPF to have the equipment delivered from Huawei.

MD Metnar has already asked for an inspection of the situation. "The evaluation will be crucial, but I can say that in this respect, I am already taking some measures against the use [of Huawei technology]," Metnar said.

"Based on the results of the evaluation and information from the NCISA, the MD will take such steps which will prevent the cell phones for the employees of the MD or military from posing any security risk," MD said.



NCISA MISMANAGING HUAWAI CASE – 18. 12.

The NCISA did not cope well with the warning of the use of both the software and hardware of the Huawei and ZTE, PM Babiš said.

The NCISA has failed to submit a legal analysis and a proposal of solutions to the impact on state tenders caused by the warning, Babiš said.

NCISA director Navrátil said he understood the criticism, but the office had to act without any delay. Unlike Babiš, the Senate⁷¹ security committee has supported the NCISA.

Babiš said on December 17, that the Cabinet had dealt with the affair in a classified regime and it was surprised by its publication.

"When something is proposed, there can be some impact, even of an economic nature. In this respect, we did not receive anything," Babiš said. "Now it is released and the individual ministries which are before some tenders, have to react to this," Babiš said.

"I largely understand Babiš's criticism. If I were in his place, I would be speaking similarly," Navrátil said. "This is a new situation with which the CR has no experience," he added.

However, the NCISA was founded in order to protect national critical information infrastructure without which the state cannot work, Navrátil said.

"If we find out that the systems are threatened in any way, we have to react immediately," he added.

The warnings must be primarily addressed to the infrastructure administrators who now have to make an analysis of what technologies they use and what risk arises from this on the basis of NCISA's findings, Navratil said.

NCISA has used the warning, which is the mildest possible reaction under the cyber security law, NCISA said. "It is largely for the sake of prevention and information," he added.

After a closed session of the Senate committee, Navrátil said that the NCISA had issued the warning under the cyber security law and the institutions in question had to take this into account.

NCISA has the right to issue the warning, "if it finds out that there is some serious risk," Navratil said.

The committee said that with its warning, the NCISA "has enhanced the protection of the most important information structure against the threats of such manufacturers as Huawei and ZTE, mentioned by the BIS in its annual report for 2013."

The chairman of the committee Fischer said the warning had to be taken very seriously.

⁷¹ **Senate:** the Senate of the Parliament of the CR, usually referred to as the Senate, is the upper chamber of the Parliament of the Czech Republic. The seat of the Senate is Wallenstein Palace in Prague.

Babiš said now individual ministries would have to deal with the situation since they were before some tenders.

Navrátil said the methodology was based on the law, stipulating how ministers should approach the systems they operate.



ORGANISED CRIME SQUAD RAID DIAMO'S OFFICES – 18. 12.

Officers from the police's organised crime squad raided premises of the state mining company Diamo on November 18. According to the Euro.cz, the investigation centres on a public tender procedure to purchase land in Cínovec, north Bohemia for the future mining of lithium.

In October the PM Babiš, said Diamo should become actively involved in a project to mine lithium at Cínovec. This followed reports that the EMH⁷² had acquired permission from the Czech authorities to begin test drills.

The CR had signed a memorandum with EMH on exploiting the mine but that was abrogated by Mr. Babiš's government.



NOT TO SACK STATE SECRETARY AT REQUEST – 19. 12.

The Cabinet should not have the right to dismiss state secretaries at the request of the given minister because this would make the civil service more political, the Senate decided, rejecting the respective amendment to the law on civil service. State secretaries are responsible for personnel changes concerning officials at ministries.

The Senate returned the draft amendment to the ChD that may discuss it again after New Year only.

MI Minister Hamáček dismissed the Senate's proposed changes to the amendment. MRD Minister Dostálová proposed that state secretaries working at ministries as well as the deputy interior minister for civil service could be dismissed from their posts.

She argued that the dismissed state secretaries may appeal against their dismissals at courts, same as other civil servants.

The opponents of the proposal say the change would be a step away from the depoliticisation of the civil service if any new government could replace all the state secretaries.

The amendment introduces a 2-round system of competitions for posts in the civil service instead of the current 3-round system.

The political opposition and TUs claim that this change would allow the government to replace critical officials with people from firms that cooperate with the government. In the second round, not only career civil servants but also people outside the civil service could apply for the vacant post provided that they have experience with occupying senior positions.



¼ OF CZECHS ARE BELIEVERS – 18. 12.

According to the STEM⁷³ poll focused on Czechs' attitude to faith and religion, women, people over 45 and those living in smaller municipalities most often consider themselves religious.

⁷² **EMH:** European Metals Holdings Limited explores and develops mineral properties. It holds 100% interest in the Cínovec lithium-tin project in the Czech Republic. The company was formerly known as Equamineral Holdings Limited and changed its name to European Metals Holdings Limited in February 2014. European Metals Holdings Limited is based in West Perth, Australia.

⁷³ **STEM:** Public Opinion Research company, private company focusing on statistical surveys of public opinion on various topics

In comparison with the 1994 and 2004 polls, the share of believers has not changed much, but the share of atheists has gone up slightly.

Some 25% of Czechs say they are religious, while 35% say they are not and 31% say they are atheists. 10% are undecided.

Just above 1/2 of people, 55%, believe there was something beyond them, be it god or something else.

There are those who believe in some kind of transcendence even among the people who say they are not religious or call themselves atheists, the pollsters say.

The CR is considered one of the most atheistic countries in the world. The last census in 2011 showed only just above 2mn, 1/5 of Czechs, said they were believers.

In 1918, over 9mn of 10mn inhabitants of the Czech Lands were religious.

Their number dropped by more than 1mn since 2001, a similar decrease to the period between 1991 and 2001.

This means that churches experienced a larger drop in followers between 1991 and 2011 than after 1918 and during the Communist regime after 1948.

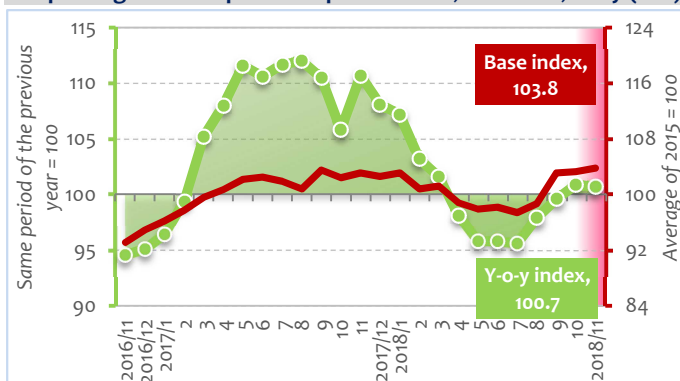
There are 38 registered churches and religious communities in the CR. The biggest one is the Roman-Catholic Church with almost 1.1mn followers, a 1/5 of Czechs, in 2011.

The Evangelical Church of Czech Brethren, the Czechoslovak Hussite Church and the Orthodox Church follow with a few hundred thousand followers.

STATISTICS
PRODUCER PRICE INDICES – 17. 12.

In November 2018 compared with the previous month, agricultural producer prices (+0.5%), construction work prices (+0.4%) and prices of market services for businesses (+0.1%) all went up. Industrial producer prices went down by 0.1%. In comparison to November 2017, agricultural producer prices (+0.7%), industrial producer prices (+3.9%), construction work prices (+4.1%) and prices of market services for businesses (+2.0%) were all higher.

Graph 1: Agricultural producer price indices, 2016-2018, Y-o-y (in %)



M-o-m comparison:

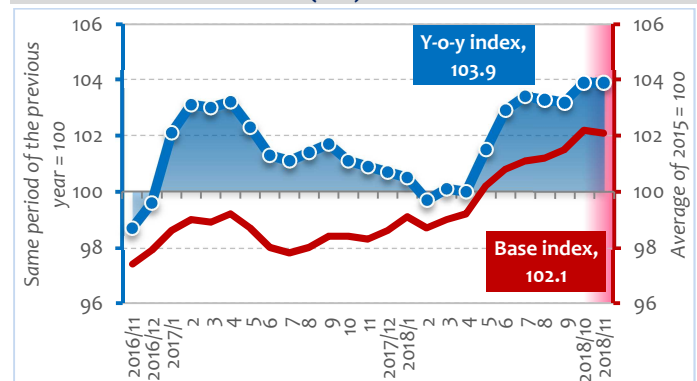
Agricultural producer prices increased by 0.5%. Prices of potatoes (+9.4%), milk (+3.7%), oil plants (+2.9%), eggs (+1.5%) and cereals (+0.8%) went up. On the decrease were prices of fruit (▲7.0%), poultry (▲4.7%), fresh vegetables (▲2.9%), pigs for slaughter (▲2.6%) and cattle for slaughter (▲0.5%).

Y-o-y comparison:

Agricultural producer prices were higher by 0.7% (+0.9% in October). Prices of crop products grew by 6.9% due to increasing prices of fresh vegetables (+52.1%), potatoes (+20.1%), cereals (+15.0%) and oil plants (+4.6%). Lower were

prices of fruit by 51.9%. Prices of animal products went down by 7.7%. Lower were prices of eggs (▲38.8%), pigs for slaughter (▲12.4%), milk (▲4.0%), cattle for slaughter (▲3.8%) and poultry (▲2.8%).

Graph 2: Industrial producer price indices, 2016-2018, Y-o-y (in %)^{74,75}



M-o-m comparison:

Prices of **industrial producers** were lower by 0.1% m-o-m after of eight months of growth especially due to the price decreasing in ‘coke, refined petroleum products’. Prices decreased also in ‘wood, wood products, paper, printing’ (▲0.2%). Prices remained stable in ‘food products, beverages, tobacco’ in total, thereof ‘dairy products’ (+0.7%) and ‘grain mill products, starches and starch products’ (+1.3%). On the increase were also prices in ‘basic metals, fabricated metal products’ (+0.7%) and ‘transport equipment’ (+0.3%).

Y-o-y comparison:

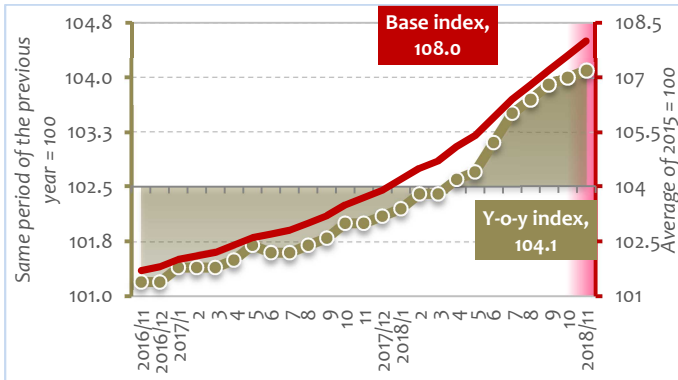
Prices of **industrial producers** rose by 3.9% like in October. Prices increased significantly in ‘coke, refined petroleum products’. Prices were higher in ‘basic metals, fabricated metal products’ (+4.5%), ‘chemicals and chemical products’ (+10.6%), ‘electricity, gas, steam and air conditioning’ (+2.8%) and ‘mining and quarrying’ (+9.2%). On the increase were also prices in ‘transport equipment’ (+1.1%), thereof ‘motor vehicles’ (+2.1%) and ‘parts and accessories for motor vehicles’ (+0.7%). Prices increased in ‘food products, beverages, tobacco’ (+0.7%), thereof beverages’ (+3.7%), ‘grain mill products, starches and starch products’ (+8.2%). Prices were higher in all industrial branches.

Among the main industrial groupings, prices of ‘energy’ (+8.2%) increased the most.

⁷⁴ **Base index:** In the base index the price of the calculation period is always compared with the base period. In the base index weights are usually changed less often than yearly, for example, at intervals of five years.

⁷⁵ **Base year:** Base year refers to the base point in time of a time series. Normally, years divisible evenly by five are used as base years. In releases base year is noted, for example, as 2000 = 100 or 2015 = 100. The mean of the index point figures of a base year is 100. For example, in monthly indices the index point figures of the months of the base year disclose the distribution of an examined variable between different months.

Graph 3: Construction work price indices, 2016-2018, Y-o-y (in %)



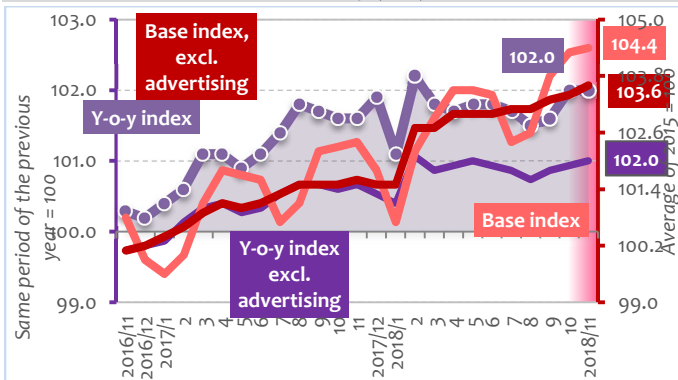
M-o-m comparison:

According to an estimate, **construction work** prices increased by 0.4% and construction material input prices grew by 0.6%.

Y-o-y comparison:

According to an estimate, **construction work** prices rose by 4.1% (+4.0% in October) and construction material input prices grew by 5.1% (+4.6% in October).

Graph 4: Market services price indices in business sphere, 2016-2018, Y-o-y (in %)



M-o-m comparison:

Prices of **market services for businesses** were higher by 0.1%. On the increase were prices of 'employment services' (+4.0%), 'postal and courier services' (+1.0%), 'publishing services' (+0.6%) and 'land transport services' (+0.2%). Decreasing were prices of 'advertising and market research services' (▲0.3%) and 'management consulting services' (▲1.1%). Prices of market services for businesses excluding advertising services rose by 0.2%.

Y-o-y comparison:

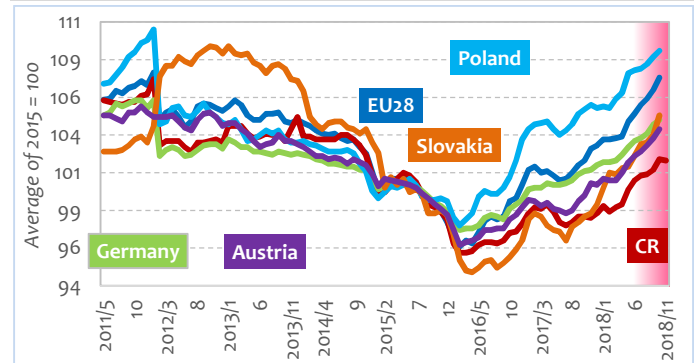
Prices of **market services for businesses** were higher by 2.0% (like in October). Increasing were prices in 'employment services' (+8.2%), 'postal and courier services' (+6.4%) and 'advertising and market research services' (+5.2%). On the increase were also prices of 'real estate services' and 'architectural and engineering services' (+2.9% both) and 'land transport services' (+1.7%). Lower were prices of 'warehousing and support services for transportation' by ▲2.1%. Prices of market services for businesses excluding advertising services increased by 2.0% (+1.9% in October).

According to the Eurostat, industrial producer prices increased in October by 0.7% (+0.6% in September) in EU28⁷⁶, m-o-m. The highest increase in prices was recorded in Belgium (+3.6%). Prices went up in Slovakia (+1.3%), the CR

(+0.7%), Austria (+0.6%), Poland (+0.4%) and Germany (+0.3%). Prices decreased the most in Estonia (▲0.8%).

Industrial producer prices were higher in October by 5.4% (+4.9% in September) in EU28, y-o-y. The highest increase in prices was recorded in Belgium (+10.4%). Prices went up in Slovakia (+7.2%), Austria (+4.4%), the CR (+3.9%), Poland (+3.7%) and Germany (+3.6%). The only decrease was observed in Ireland (▲2.7%).

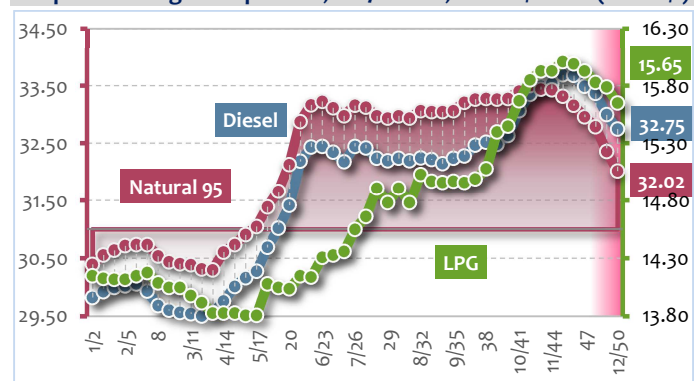
Graph 5: Industrial producer price indices, International comparison, 2011-2018, monthly data (2015 average = 100)



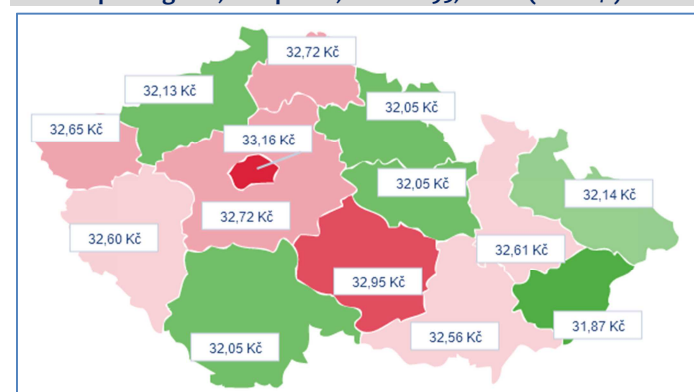
FUEL PRICES – 14. 12.

Natural 95 decreased by ▲34h⁷⁷ to CZK32.02/l over the past week, Diesel oil decreased by ▲25h to CZK32.75/l.

Graph 6: Average fuel prices⁷⁸, 2017 – 2018, Month/Week (in CZK/l)



Map 1: Regions, fuel prices, Natural 95, 16. 12. (in CZK/l)⁷⁹



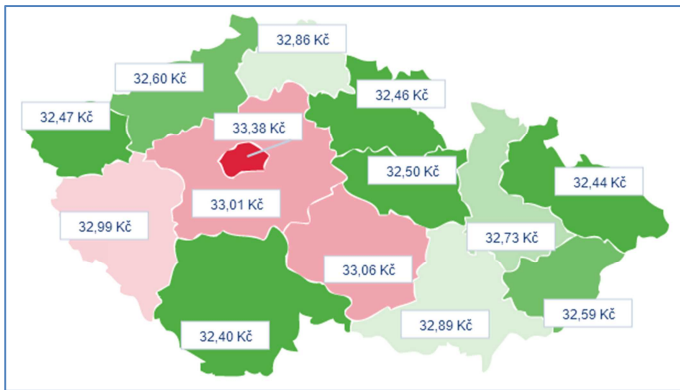
⁷⁶ EU28: 28 member states of the EU, which are party to the founding treaties of the union and thereby subject to the privileges and obligations of membership

⁷⁷ h: 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.

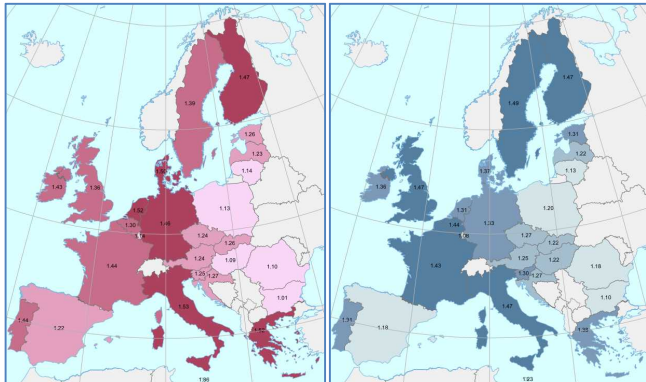
⁷⁸ Consumer price indices calculated from the weekly price survey are not qualitatively adjusted and thus do not express the net price development applied at inflation measurement, data issued by the CSO

⁷⁹ data issued by the mBenzin.cz; <https://www.penize.cz/ceny-benzinu-a-ceny-nafaty>

Map 2: Regions, fuel prices, Diesel, 16. 12. (in CZK/l)

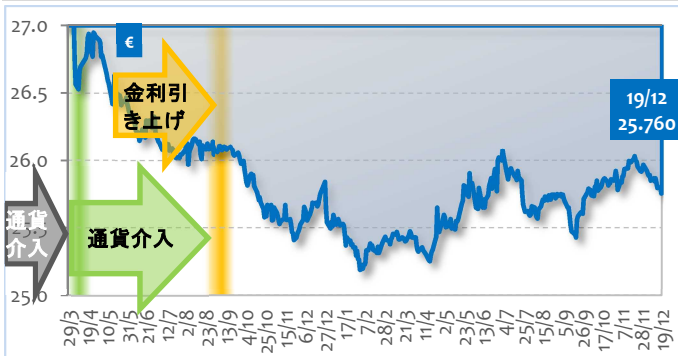


Map 3: EU, Average fuel prices, Natural 95, Diesel, 10. 12. (in €/l)⁸⁰

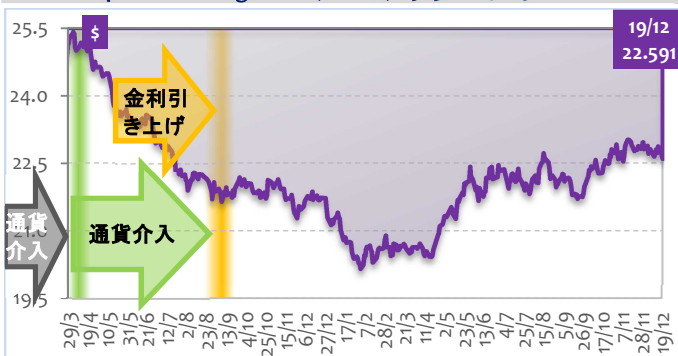


CZK vs €, \$, ¥ – 19. 12.

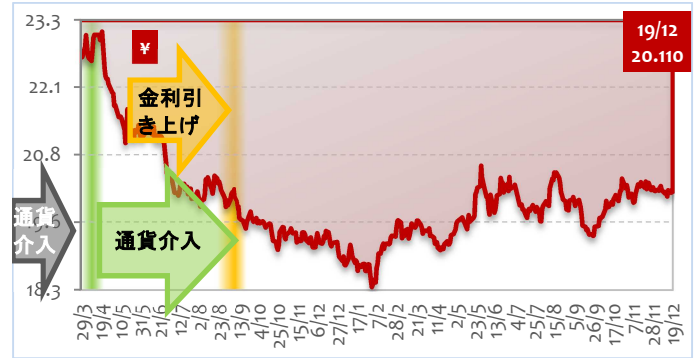
Graph 7: Exchange rates, CZK/€, 29. 3. 2017 – 19. 12. 2018



Graph 8: Exchange rates, CZK/\$, 29. 3. 2017 – 5. 12. 2018



Graph 9: Exchange rates, CZK/100¥, 29. 3. 2017 – 19. 12. 2018



News outside the time span of this News summary



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.



ČNB, 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 no. 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.



MA, Ministry of Agriculture of the CR (Ministerstvo zemědělství České republiky)



MF, Ministry of Finance of the CR (Ministerstvo financí České republiky)



ME, Ministry of Environment of the CR (Ministerstvo životního prostředí České republiky)



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.

⁸⁰ data issued by the EC; <https://ec.europa.eu/energy/en/data-analysis/weekly-oil-bulletin>

NEWS SUMMARY 2018 (POLITICAL)

注:本報告は、チェコ政府公表資料、新聞、インターネット等報道資料をとりまとめたもの。
詳細情報については、それぞれの情報ソースを参照願いたい。

JANUARY

- 2 Agrofert holding lodges complaint with European ombudsman and the EU Court of Justice over the European anti-fraud office OLAF's investigation into an EU subsidy drawn by the Czech Capi hnizdo (Stork Nest) company.
- 6 Ivan Bartos is re-elected the opposition Pirate Party chairman for another two years.
- 8 OLAF says that untrue and incomplete information was submitted within the application for a subsidy designated for the Farma Capi hnizdo company.
- 9 President Milos Zeman says in his speech on the celebrations of 100 years since the birth of Czechoslovakia and 25 years since the establishment of the Czech Republic, that the non-communist ministers who tendered their resignations in 1948 [which the Communists eventually used to stage a coup] were stupid. He also said that Alexander Dubcek, the then Communist party reform leader, "shit in his pants with horror" in reaction to the 1968 Soviet-led invasion.
- 11 It is announced that Jerome Colloredo-Mannsfeld succeeded at the Constitutional Court with his request for the reopening of the proceedings regarding his claim of movable properties from the Opocno chateau, east Bohemia.
- 12 The direct presidential election, second in the Czech history, start with the first round. Zeman and former Sciences Academy chairman Jiri Drahos advanced to the second round.
- 15 The Valdice prison, east Bohemia, confirms that Kevin Dahlgren, a U.S. national convicted of four-time murder of members of a Czech family, hanged himself in prison on January 11.
The seven key holders open the chamber with the crown jewels in St Vitus Cathedral. The jewels went on display in Prague Castle's Vladislav Hall.
- 16 The cabinet of ANO leader Andrej Babis, appointed in late 2017, loses a confidence vote in parliament. It subsequently approved its own resignation, which Zeman accepted on January 24 and assigned Babis to start new government-forming negotiations.
- 17 Olomouc High Court acquits Alena Vitaskova, former chairwoman of the Energy Regulatory Office (ERU), of charges in the case of unrightfully granted operation licences to solar power plants in north Bohemia.
- 19 The Chamber of Deputies releases Babis and ANO first deputy Jaroslav Faltyněk for prosecution over the Capi hnizdo case of a suspected EU subsidy fraud.
- 23 Server iDNES.cz writes that the police accused three Czechs, a former Prague imam and his brother and sister-in-law, of terrorism and direct participation in a terrorist group.
- 24 The Chamber of Deputies votes not to release Civic

- Democrat (ODS) deputy and former Prague mayor Bohuslav Svoboda and ANO deputy Pavel Ruzicka for prosecution. The police wanted Svoboda's release over the controversial Opencard project of a smart e-card for Praguers, while Ruzicka is suspected in connection with a disadvantageous sale of a town-owned house.
- 26 Outgoing Health Minister Adam Vojtech (for ANO) sacks Prague's Na Bulovce hospital director Andrea Vrbovska. She was replaced by her former deputy Frantisek Novak in May.
- 27 Zeman is re-elected Czech president in the direct election runoff, gaining 51.36 percent of the vote.
- 29 The Finance Ministry nods to removing projects from seven operational programmes based on the EC's proposals. The removed projects include the Capi hnizdo relaxation complex.
Zeman appoints 12 university rectors.
- 30 Outgoing Defence Minister Karla Slechtova (for ANO) visits Czech soldiers on a mission in Afghanistan.
Prague 1 District Court turns down the lawsuit filed by several Czechs who were previously kidnapped in Lebanon and accused the state of failing to prevent the incident.

FEBRUARY

- 9 Outgoing Health Minister Vojtech sacks Svatopluk Nemecek as director Ostrava Teaching Hospital.
- 13 The Bratislava Regional Court in reopened proceedings rejected the lawsuit Babis filed over his name unrightfully figuring in the former communist secret police (StB) files as an StB agent.
- 16 Olomouc High Attorney's Office charges former Prague deputy high state attorney Libor Grygarek with abuse of power in connection with lobbyist Roman Janousek's case.
- 18 CSSD statutory deputy chairman and Chamber of Deputies head Jan Hamacek is elected CSSD chairman at the party's national congress. Jiri Zimola becomes the statutory deputy chairman.
- 20 Jitka Sosnovcova resigns as director of the State Institute of Health (SZU) after an audit uncovered violations of the SZU budget discipline worth 67 million crowns and shortcoming in public procurement.
- 25 It is announced that based on an international arrest warrant, the Czech authorities arrested Saleh Muslim, former co-chairman of the Democratic Union Party (PYD), whom Turkey labelled a terrorist. He was released on February 27, which the Turkish diplomacy criticised in a note.

MARCH

- 6 Zdenek Ondracek (Communists, KSCM) resigns as head of the lower house commission supervising the General Inspection of Security Corps (GIBS).

7 Babis files a petition with the Slovak Supreme Court in search of an appellate review of a lower-level court verdict rejecting his StB clearance demand. The Supreme Court dismissed his petition for an appellate review on June 8.

It is announced that the Supreme Court (NS) dismissed lobbyist Marek Dalik's petition for an appellate review of a previous verdict on the case of a fraud linked to the purchase of Pandur armoured personnel carriers for the Czech military.

8 Zeman takes presidential oath for his second five-year mandate. Some politicians, mainly from the rightist opposition TOP 09 and ODS, walked out of the room during Zeman's inauguration speech, in which he sharply lashed out at entrepreneur Zdenek Bakala and the media he owns, and also at public Czech Television (CT).

The cabinet supports the proposal that Ales Opatka become the new chief-of-staff as of May. Zeman appointed Opatka to the post on April 25.

14 The cabinet ruling in resignation approves a draft amendment to the civil service law aimed to open civil service to experts from outside, according to Regional Development Minister Klara Dostalova (ANO).

16 Prague Municipal Court confirms that Russian Yevgeniy Nikulin, whose extradition by Prague was sought by the USA and Russia, is not entitled to humanitarian asylum in the Czech Republic. The suspected hacker was extradited to the USA on March 30.

17 Moscow says Czechia is one of the possible countries of the origin of Novichok, a substance used to poison former Russian spy Sergei Skripal and his daughter in Britain. The Czech Republic dismissed Moscow's allegation.

21 Zeman bestows the Order of Tomas Garrigue Masaryk on Giuseppe Leanza, the apostolic nuncio to the Czech Republic.

A court sends former top manager of the Cepro state oil distribution company, Tomas Kadlec and Alexandr Houska, to four years in prison for deals disadvantageous to the state, ordered them to cover the damage of 260 million crowns.

22 Former PM and former CSSD chairman Bohuslav Sobotka says he will resign as a lower house deputy as of April 1.

Six people die and others get injured in the explosion in a chemical plant compound in Kralupy nad Vltavou, central Bohemia.

28 The Prague High Court definitively upholds the 15-year prison sentence for fugitive criminal Radovan Krejcir for the crimes he committed in Czechia.

30 The Supreme Court upholds life sentences for Tomas Krepela and Rudolf Fian within the case of bootleg liquors containing lethal methanol that killed dozens of people and left many others disabled in the country in 2012.

APRIL

7 CSSD national congress elects Pardubice Region Governor Martin Netolicky, MP Jaroslav Foldyna,

member of the Vysocina Regional Assembly Jana Fialova and MP Roman Onderka as party deputy chairpersons.

14 Czech Foreign Ministry says it considers the air strikes of the USA, Britain and France in Syria a message to those who would want to continue chemical attacks. Zeman criticised the air strike for its lack of the UN Security Council's mandate.

17 Michal Murin announces his departure as GIBS head as of May.

18 ANO candidate Jiri Masek is elected head of the lower house commission supervising the GIBS.

The Constitutional Court (US) turns down the proposed softening of the smoking ban in restaurants, but it softened the relevant law otherwise by lifting the ban on alcohol drinking for those who may afterwards endanger no one, but themselves, and narrowing the ban on alcohol and tobacco sales to concern events aimed at children only

21 Vojtech Filip is re-elected Communists (KSCM) chairman at the party's national congress.

27 The Prague Municipal Court cancels Zeman's decision not to grant the professor academic degree to physicist Ivan Ostadal and art historian Jiri Fajt. Zeman decided to file a cassation complaint with the Supreme Administrative Court (NSS), which he eventually withdrew in June, however.

CSSD deputy Jaroslav Foldyna receives the Oil Guzzler mock prize for most environment-unfriendly step, while the Green Pearl for the most environment-unfriendly statement went to Jan Stuller, the government commissioner for nuclear energy.

Jiri Stredula is re-elected chairman of the Bohemian and Moravian Confederation of Trade Unions (CMKOS), the largest umbrella union association, for another four years.

28 The CSSD broad leadership bans the party from cooperating with Tomio Okamura's Freedom and Direct Democracy (SPD) movement on the national level.

MAY

3 Law enforcement bodies announce that the prosecution of ANO deputy head Faltynek and another three people in the Capi hnizdo case has been scrapped. The prosecution of Babis continues.

In an interview on Barrandov TV, Zeman says, citing the Military Intelligence Service's information, that the Novichok nerve agent was produced and tests in a small amount in Czechia in the past and was destroyed afterwards. The Foreign Ministry, nevertheless, said the tests did not involve the substance with which former Russian spy Skripal was poisoned in Britain.

8 Zeman promotes six military and police officers to the rank of general, but did not promote civilian counter-intelligence service (BIS) director Michal Koudelka and the ground forces deputy commander Petr Prochazka, though they were among the government's nominees for promotion.

- 9 ANO and CSSD negotiators agree on the text of the policy statement of a nascent joint cabinet. Pope Francis asks Prague Archbishop Cardinal Dominik Duka, who turned 75, to remain in his post until it is decided otherwise.
- 14 Outgoing Defence Minister Slechtova sacks Bohuslav Safar as head of the Military Research Institute whom PM Babis criticised for his statement linked to Novichok.
- 17 Civilian intelligence service (UZSI) director Jiri Sasek is relieved of his service in the post.
- 22 Slechtova says she turned to the Military Police in connection with a suspicious public contract involving mobile radars worth billions of crowns. The Supreme Court returns a dispute over Zeman's apology for his unfounded comments on inter-war Czechoslovak journalist Ferdinand Peroutka to the lower-instance court for new dealing.
- 24 The High State Attorney's Office files lawsuit against three Industry and Trade Ministry officials who are suspected of causing a damage of more than 4.5 billion crowns in connection with an agreement between the ministry and the Ceskomoravska zarucni a rozvojova banka bank on forming a guarantee fund within the Business and Innovation 2007-2013 operational programme.
- 29 The Chamber of Deputies passes a provision making a part of the data in town politicians' property statements will be publicly unavailable. The Senate later rejected the provision.

JUNE

- 6 Zeman appoints Babis prime minister for the second time.
- 8 The Defence Ministry says, citing the NATO security committee, that it is impossible for a system that does not come from a NATO country to be part of the NATO system. The problem concerns the Czech purchase of mobile radars worth 3.5 billion crowns from Israel.
- 13 It is announced that the Presidential Office head, the post held by Vratislav Mynar now, does not need a security vetting certificate for the top secret level. On the Communists' proposal, the Chamber of Deputies turned down a bill that would make the vetting legally binding.
- 15 The CSSD decides in an internal referendum that the party should form a joint government with the ANO movement that would be kept afloat by the KSCM. Babis sues Slovakia at the European Court of Human Rights over his previous unsuccessful claim that his name figures unrightfully as a former communist secret police StB agent in the StB files kept in Slovak archives.
- 19 Outgoing Justice Minister Robert Pelikan (ANO) resigns as a deputy. He envisaged his departure from politics in April.
- 20 Zeman says he "deeply disagrees" with German Chancellor Angela Merkel's statement that there was no moral or political aspect to justify the post-war transfer of Germans from Central European countries. Babis called Merkel's words absolutely

unacceptable.

- 27 Zeman appoints the second cabinet of Babis. As expected, he refused to appoint CSSD MEP Miroslav Poche foreign minister. Instead, he named CSSD chairman and new Interior Minister Jan Hamacek as the acting foreign minister. The Prague Regional Court upholds the previous verdict on former CSSD Central Bohemia governor David Rath and other ten suspects in the case of corruption and influencing of public procurement in Central Bohemia. Rath is sentenced to 8.5 years in prison and the forfeiture of some 22 million crowns. The verdict is not definitive.
- 28 It is announced that Michal Mazanek ends as head of the police National Centre Against Organised Crime (NCOZ) and will be replaced by the director of one of the NCOZ sections, Jiri Mazanek. The Ostrava Regional Court punishes three young men with prison sentences of 3.5, eight and nine years for setting a rare wooden church in Trinec-Guty on fire. All three appealed the verdict, but the Olomouc High Court upheld in it October.
- 29 Kamil Munia, director of the office of the council of the Central Bohemia Regional Operational Programme (ROP), announces that Imoba, a firm that is a part of the Agrofert holding previously owned by Babis, returned the 50-million-crown subsidy previously received by the Capi hnizdo company.
- 30 Dagmar Buresova, the Czechoslovak justice minister after the fall of communism and former head of the Czech National Council, dies aged 88.

JULY

- 3 Director of Prague-Na Frantisku hospital, Robert Zelenak, leaves his post over his suspected manipulation of a public contract.
- 4 Health Minister Vojtech sacks Prague-Na Bulovce hospital director Frantisek Novak. The police accused Novak in a large criminal case concerning manipulation with public procurement.
- 9 Justice Minister Tatana Mala (ANO) leaves the cabinet after 13 days in her post. She resigned over alleged plagiarism in her university theses. Jan Knezinek replaced her as minister.
- 10 ANO and CSSD leaders sign a coalition agreement. Tomas Hanzel (CSSD) becomes a new deputy chairman of the lower house of parliament.
- 12 The ANO-CSSD minority government wins confidence of the Chamber of Deputies. Communist (KSCM) MPs supported it, those of the other six opposition parties voted against the government.
- 14 Lower house deputy chairman Tomio Okamura is elected the leader the SPD movement for another three years. He defended his post at the SPD congress.
- 17 Labour Minister Petr Krcaľ (CSSD) announces that he will resign from his post over suspected plagiarism. Jana Malacova (CSSD) replaced him in the post as of July 30.
- 23 The Turkish supreme court confirms the punishment for two Czechs, Marketa Vselichova and Miroslav

Farkas, whom a lower-level court sentenced to 75 months in prison for cooperation with fighters of the YPG militias of Syrian Kurds.

- 24 Czech Television says H-System clients definitively lose their dispute with the insolvency administrator. The Supreme Court ordered them to leave their houses in Horomerice near Prague within a month. H-System firm's bankruptcy administrator promised in late July that none of the clients would be moved out unless the case is solved.
- 27 Defence Minister Lubomir Metnar (for ANO) says he will not offer his resignation over the doubts about his thesis.
Prague-Na Homolce hospital director Ivan Oliva resigns from his post after the results of a deep analysis of the hospital's public contracts appeared.

AUGUST

- 1 A court imposes a two-year suspended sentence on former SPD secretary Jaroslav Stanik over his hate speech in the Chamber of Deputies.
- 5 Three Czech soldiers die in Afghanistan in a suicide bomber attack. They were promoted to the rank of master warrant officer in memoriam.
- 15 The police asked for the release of Communist MP Zdenek Ondracek for prosecution over his statements about presidential candidate Michal Horacek. But the Chamber did not release Ondracek at the end of October.
- 20 The police propose charges of five people for the fatal accident during the Lopenik Rally in 2012 when a race car killed for girls. Until now, only one rally officer was charged.
- 21 People from the Svatopluk housing cooperative need not vacate flats in Horomerice because the Constitutional Court postponed enforceability of the previous verdict issued in July.
- 27 The Eldis Pardubice firm will deliver 62 Titus armoured vehicles worth 6.7 billion crowns to the military, the Defence Ministry says. The Tatra Export firm, which was to deliver the APCs originally, did not receive the security clearing.
- 28 President Zeman grants pardon to a prisoner who suffers from an oncological disease and was punished for abuse of power and bribe taking.
- 29 The government supports the appointment of Radim Dragoun as the head of the General Inspection of Security Forces (GIBS).
A state attorney's office charges 25 doctors and representatives of pharmaceutical firms with participating in a system of illegal support of medicine sales. Some of them face up to ten years in prison.
- 30 The Czech military research institute will deliver 80 special chemical armoured vehicles with the Iveco chassis worth over five billion crowns to the military, the Defence Ministry announces.
- 31 The government agrees with trade unions on a pay rise in the public sector as of January. Most employees will have their base pays increased by 5 percent.

SEPTEMBER

- 12 It is announced that Marek Simandl will be the new chief of the civilian intelligence service UZSI. The previous UZSI head Jiri Sasek was put off duty in the spring.
Constitutional officials declare that the opening of the Czech House in Jerusalem will be the first step towards the move of the Czech embassy in Israel from Tel Aviv to Jerusalem. Especially Zeman is pushing for this step.
- 18 Zeman appoints Michal Mazanec to the post of the chairman of the Supreme Administrative Court. Mazanec has occupied the post since October 1.
- 19 The government approves the 2019 draft state budget with a deficit of 40 billion crowns.
- 26 The Prague Municipal Court sentences Prague-Na Homolce hospital former director Vladimir Dbaly to nine years in prison.

OCTOBER

- 5-6 The seventh local elections in the history of the Czech Republic and first round of Senate elections in one-third of the upper house. ANO gained most big towns, but lost in Prague. Independents won most seats in local assemblies across the country.
- 12-13 The second round of Senate elections. Victory scored by the ODS; out of its 11 candidates, ten were elected, due to which it has 16 senators like the Mayors and Independents (STAN). ANO and the CSSD only gained one senator each and will have together 20 seats.
- 16 Zeman names Tomas Petricek (CSSD) foreign minister.
- 18 The upper house rejects the Australian model of one-round election.
- 22 Soldier Tomas Prochazka is killed and another two men are injured in an attack on a Czech military vehicle in Afghanistan.
- 26 German Chancellor Angela Merkel and French President Emmanuel Macron visit the Czech Republic on the centenary of Czechoslovakia's birth. They met Babis.
- 28 Celebrations of Czechoslovakia's centenary with military parade (attended by US Defence Secretary James Mattis) and state decorations. Zeman awarded generals from interwar Czechoslovakia and former Czechoslovak prime minister Antonin Svehla. Soldiers killed in Afghanistan received Medals for Bravery.

NOVEMBER

- 2 MEP Miroslav Poche (CSSD) becomes external aide to Foreign Minister Tomas Petricek (CSSD).
- 5 Representatives of the ODS, KDU-CSL, Pirates and CSSD sign the coalition pact in Brno (post of Brno mayor held by Marketa Vankova from the ODS as of November 20).
- 7 Zimola resigns as first deputy chairman of CSSD.
- 9 A court remands in custody former Prague Imam Samer Shehadeh who is facing terrorism support charges.

- 12 The leaders of Pirates (Zdenek Hrib), Prague to Itself (Jan Cizinsky) and Joint Forces for Prague (Jiri Pospisil) sign a coalition pact on ruling in Prague. Hrib is elected Prague mayor on November 15.
- 13 The Supreme State Attorney's Office asks Prague Municipal Office to check the statement by son of Prime Minister Andrej Babis that his father's collaborators abducted him to Crimea. Babis Junior told the server Seznam Zpravy his father wanted him to disappear from the Czech Republic over an EU subsidy fraud.
- 14 The government refuses the participation in the UN global migration pact.
Jaroslav Kubera (ODS) becomes the new Senate chairman. Jan Hornik, Jiri Ruzicka (STAN) and Jiri Oberfalzer (ODS) are elected Senate deputy chairmen.
- 15 The Chamber of Deputies passes slower rise in politicians' salaries than proposed originally. The rise will be 9, not 20 percent as of next year.
- 20 The government decides to raise the minimum wage by 1,150 crowns to 13,350 crowns as of January.
- 23 Babis's government survives a no-confidence vote over the alleged kidnapping of Babis's son to Crimea.
- 28 Defence Minister Metnar denies that Czech soldiers in Afghanistan were implicated in the killing of beaten-up Afghan soldier Vahidullah Khan, detained on suspicion of having killed a Czech soldier.
- 30 Jan Svejdar will be the new police president.

DECEMBER

- 3 Justice Minister Jan Knezinek (ANO) says a general analysis of new EU legislation on European subsidies shows trust fund as guarantee of Babis's impartiality is sufficient. Finance Minister Alena Schillerova (ANO) says there is no threat that Agrofert's subsidies will have to be returned.
- 5 The Chamber of Deputies passes new rules of privacy protection, following the European GDPR. The new legislation introduces acceptable exceptions from European rules. The maximum punishment for violation of the law is still ten million crowns.

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NEWS SUMMARY 2017 (CULTURE)

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JANUARY

- ❖ A general overhaul of the astronomical clock on the facade of the Old Town Hall in Prague centre started on January 8 and the unique clock, dating back to the 15th century, was put into operation on September 28, the St Wenceslas Day and national holiday.
- ❖ The first of the grand exhibitions held at Prague Castle, the seat of Czech kings and presidents, this year on the occasion of the centenary of Czechoslovakia's birth opened in the Imperial Stables on January 9.
- ❖ French linguist, editor and translator Erica Abrams received the Karel Capek Award.
- ❖ The Czech crown jewels were displayed at Prague Castle on January 16-23 when a total of 32,300 people saw them.
- ❖ Musicologist John Tyrrell and conductor Libor Pesek received the Classic Prague Awards, the only Czech awards in classical music, first presented in 2017.

FEBRUARY

- ❖ The government extended the list of national culture heritage items by 19 sacral architectonic sights in January.
- ❖ Public Czech Radio (CRo) analyst Jana Klimova and Czech Television (CT) reporter Jakub Szanto won the 2017 Ferdinand Peroutka Award for journalism in February.
- ❖ Czech Oscar-winning film director Jiri Menzel received the Kamera Berlinale prize at the Berlinale International Film Festival, designated for the personalities with a special relation to the event, on February 23.

MARCH

- ❖ Swedish documentary film *The Deminer* won the best film award at the 20th One World International Documentary Film Festival held in Prague on March 5-15, offering 128 films from 52. Afterwards, the festival took place in another 36 towns in the Czech Republic.
- ❖ *Ice Mother (Baba z ledu)*, directed by Bohdan Slama, became the most successful film at the Czech Lion film-award giving ceremony on March 4, winning six prizes.
- ❖ The 25th Febiofest international film festival was held in Prague on March 15-26 and then its echoes continued in other Czech towns. The winner of the festival's New Europe competition of young, starting film-makers was *Custody (Jusqu'a la garde)* by French director Leos Carax.

APRIL

- ❖ *Abandoned Society*, a book by journalist Erik Tabery, chief editor of the Czech *Respekt* weekly, won the Magnesia Litera annual literary prize for the Book of the Year, presented on April 4.
- ❖ The 25th Days of European Film festival held in Prague on April 5-12 offered 49 films from various European

countries. The event continued in Brno, the second largest Czech town, and its echoes were in another five Czech towns.

MAY

- ❖ A touring exhibition of photographs from the archives of the Czech News Agency (CTK), highlighting significant moments of 100 years since the establishment of Czechoslovakia in 1918, started in Prague, in the garden of the Wallenstein Palace, the seat of the Senate, on April 1. It continued in various Czech towns and returned to Prague again in late October.
- ❖ The 24th Book World Prague 2018 international book fair and literary festival took place at the Exhibition Grounds on May 10-13, presenting 404 exhibitors from 22 countries, with the focus on Comics and Groundbreaking 20th Century this year.

JUNE

- ❖ The Czech Philharmonic Orchestra conducted by Tomas Netopil opened the 73rd Prague Spring international music festival with Bedrich Smetana's *My Country* symphonic cycle on May 12. The event offered some 60 concerts until June 3.
- ❖ The Kenyan-German film *Supa Modo* won the Golden Slipper main award for the best feature film for children at the 58th International Film Festival for Children and Youth in Zlin, south Moravia, held from May 25 till June 2. It presented 300 films from 55 countries.
- ❖ The *Re:publika* festival started in Brno in May 26, marking Czechoslovakia's centenary. It attracted 170,000 people until its end on June 17.
- ❖ Rightist activists stormed the performance of controversial play *Our Violence and Your Violence*, in which Jesus rapes a Muslim woman on the stage, directed by Croat Oliver Frljic, in Brno on May 26, within the Theatre World international festival.
- ❖ The one-week *Khamoro Roma* culture festival was held in Prague on May 27-June 1.
- ❖ The project of artist Katerina Seda UNES-CO started in the UNESCO-listed town of Cesky Krumlov, South Bohemia, June 1. Using volunteers, it tried to bring normal life into Cesky Krumlov, exploited by tourism, till August. (Its name refers to the fictitious firm UNES-CO, which means KIDNAP-WHAT in Czech.)

JULY

- ❖ Romanian Radu Jude's film *I Do Not Care If We Go Down in History as Barbarians*, focused on an ethnic massacre committed by the Romanian military on the Eastern front in 1941, won the Crystal Globe best film award at the 52nd Karlovy Vary International Film Festival held on June 29-July 7. The event offered 1820 films and welcomed a number of renowned foreign guests, such as U.S. director Barry Levinson, U.S. actor,

director and producer Tim Robbins and British actor Robert Pattinson.

- ❖ The 44th Summer Film School (LFS) festival, held in Uherske Hradiste, south Moravia, from July 27 to August 5, offered more than 200 films.

AUGUST

- ❖ Within the Jewish Heritage Day, 55 synagogues and Jewish cemeteries all over the Czech Republic were opened to the public on August 12.
- ❖ The Plastic People of the Universe rock band, persecuted by the Communist regime, celebrated 50 years of its existence by a concert in Prague Zizkov on August 21.
- ❖ On the same day, a big concert was staged on Wenceslas Square in Prague centre to mark the 50th anniversary of the Soviet-led Warsaw Pact troops invasion of Czechoslovakia.

SEPTEMBER

- ❖ Two-day Czechoslovak Festivals took place on Old Town Square in Prague on September 8 on the occasion of the 100th anniversary of Czechoslovakia's establishment.
- ❖ In September, the Czech Film and Television Academy (CFTA) selected the film Winter Flies (Vsechno bude) directed by Olmo Omerzu as the Czech candidate for Oscar nominations in the category of the Best Foreign Language Film.
- ❖ Czech-born architect Eva Jiricna received the 2018 Lifetime Achievement Medal at the London Design Festival on September 17.
- ❖ German documentary Leonard Bernstein - A Genius Divided won the Grand Prix at the 55th Golden Prague international television festival held on September 19-22, presenting 87 programmes focused on music, theatre and dance from 14 countries.

OCTOBER

- ❖ Czech Philharmonic with its new chief conductor Semyon Bychkov gave a special concert marking the 100th anniversary of Czechoslovakia on October 3.
- ❖ The annual six-day Writers Festival Prague was held in the Senate seat, the National Gallery and other premises at the beginning of October.
- ❖ On October 12, a square in the centre of Prague was named after the late Czech-born Oscar-winning film director Milos Forman who died on April 13 aged 86 years.
- ❖ State culture awards were presented on October 21, but this time except for the prize for literature and one of the prizes for cinematography, as their laureates refused to accept them referring to the political situation.
- ❖ Painting by Josef Sima entitled ML was sold for some 36.2 million crowns at a Prague auction on October 21, thus becoming the Czech auction record this year.
- ❖ Czech poet Ivan Wernisch received the international Franz Kafka Prize, bearing the name of this Prague-born German Jewish writer, at the Old Town Hall in Prague on October 22.

- ❖ The 22nd Ji.hlava international documentary film festival, the largest event of its kind in Central and Eastern Europe, was held in Jihlava, south Moravia, on October 25-30, offering more than 300 films.
- ❖ The late 19th century historical building of the National Museum in Prague was ceremonially opened after a 42-month complete reconstruction.
- ❖ The Czech Philharmonic Orchestra played two concerts in New York's Carnegie Hall within the celebrations of 100 years from Czechoslovakia's birth on October 27 and 28.
- ❖ Concerts marking the centenary of the establishment of Czechoslovakia on October 28, 1918, were staged in Prague centre on the same day 100 years later.
- ❖ The 20th Designblok international design festival took place at Prague's Exhibition Grounds, featuring works of 343 designers, brands, studios and art schools from October 25 till 29.

NOVEMBER

- ❖ The photo of an orangutan female with her dying young, warning of the destruction of the wild in Borneo, by Lukas Zeman won the Press Photo competition, becoming the Photography of the Year 2018, at a ceremony on November 20.
- ❖ The blueprint textile technique, whose UNESCO listing the Czech Republic sought along with another four countries, was added to the UNESCO List of Intangible Cultural Heritage on November 28.
- ❖ In other music genres, but classical music, the Prague audiences applauded, for instance, a joint concert of British Sting and Jamaican rapper Shaggy, the bands Depeche Mode, Pearl Jam, Metallica and Iron Maiden, as well as guitarist and singer Roger Waters from Pink Floyd, American singers Joan Baez and Lenny Kravitz, Puerto Rican singer Ricky Martin and the 93-year-old French singer, composer and actor Charles Aznavour, who died later this year. Besides, American songwriter Bob Dylan gave his first concert in Brno in April.

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SELECTION OF MAIN ECONOMIC EVENTS IN CR IN 2019

JANUARY

- 1 Minimum wage rises by CZK1,150 to CZK13,350. Amendment to law on income tax takes effect. Some investment funds will lose the possibility of paying more advantageous 5% tax instead of 19% rate. Amendment to law on water law takes effect. Fees for use of underground water and for released waste water will be administered by State Environment Fund.
- 2 MF releases data on state budget as of end of Dec 2018.
- 8 CNB makes public data on forex reserves as of Dec 31, 2018 and forex deals balance as of Nov 30, 2018. CSO releases data on industrial and construction output for Nov 2018.
- 9 CSO makes public results of foreign trade for Nov 2018. LO releases data on unemployment for Dec 2018.
- 10 CSO releases consumer price indices - inflation for Dec 2018.
- 11 CSO discloses quarter sector accounts for Q3 2018 GDP development including structure.
- 17 Tourism trade fairs Go and Regiontour open in Brno, to last until Jan 20.
- 18 Electronic auction of steelworks Poldi and Poldi Trade takes place.
- 30 CSO releases results of agriculture for Q4 2018 and 2018.
- 31 CNB makes public statistics of monetary development as of Dec 31, 2018.

FEBRUARY

- 1 MF releases data on state budget as of end of Jan.
- 6 CSO makes public results of foreign trade, industry and construction for Dec 2018.
- 7 CNB discloses forex reserves as of Jan 31 and forex deals balance as of Dec 31. CSO releases results of tourism for Q4 2018. Komerční banka makes public its business results for 2018. International trade fair of wooden buildings and materials Drevostavby, and heating trade fair Moderní vytápění open in Prague, to last until Feb 10. Trade fair of wooden buildings and materials For Wood and trade fair of passive buildings For Pasiv open in Prague, to last until Feb 9.
- 8 LO releases data on unemployment for Jan.
- 13 CSO releases consumer price indices -inflation for Jan.
- 14 CSOB makes public its business results for 2018. Fishing trade fair For Fishing opens in Prague, to last until Feb 17.
- 15 CSO releases preliminary GDP estimate for Q4 2018.
- 16 International trade fair of footwear and leathers goods Kábo and fashion trade fair Styl open in Brno, to last until Feb 18.
- 21 Tourism trade fair Holiday World 2018 and gastronomic trade fair Top Gastro & Hotel open in Prague, to last until Feb 24.
- 27 Construction trade fair Stavební veletrh Brno, wood and construction trade fair DSB and furniture trade fair Mobitex open in Brno, to last until March 2.
- 28 CNB releases statistics of monetary development as of Jan 31. International motorbike trade fair Motosalon opens in Brno, to last until March 3.

MARCH

- 1 MF releases data on state budget at end of Feb. CSO discloses data on creation and use of GDP in Q4 2018.
- 5 Review hearing in insolvency proceeding against CKD Kutná Hora takes place, to be followed by first meeting of creditors.
- 7 CNB releases data on forex reserves as of Feb 28 and forex deals balance as of Jan 31.
- 8 LO releases data on unemployment for Feb. CSO makes public data on average wage for Q4 2018. Caravan exhibition For Caravan and boat and water sport exhibition For Boat open in Prague, to last until March 10. Opta, international trade fair of optics and ophthalmology, starts in Brno, to last until March 10.
11. CSO releases consumer price indices - inflation for Feb and results of foreign trade for Jan.
- 14 Selling exhibition of goods for women, Svet ženy, and selling and contracting trade fair of goods for children, Proditel, start in Brno, to last until March 17.
- 15 CSO release results of industry and construction for Jan.
- 19 Amper, trade fair of electrical engineering technology, electronics, automation and security, opens in Brno, to last until March 22.
- 21 Lighting exhibition Light in Architecture, For Habitat housing and reconstruction trade fair, For Garden trade fair, interior design trade fair Design Shaker, and furniture and interior trade fair For Interior open in Prague, to last until March 24,
- 25 CNB makes public investment position of CR towards abroad and foreign debt as of Dec 31, 2018.
- 29 CNB releases monetary development statistics as of Feb 18. Cycling trade fair For Bikes starts in Prague, to last until March 31.

APRIL

- 1 MF releases data on state budget as of end of March.
- 2 CSO discloses quarterly sector accounts for Q4 2018 GDP development including structure.
- 3 CSO releases deficit and debt of government institutions for Q4 2018.
- 4 Trade fairs Aktiv 55+, For Horse, For Kids, For Pets and For Family open in Prague, to last until April 7.
- 8 LO releases data on unemployment for March. CSO releases results of foreign trade, industry and construction for Feb.
- 9 Packaging trade fairs Reklama Polygraf Obaly and Obaly 2019 Backup open in Prague, to last until April 11.
- 10 CSO releases consumer price indices - inflation for March.
- 12 Start of Autoshow Prague, to last until April 14.
- 24 Two-day Days of District Heating and Energy begin in Hradec Králové.
- 25 Spring flower exhibition Flora starts in Olomouc, to last until April 28.

MAY

- 2 MF makes public state budget data as of end of April.
- 3 Komerční banka publishes Q1 business results.
- 9 CSO releases info on foreign trade, industry and construction for March.
- 10 LO makes public unemployment data for April.

CSO discloses tourism data for Q1.

- 13 CSO publishes consumer price indices - inflation for April.
- 15 CSO publishes preliminary GDP estimate for Q1.
- 16 CSOB makes public business results for Q1.
- 21 International water management exhibition Vodovody-Kanalizace (water supply, sewerage systems) opens in Prague, to last until May 23.
- 22 International conference on metallurgy and materials Metal 2019 opens in Brno, to last until May 24.
- 29 Fairs of defence and security equipment IDET, security equipment and services ISET and of firefighting equipment and services PYROS open in Brno, to last until June 1.
- 31 CSO makes public GDP use and formation data for Q1.

JUNE

- 3 MF makes public state budget data as of end of May. International conference "Underground Construction Prague 2019" opens in Prague, to last until June 5.
- 4 CSO publishes data on average wages for Q1.
- 6 CSO makes public foreign trade, industry and construction results for April.
- 10 LO publishes unemployment data for May.
- 11 CSO releases consumer price indices - inflation for May.
- 28 CSO makes public quarterly info on GDP development including structure for Q1.

JULY

- 1 MF releases state budget data as of end-June. CSO makes public public institutions' deficit and debt data for Q1.
- 8 CSO publishes foreign trade, industry and construction data for May.
- 9 LO makes public unemployment data for June.
- 11 CSO releases consumer price indexes - inflation data for June.
- 30 CSO publishes agriculture data for Q2.

AUGUST

- 1 MF releases state budget data as of end-July. Komerční banka releases business results for H1.
- 6 CSO publishes foreign trade, industry and construction data for June.
- 8 LO makes public unemployment data for July. CSO publishes tourism data for Q2. CSOB releases business results for H1.
- 12 CSO releases consumer price indexes - inflation data for July.
- 14 CSO publishes preliminary GDP data for Q2.
- 15 Summer part of Flora Olomouc flower exhibition starts in Olomouc, to last until Aug 18.
- 22 Zeme zivitelka agricultural exhibition starts in Ceske Budejovice, to last until Aug 27.
- 24 Footwear and leather goods fair Kabo and fashion trade fair Styl start in Brno, to last until Aug 26.
- 30 CSO publishes GDP creation and use data for Q2.

SEPTEMBER

- 2 MF releases state budget data as of end-Aug.
- 3 CSO makes public average wage data for Q2.
- 6 CSO publishes foreign trade, industry and construction data for July.
- 9 LO makes public unemployment data for Aug.
- 10 CSO releases consumer price indexes - inflation data for Aug.

- 17 For Arch construction trade fair and For Therm alternative heating sources trade fair start in Prague, to last until Sept 21.
- 27 World of Beauty & Spa trade fair for cosmetics, hairdressing and healthy lifestyle starts in Prague, to last until Sept 28.

OCTOBER

- 1 MF makes public state budget data as of end of Sept. CSO discloses quarterly info on GDP development including structure for Q2.
- 2 CSO publishes info on deficit and debt of government institutions for Q2.
- 3 Autumn part of Flora Olomouc flower exhibition opens in Olomouc, to last until Oct 6.
- 7 CSO makes public foreign trade, industry and construction data for Aug. International Engineering Fair MSV and fairs Transport a Logistika (transport and logistics) and Envitech (environmental technology) open in Brno, all to last until Oct 11.
- 10 CSO makes publish consumer price indices - inflation for Sept.
- 22 Gaudeamus Brno (higher education and lifelong learning) fair opens in Brno, to last until Oct 25.
- 29 Wood-Tec (woodworking industry) and Rehaprotex (rehabilitation equipment) fairs open in Brno, to last until Nov 1.
- 31 CSO makes public agriculture data for Q3.

NOVEMBER

- 1 MF makes public state budget data as of end of Oct.
- 6 CSO makes public foreign trade, industry and construction data for Sept. Komerční banka discloses business results for Q3.
- 7 Caravanning Brno (caravans, recreational vehicles) exhibition opens in Brno, to last until Nov 10.
- 8 CSO makes public tourism data for Q3.
- 11 CSO discloses consumer price indices - inflation for Oct.
- 14 CSO publishes preliminary GDP estimate for Q3. CSOB makes public financial results for Q3.
- 29 CSO makes public quarterly info on GDP development including structure for Q3.

DECEMBER

- 2 MF makes public state budget data as of end of Nov.
- 4 CSO discloses info on average wages for Q3.
- 9 CSO releases foreign trade, industry and construction data for Oct.
- 10 CSO makes public consumer price indices - inflation for Nov.

