

ECONOMIC NEWS SUMMARY MARCH 12 – MARCH 19

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ECONOMY & FINANCE

DEBT OF RESIDENTS INCREASED TO CZK2.45TN – 12. 3.

The debt of residents of the CR recorded in the Banking and Non-banking registers of client information totaled CZK2.45tn¹ at the end of 2019. It increased by CZK134.9bn² yoy. Debt from mortgages and construction savings loans totaled CZK1.95tn and accounted for 80% of overall debt. Outstanding debt fell by 3.7% to CZK30.8bn. Mortgages and construction savings loans were not being repaid by 16,301 persons (-21%). Consumption loans were not being repaid by 208,000 persons (-18%). This data was published by CBCB - Czech Banking Credit Bureau and CNCB - Czech Non-Banking Credit Bureau.

BANKING SECTOR'S PROFIT INCREASES TO CZK90.9BN – 16. 3.

Banks active in the CR posted a net profit for common accounting period of almost CZK90.90bn in 2019 (2018: CZK62.60bn). Profit from financial and operating activities totalled almost CZK201.40bn in 2019. Interest yields amounted to CZK225.46bn and yields from fees and commissions totalled CZK44.24bn. The figures stem from the statistics of the Czech National Bank (CNB). The number of banks and foreign-bank branches active on the domestic market decreased by one to 49. Their combined assets amounted to CZK7.54tn (2018: CZK7.28tn).

AGRICULTURE & ENVIRONMENT

PROFIT OF CZECH AGRICULTURE FALLS BY 15% IN 2019 – 15. 3.

The profit of Czech agriculture decreased by 15% yoy in 2019, according to an internal survey of the Agricultural Association, spokesman Vladimír Pícha has told CTK. According to preliminary estimates released by the Czech Statistical Office (CSO) earlier this week, last year's profit in Czech agriculture rose annually by 12% to CZK17.5bn. While the association bases its calculations on bookkeeping figures from agricultural companies, the CSO uses the EU methodology, Pícha noted. The association has used data from 365 companies that farm on 18% of the total area of agricultural land in the CR. "The average profit per hectare for last year was calculated as reaching about CZK2,400/ha, which is a decrease from 2018's average of CZK2,800/ha. It is also a decrease from the long-term average for 2004-2017 (about CZK2,600/ha)," Pícha said. Extrapolated to the total area of agricultural land, last year's profit amounted to about CZK8.5bn, which corresponds to an annual drop of CZK1.5bn, he said. The CSO usually revises the previous year's data downwards in the months following the first estimates, he noted. According to the CSO, the profit of Czech agriculture last year grew after two years of dropping, as it added 11.9% to CZK17.5bn. Agricultural production increased to a record CZK140.3bn.

Subsidies for agricultural production rose by 5.3% to CZK34.7bn last year. Total subsidies are estimated at CZK40.1bn, compared with CZK38.8bn in 2018, the CSO said.

SZIF TO PAY CZK371MN TO FRUIT AND VEGETABLE PRODUCERS – 17. 3.

The State Agricultural Intervention Fund (SZIF) continues to pay subsidies for integrated production of fruit, grapes, vegetables and strawberry. Farmers will distribute support exceeding CZK371mn³. SZIF will pay CZK101.49mn to 317 applicants for fruit production support. It will also support 674 applicants for subsidies for vineyards with CZK189.48mn and 96 vegetable and strawberry producers with CZK80.46mn.

EDUCATION & RESEARCH & IT & SECURITY

BRNO UNIVERSITY HOSPITAL KEEPS OPERATING DESPITE CYBER ATTACK – 13. 3.

The Brno University Hospital keeps operating despite facing a cyber attack in recent hours, its director Jaroslav Sterba told media, adding that computer operations have been restricted but medical checkups and urgent surgeries go on. He said he expects the restrictions to last several days. Earlier this morning, PM Babiš told CTK that the hospital, one of those testing people for coronavirus, is facing a cyber attack that has paralysed its computers. The National Cyber and Information Security Agency (NUKIB) is dealing with the situation, Babiš said after talking to NUKIB's head Jaroslav Smid. Sterba said the hospital has cancelled long-planned surgeries and deflected a part of the incoming patients to other hospitals. Urgent patients have been admitted and operated on, with the staff writing down all information on paper instead of computers. The hospital, which has carried out up to 20 coronavirus tests a day since the new coronavirus outbreak, will continue the testing, Sterba said. According to CTK's information, computers with patients' data have been paralysed. Michaela Bothova, the spokeswoman for the medical rescue service in south Moravia, where Brno is situated, told CTK earlier that the rescuers know about the cyber attacks and have started taking patients to other hospitals. The cyber attack came at around 02:00. "All systems collapsed one after another, which is why all computers had to be switched out," Sterba said.

CTO OPENS CONSULTING FOR 5G FREQUENCY TENDER – 17. 3.

The Czech Telecommunication Office (CTO) launched on March 16, 2020, a public consultation on the draft conditions of the forthcoming tender for frequencies in the 700MHz and 3.5GHz bands. Comments on the proposal will be available until April 16, 2020. CTO expects the tender to start in June 2020.

¹ tn: trillion
² bn: billion

³ mn: million

ČEZ CONSIDERS PARTICIPATION IN 5G AUCTION – 18. 3.

ČEZ Group is considering its participation in the planned frequency auction for 5G networks. Board deputy chairman Pavel Cyrani stated that the group is monitoring the preparation of the auction, but will decide according to precise rules. The auction could be interesting for ČEZ not only because its alternative operator registers 125,000 SIM cards, but also in terms of increasingly interconnected energy and telecommunications sectors, optical networks etc.

INDUSTRY & ENERGY & TRANSPORT

REGIOJET'S REVENUES INCREASED TO CZK1.8BN, IT WANTS ITS OWN DEPOT – 12. 3.

For 2019 RegioJet has registered preliminary profits before taxes of CZK165mn. This represents a yoy⁴ increase of roughly 62%. Its EBITDA profits according to international accounting standards totaled CZK502mn (+30%). Revenues grew to CZK1.8bn, from CZK1.5bn in 2018. For 2020 the transporter is among other things planning to build its own new depot and to further expand its technical and maintenance base. ČIANEWS had reported earlier that RegioJet trains transported more than 10.5mn passengers on all routes (+1mn). Long-distance trains in the CR, Slovakia and Austria were used by 6.5mn people (+600,000).

HMMC STARTS PRODUCING KONA ELECTRIC IN NOŠOVICE – 13. 3.

Hyundai Motor Manufacturing Czech (HMMC) has started producing the Kona Electric model. In the week from March 9, 2020, the carmaker sent out the first vehicles destined for the European market. The Nošovice plant produces the more powerful of the 2 model versions, which is equipped with a 150-kW electromotor and a set of batteries with a capacity of 64 kWh and a range of 484 km. The carmaker invested almost CZK1.8bn in the preparation of the production, mainly in the adaptation of the assembly line and the production of forms for new components at suppliers. HMMC plans to produce 30,000 Kona Electric vehicles until the end of 2020 or 35,000 vehicles in 12 months of production. Currently, it manufactures 150 Kona Electric vehicles per day.

SEV.EN TO RENOVATE POČERADY AFTER CHVALETICE – 13. 3.

Sev.en Energy plans to modernise its Počerady coal-fired power plant after its takeover from the ČEZ Group. The investment's objective is to comply with stricter climatic and environmental measures of the EU and the CR until there is enough energy from other than fossil sources in the country. At the same time, the company is preparing a project called Sev.en Innovations whose objective will be to look for and into new energy solutions, technologies and procedures. The project will also focus on making the coal-fired energy sources more eco-friendly. The Sev.en Group is now gaining experience in this area during the modernisation of the Chvaletice power plant on which it will spend CZK7bn.

NAFIGATE CORPORATION SEEKS INVESTOR FOR NANO-FACTORY – 17. 3.

NAFIGATE Corporation has developed and tested nanofiber membranes that can be used e.g. for the production of FFP1-3 class masks, scarves and respirators. The company has prepared a nano-factory project for the production of these membranes and has also pre-negotiated the production premises. At present, the company is looking for an investor to finance the project, which would invest roughly CZK100mn into the nano-factory. NAFIGATE Corporation expects to produce up to 1.50mn m2 nanofibre membranes per year. The project will take 6 to 9 months to complete.

ČEZ TO SELL MOST OF ITS ROMANIAN ASSETS BY YEAR'S END – 17. 3.

ČEZ plans to sell most of its Romanian assets by the end of this year, CEO Daniel Benes said at an online press conference.

ČEZ expects to receive binding bids from potential buyers during Q2. The communication with them continues despite the coronavirus outbreak, board deputy chairman Pavel Cyrani said.

The company has selected 9 out of 19 unbinding bids for another round of talks, Cyrani said.

According to information released earlier, ČEZ is considering selling 7 of its companies in Romania. It intends to keep only its local ESCO energy service company a part of the trading business.

The potential sale concerns companies Distributie Energie Oltenia, Ovidiu Development, Tomis Team, MW Team Invest, ČEZ Vanzare, TMK Hydroenergy Power and ČEZ Romania.

Bidders can submit bids both for the entire package and for individual assets, ČEZ CFO Martin Novak told CTK last autumn.

Daily E15 said in mid-uary that interest in ČEZ's Romanian assets had been shown by Romanian state-run power distributor and supplier Electrica as well as the biggest Romanian energy producer Hidroelectrica.

The planned sale is in line with the company's new strategy, approved in June last year.

The strategy envisages the sale of ČEZ's assets in Bulgaria, Romania, Turkey and partly in Poland. ESCO energy service companies are an exception, as ČEZ wants to develop them both at home and abroad.

The sale of Polish wind projects was launched in 2019. The start of the process of sale of Polish coal assets (power plant Elcho and Skawina) and other Polish companies (except ESCO companies) has been preliminarily planned for the second half of 2020, ČEZ said.

In Turkey, ČEZ continuously monitors the interest of local investors, but no talks have advanced to the final stage so far. The situation in Bulgaria is more complicated, as ČEZ and Bulgarian firm Eurohold last year filed administrative lawsuits against the decision of Bulgarian antitrust office which had blocked the sale of ČEZ's local assets to Eurohold in October. The first round of talks in Bulgaria took place in March but it was suspended and is to continue in April, ČEZ said.

ČEZ wants to generate tens of billions of crowns from the sale of its foreign assets which it will then use for the

⁴ Yoy: year on year, compared with the corresponding month of preceding year.

construction of renewable energy sources, new nuclear units and the modernisation of the power grid, the company said earlier.

ČEZ is majority owned by the state, which holds 70% of its shares via the Ministry of Finance (MF).

CTK GROWING PRICES OF ELECTRICITY BOOST ČEZ'S PERFORMANCE IN 2019 – 17. 3.

ČEZ group reported good results for last year thanks to rising prices of electricity, with other positive factors being domestic sales, higher production at power plant Elektrarna Pocerady, and ČEZ ESCO operations in Poland and Germany, analysts approached by CTK said.

Net profit grew by CZK4bn on the year to CZK14.5bn and sales saw a rise of 11.8% to CZK206.2bn last year.

The positive trend may continue but an economic downturn caused by the latest coronavirus measures poses a risk, analysts said.

Dividend for last year may increase to CZK33 from the previous CZK24 per share, analysts said.

"ČEZ is mainly profiting from electricity price hikes after 2016 that were fully reflected with a delay in the bottom line for 2019," said Czech Fund analyst Lukas Kovanda.

It is quite natural as year-ahead electricity contracts lead to delayed impacts on the market, which is why ČEZ may be doing well or even better this year and in the following years than in 2019, Kovanda said.

The coronavirus situation is paralysing the economy, which will cut demand for electricity, however, electricity market inertia will help ČEZ partly offset the negative impacts, said Kovanda.

"If, however, the world falls into recession over the novel coronavirus this year, similar to that in 2009, ČEZ's performance will get worse significantly, he said.

Nuclear and coal phase-out in Germany will back the growth trend in 2021 and 2022 as it will raise electricity prices on markets where ČEZ has been operating, said Kovanda.

The better-than-expected results are likely to increase dividend to CZK33 per share, an amount paid out in 2016 and 2017. The price decreased to CZK24 in 2018.

"The Czech state, which holds almost 70% of ČEZ, would get CZK12.4bn," Kovanda said.

This year's operating profit (EBITDA) outlook ranging between CZK63bn and CZK65bn is in line with the expectations of Fio banka, said its analyst Raska. Operating profit grew by more than a fifth annually to CZK60.2bn last year.

GIA ŠKODA AUTO'S SALES REVENUES UP TO EUR 19.8BN – 18. 3.

ŠKODA AUTO reported a 14.5% yoy increase in sales revenues to EUR 19.8bn for 2019. The result was partly supported by the initial consolidation following the assumption of regional responsibility for India. Operating profit increased by EUR300mn to EUR1.7bn. Higher sales volumes and optimisation or pricing measures more than offset the negative effects of increased costs of new products. Operating profitability of sales totalled 8.4%. A year earlier it was 8.0%.

CTK CZECH PASSENGER CAR PRODUCTION UP 3.2% IN -FEB – 19. 3.

Czech passenger car production rose yoy by 3.2% to 239,205 units in uary-February, mainly thanks to the country's largest

car maker Skoda Auto which raised its output by 7.5% to 161,207 vehicles, the Automotive Industry Association said.

A drop in demand and measures against the coronavirus in China did not impact the uary-February data, the association said.

The Kolin plant of TPCA increased its production by 4% to 40,498 units.

The Nosovice plant of Hyundai, on the other hand, saw a fall of 12.8%, which was because the company discontinued its iX20 model in August 2019 and was preparing its lines for the Kona Electric whose production started in the middle of March 2020.

This year began very promisingly for Czech producers despite a significant decline in demand for new cars in Asia and Europe, the association's president Bohdan Wojnar said. The year's start also brought a number of goods news confirming that the industry is a centre of innovations with a potential to keep growing in the area of research, development and new technologies.

However, the current situation will bring economic losses and a great uncertainty to the sector, he said.

The association will call upon the government to provide effective aid to companies which employ hundreds of thousands of people and make up almost 10% of GDP, and thus help the entire economy reduce financial losses caused by the coronavirus's spread, Wojnar said.

Production of buses grew by 11% to 814 vehicles in uary-February, with largest Iveco raising output by 8% to 753 units, and SOR increasing its production by 81% to 58 units.

Jawa Moto, the country's only producer of motorbikes, made 45 units. Its output oscillates based on export contracts.

Data on production of lorries will be available at the end of the first quarter.

CTK NO. OF HYBRID CARS IN CORPORATE FLEETS DOUBLES TO 3,262 IN 2019 – 19. 3.

The number of hybrid cars in corporate fleets almost doubled by 1,505 to 3,262 units last year, and the amount of electric cars in these fleets rose by 631 to 2,709, according to the Merk.cz database.

In comparison with petrol and diesel engine cars, the share of hybrid and electric cars is still negligible.

Companies bought a total of 180,000 new passenger cars last year, accounting for 72.6% of total car sales.

As many as 58% of Czech firms' managers are aware of the benefits of hybrid cars for corporate fleets and 55% are considering switching to them.

Most of hybrids in the CR are sold by Toyota (40% of total sales), followed by Audi, Mercedes and Mazda.

This year, Skoda Auto is to launch its Superb IV model with a plug-in hybrid engine and a new hybrid Octavia model.

LABOUR & HEALTH & SOCIAL

GIA ŠKODA AUTO TO RAISE WAGES – 16. 3.

Carmaker ŠKODA AUTO's management and KOVO ŠKODA AUTO trade union representatives agreed on a new collective agreement valid until March 31, 2022. This will increase tariff wages. From April 1, 2020, wages will increase by 5.7%, from April 1, 2021 by another CZK2,000. In May 2020, employees will also receive a corporate bonus of CZK80,000 as part of the April wage.

TPCA'S EMPLOYEES' WAGES TO GROW BY 7.8% – 18. 3.

Toyota Peugeot Citroën Automobile (TPCA) will raise its employees' wages by 7.8% in 2020. In 2021, wages will be raised by another 6.3%. In 2019, the average gross monthly wage of an employee reached ca. CZK42,200. Trade unions that were striving for higher growth reported that the circumstances of recent days had forced them to accept the offer. This was due to the fear that they would lose this proposed increase as well.

PANDEMIC COVID-19

News in this category are excerpts or are limited to the latest information.

ECONOMIC MEASURES

Gov't will call on banks to be business - friendly – 12. 3.

The economic effects of the coronavirus cannot be quantified for the time. This was agreed during a joint meeting by PM Babiš and CNB Governor Rusnok. They agreed that the preparedness of the Czech economy for the effects of the spread of the coronavirus is good, both on the side of the government and the central bank. According to A. Babiš, the government will call on banks to be business-friendly. Neither Rusnok nor Babiš see the need yet to address mortgage payments across the board in the event of a loss of income due to coronavirus.

MIT preparing support for trade license holders due to coronavirus – 12. 3.

The MIT⁵ is in cooperation with social partners preparing support for trade license holders caring for children due to schools closures resulting from the coronavirus. The Czech-Moravian Guarantee and Development Bank (CZMRB) could also help self-employed persons not entitled to care benefits.

Government could transfer up to CZK4bn of EU funds to help business affected by coronavirus – 14. 3.

The Czech government may transfer around CZK4bn from allocated EU operational programmes that are not seen as vital in order to help businesses impacted by the effects of the COVID-19 epidemic, MIT Minister Havlíček said. These would be used in cooperation with commercial banks so as to increase the available funding to up to CZK40bn. Negotiations with the EC⁶ are currently underway, he said.

MF to cancel receipt lottery over fight with new coronavirus – 15. 3.

The MF⁷ will cancel the receipt lottery linked with the EET⁸ and restrict fare discounts for students and seniors in order to generate funds needed for fight against the impacts of the coronavirus outbreak, MF Minister Schillerová said on the public Czech Television (CT).

The cancellation of the receipt lottery which can bring CZK65mn annually, she said.

The money can be better spent on face masks, for instance, she said.

Other ministries are planning budget cuts as well.

⁵ MIT: Ministry of Industry and Trade

⁶ 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.

⁷ MF: Ministry of Finance

⁸ EET: electronic cash registers system, a method of online registration of sales, when the data on each transaction of merchant are sent online to the financial administration.

The CMZRB will launch the COVID programme of interest-free loans for entrepreneurs, MIT spokeswoman Stepanka Filipova told CTK.

Originally it planned to start receiving applications on April 1. The government approved the COVID programme of the beginning of this week, earmarking a total of CZK600mn for the loans.

Entrepreneurs will be able to apply for CZK0.5mn up to CZK15mn and they will be able to repay the loans in two years, with instalments deferred for one year.

Banks to help clients in financial problems – 16. 3.

Banks active in the country contacted by ČIANEWS are ready to help their clients with financial problems resulting from the coronavirus epidemic. Moneta Money Bank wants to quickly create and introduce a support programme. Banka CREDITAS is committed to support retail clients by instalment deferment or in a different manner and to find individual solutions for corporate clients. A similar approach was announced by Raiffeisenbank, while mBank is working on a support solution. Česká spořitelna announced that it would allow a 3-month deferment of paying off consumer loans to clients from the rank of employees and sole traders. Komerční banka will offer deferred loan instalments to consumers and entrepreneurs. Air Bank and Modrá pyramida will also offer a deferment.

Govt to provide CZK1bn more for interest-free loans – 16. 3.

The government will allocate CZK1bn more for the programme of interest-free loans for entrepreneurs affected by the spread of the novel coronavirus, MIT Minister Havlíček told journalists after a cabinet meeting.

The programme Úvěr COVID (COVID loans) was adopted by the cabinet at the beginning of last week, the original sum at CZK600mn. The programme now applies to sole traders as well.

CMZRB launched the programme, receiving 437 applications for loans worth CZK800mn, Havlíček said, adding that the money was almost used up. Originally the bank was to start receiving the applications as of April 1.

Entrepreneurs may apply for loans ranging from CZK500,000 to CZK15mn. For some small businesses, it is a high allocation and so the amount will be lowered, Havlíček said.

MRD⁹ Minister Dostálová will call on the EC to extend by a year until 2024 the possibility of using European subsidies in the current programming period 2014-2020 due to the coronavirus outbreak, the ministry told CTK in a press release.

According to Dostálová, the launch of the new programming period in 2021 will obviously be delayed.

Operational programmes need to comply with the N+3 rule under which all the EU allocations must be spent within three years.

Dostálová will apply for the extension of the rule to N+4.

The MRD has made some changes to the rules that are being discussed with the EC, Dostálová said.

EET system was launched in the CR on December 1, 2016, it has been introduced already in other countries: in Croatia (2013), in Hungary (2015), where it is operated via a hybrid system of cash registers and online registration, in Slovenia (early 2016); in Slovakia, where online registration of sales is optional. Offline registration of sales using cash registers was introduced also in other 15 EU countries by 2016.

⁹ MRD: Ministry of Regional Development

CR is making preparations for the new budget period in line with the government-adopted schedule, said Dostálová.

The EC paid CR 38% of subsidies for the 2014-2020 programming period by the end of 2019, which was CZK232.6bn of the total allotted amount of CZK614bn. Some CZK490bn worth of funds, or 80% were secured by contracts, data of the Regional Development Ministry showed.

MF releases details of relief for entrepreneurs – 16. 3.

The MF released detailed parameters of the measures introduced to lessen the impact of the coronavirus outbreak on entrepreneurs and sole traders, one of them being the postponement of the deadline for submitting income tax returns by 3 months, according to information from the MF's website.

The government approved the relief package late last night. Individuals and firms will be able file their tax returns by July 1, instead of the end of March, without any sanctions.

The Financial Administration will not even impose fines for delayed VAT ledger statements or for late joining the electronic sales registration (EET) system after its third and fourth waves start in May.

The start of the 3rd and 4th waves of EET cannot be postponed by law.

The aim of the measures is to moderate the impact of the spread of the coronavirus infection on entrepreneurs and individuals and minimise their need to visit tax offices.

The MF also said the government's ban on retail sale does not apply to tax consultants, accountants and auditors.

MIT Minister Havlíček said the government started transferring billions of crowns from operational programmes to programmes of support to entrepreneurs. The guarantee and development bank CMZRB will use the funds to provide guarantees for entrepreneurs' loans from commercial banks.

State plans to support companies hit by coronavirus – 16. 3.

According to the MIT Minister Havlíček, the state is ready to transfer billions of CZK from the European Structural Funds to the Czech-Moravian Guarantee and Development Bank. The state also counts with massive support for small and medium-sized enterprises and sole traders affected by the coronavirus.

Central bank adopts stabilizing measures amid coronavirus pandemic – 16. 3.

The Bank Board of the CNB has adopted measures to mitigate the impacts of the coronavirus epidemic on Czech firms, businesses and households.

At its monetary policy meeting, the Bank Board lowered the two-week repo rate by 50 basis points to 1.75%.

At the same time, it lowered the Lombard rate to 2.75% and the discount rate to 0.75%. The vote was unanimous.

The change in rates takes effect on March 17, 2020.

In addition, the Bank Board declared that it was ready to cut interest rates further should the economic situation so require.

CMZRB publishes details on COVID loan – 16. 3.

The Czech-Moravian Guarantee and Development Bank (CMZRB) published details of the COVID interest-free loan. The applicant for the loan shall describe to CMZRB the intention for what the loan should be primarily used for and

describe the damage he/she suffered as a result of the measures against the spread of coronavirus. The loss should determine the amount of requested credit, which can be used to finance e.g. staff salaries or non-cash payments to third parties. The loan may not be used e.g. to finance investments such as the purchase of machinery.

European money will also help combat the effects of coronavirus – 17. 3.

The EU will provide almost EUR 1.2bn (over CZK25.5bn) to the CR under terms of the Emergency Investment Fund.

CMZRB starts accepting applicants for COVID loans – 17. 3.

On March 16, 2020, the CMZRB began accepting applications for the Úvěr COVID loan program. The aim is to facilitate through interest-free loans ranging from CZK500,000 to CZK15mn access to operational financing for small and medium-sized enterprises whose economic activities are limited by the occurrence of coronavirus infection and preventive measures. Applications can be submitted through the CMZRB e-filing facility. The application must also include evidence that the entrepreneur has gotten in trouble as a result of the COVID-19 epidemic.

Govt approves tax package responding to epidemics – 17. 3.

PM Babiš's government has approved a tax package responding to the current situation associated with the spread of coronavirus. The adjustments are one of the measures taken to help economic operators bridge the state of emergency. They include the pardoning of fines for late filing of tax returns or for late filing of an audit report. Furthermore, they include a general waiver of the administrative fee for filing an application for delay or payment of tax.

Tax package summary – 16. 3.

- ♦ General waiver of the penalty and interest for late submission of personal and corporate income tax return until 1 July 2020 at the latest.
- ♦ Waiver of the penalty for late tax claims in all cases where the tax entity individually requests forgiveness of interest for late payment or withholding or repayment of the tax and demonstrates reasons in any way related to coronavirus.
- ♦ General waiver of fines for the late submission of a control report in amount of CZK1,000 incurred between 1 March and 31 July 2020.
- ♦ Possibility of individual waiver of fines for failure to submit a control report for the period from 1 March to 31 July if proven connection to coronavirus.
- ♦ General waiver of the administrative fee for submitting an application for postponement or instalment of the tax and of the application for remission of a fine for failure to submit a control report concerning applications submitted by 31 July.
- ♦ The postponement of the 3rd and 4th wave of EET (from May 1) was not legally possible. However, the authorities will, for a period of 3 months, proceed with maximum tolerance in the control activity and only perform an advisory function without imposing sanctions.

GA Banks can provide a three-month instalment deferment – 13. 3.

At its extraordinary meeting on March 12, 2020, the presidium of the Czech Banking Association (ČBA) agreed that it was a suitable instrument in substantiated cases to provide clients with the possibility of a three-month deferment of instalments of mortgage and consumer loans. Primarily, banks will focus on ordinary citizens and clients from the ranks of small-sized entrepreneurs and sole traders. With this measure, the ČBA is trying to mitigate the economic impacts of the current coronavirus epidemic on its clients.

Tripartite agrees on coronavirus crisis compensation – 17. 3.

Government officials, employers and trade unions agreed to extend the period over which parents can take leave of absence from work to care for their children for the duration of the coronavirus epidemic which has closed schools around the country.

Under Czech law parents are allowed 9 days leave to care for sick children under the age of 10 and receive 60% of their salary, for single parents it is 16 days. The period of leave is to be extended for the duration of the crisis.

The tripartite also agreed on compensation for employees who were forced to close their shops, restaurants or other facilities and services under the government measures to fight the spread of the coronavirus.

CNB cuts two-week repo rate by 0.5 p.p. to 1.75% - 17. 3.

The CNB board cut the two-week repo rate by 50 basis points to 1.75% in connection with the coronavirus epidemic. The board also decided to lower the Lombard rate to 2.75% and the discount rate to 0.75%. The board expressed its readiness to further reduce interest rates. Furthermore, it confirmed that CNB is ready to respond to possible excessive fluctuations in the koruna exchange rate with its instruments and revised its intention to increase the countercyclical capital buffer for exposures placed in the CR to 2.0% from July 1, 2020. Banks will continue to maintain the current rate of this reserve at 1.75%.

State must spend CZK40bn to rescue economy – 18. 3.

The Chamber of Commerce (HK ČR) estimates that the state must prepare approximately CZK40bn to save the domestic economy from collapse in the next three months. This is in addition to programs by the CMZRB. According to HK ČR, the government will have to transfer as much money as possible to wages, levies and overhead expenses. Self-employed persons and companies with a small number of employees demand that the state postpones their compulsory payments, interest and late payment penalties. Large companies, on the other hand, need compensation for paying out employee compensation.

CTK Govt could provide up to CZK1,000bn in aid to businesses – 18. 3

Based on analyses, the Czech government could provide up to CZK1,000bn worth of support to firms and entrepreneurs affected by the coronavirus outbreak, with CZK100bn in direct aid and CZK900bn in state guarantees, PM Babiš said at a press conference after the cabinet meeting .

The support should be similar to that provided in Denmark, he added.

The direct support may involve wage compensations, relief from mandatory health and social insurance payments, financial injections and so on, MIT Minister Havlíček said.

The government will discuss the support with professional associations within the Tripartite Council (reps of the government, employers and trade unions) as well as debate it at the cabinet meeting, Babiš said.

Havlíček also said his ministry would transfer another CZK10bn from EU operational programmes to the CMZRB for the COVID programme of interest-free loans and loan guarantees to entrepreneurs.

The government had initially earmarked CZK600mn for the programme. Subsequently it approved another CZK1bn.

As of , CMZRB has registered applications for more than CZK5bn.

Entrepreneurs who receive loans under the COVID programmes will be able to repay them in two years, with instalments deferred for one year.

Large companies could receive up to 90% the losses they incur. Small and medium-sized enterprises would be able to use the loans to finance small assets and stocks.

In addition, the funds administered by CMZRB would be used to guarantee loans from commercial banks taken by sole traders.

Business representatives welcome the government's motion to provide up to CZK1,000bn in aid, but they demand that mainly a wage compensation programme be approved as soon as possible, according to employer associations.

The Association of Small and Medium-Sized Enterprises (AMSP) appreciates the help provided through CMZRB.

Podnikatelske odbory, associating entrepreneurs and sole traders, however, criticises the government's approach to the EET, saying that it should protect the existence of small and medium-sized enterprises instead of burdening them with more costs.

The launch of the third and fourth waves of this scheme is scheduled for the beginning of May.

Analysts believe that the planned help announced by the government is an adequate reaction to problems CR will face because of the coronavirus and that it is comparable to aid provided in other countries.

Some experts think that the funding may have to be increased in the future.

Widening of the state budget gap is an obvious consequence of such a step, analysts said and most added that CR can afford it since it ranks among EU countries with the healthiest public finances.

CTK MF plans to widen 2020 state budget gap – 18. 3.

The MF expects to increase the state budget deficit which has been planned at CZK40bn for this year, and will present the budget law amendment within days, MF Minister Schillerová said.

The budget gap should widen by tens of billions of crowns, according to CTK's sources.

The proposal will also involve savings and transferring money from the European Union funds.

Schillerová wants to cover the deficit by issuing government bonds.

Damage to the economy will amount to tens of billions of crowns, which the state loses in tax income because of measures like loans to businesses, Schillerová said.

Tens of billions of crowns will help maintain high employment and secure incomes which will facilitate a fast economic recovery in H2, she said.

PM Babiš said that the government would discuss the budget law amendment at its meeting.

MIT Minister Havlíček later told Czech Television that decisions concerning measures that help the economy cannot be made overnight.

Economists have said that the state budget deficit might exceed CZK100bn this year.

The economic development is still hard to estimate, but it will definitely be worse than originally thought, Schillerová said.

"The Czech economy is strong, the state of public finances good, the banking sector exceptionally healthy, budgets of self-rule authorities have unprecedented reserves and health insurers are also doing well," she said.

The economy has a cushion which will help absorb the hits, Schillerová said.

The ministry's February forecast envisaged 2% economic growth for this year. However, economists now believe that the economy will most likely drop, and the contraction may exceed 5% if industrial companies shut down.

The Czech economy is budget-wise very well prepared to fight the coronavirus and its consequences, Czech Fund chief economist Lukas Kovanda said.

CR ranks among the five EU countries with the lowest debt-to-GDP ratio, and foreign investors feel that the risk of the Czech government defaulting on a debt is very low, he said.

The only countries with a better credit rating than CR are Switzerland, Norway, Sweden, the USA and New Zealand, he said.

HK ČR demands approval of MLSA compensation program – 19. 3.

The Economic Chamber of the CR (HK ČR) appreciated that the government responded to its call for immediate allocation of funds to protect jobs and companies from bankruptcy. It also expects a significant degree of flexibility in the state's assessment of companies' applications for COVID loans so that traders and employers can receive funding quickly without the unnecessary administrative obstacles suffered by the first wave of the program. It also called on the MLSA of the CR to accelerate the approval of a program of compensation of wages paid by employers for employees' obstacles to work. At this point, according to the Chamber, it is a step absolutely crucial for the survival of a growing number of companies.

Govt to provide CZK10bn for interest-free loans to entrepreneurs – 19. 3.

The cabinet earmarked CZK10bn for interest-free loans to entrepreneurs, with CZK5bn to go to CMZRB bank for the Covid programme and CZK5bn to be used by CMZRB as a guarantee for bank loans and a subsidy for their interest, MIT Minister Kavel Havlíček said.

The said amount will be enough to finance up to CZK40bn worth of interest-free loans with deferred instalments, Havlíček said at a press conference after the cabinet meeting. PM Babiš said that the cabinet would submit an amendment to the 2020 state budget law to an extraordinary

parliamentary meeting. He said he will also inform deputies about the aid to the economy.

Babiš said the cabinet might prepare a package of measures aimed at boosting the economy and businesses worth up to CZK1,000bn, with direct aid at some CZK100bn.

The MF is preparing a revision of the budget deficit that will be raised by tens of billions of crowns. The budget has been approved with a CZK40bn gap.

Interest-free loans can be used to cover employees' wages, energy costs, rents, stocks, and supplier-customer invoices, among others.

Entrepreneurs can apply for loans of CZK500,000 to CZK15mn. Applications are mostly filed by restaurants, hotels, travel agents, sport facilities and production firms with links abroad, CMZRB guarantee and development bank said.

Applications for loans top CZK10bn in 3 days – 19. 3.

CMZRB guarantee and development bank received about 3,200 applications worth more than CZK10bn within three days from the launch of the Covid loans programme, the bank's spokeswoman Marie Lafantova told CTK .

Many applications, however, do not fulfil the set conditions, she said. The government first allocated CZK600mn for the programme of interest-free loans, raising the sum by CZK1bn later on. MIT Minister Havlíček said that CMZRB would get another CZK10bn that would be transferred to it from EU operational programmes.

Interest in video conferencing solutions has increased up to 20 times as an enormous number of people started working from home in recent weeks because of the spread of the novel coronavirus, producers and retailers said.

Internet and IT solutions providers, online retailers and media, pharmacies, personal protective equipment producers and firms producing items that at the moment are not imported from China, Italy and France will benefit from the current situation, while those who will incur losses will be personal service providers, real estate agents, developers, car showrooms, petrol stations, firms providing accommodation services and those engaged in tourism, analysts polled by CTK have said.

E-shops now report payments by card worth some CZK67mn a day, which is 5% more than before the coronavirus epidemic, according to data of Global Payments which registers over 60% of online payments in CR.

Brick-and-mortar stores register card payments worth some CZK300mn per day, mostly for food, against some CZK500mn a day previously, the data showed.

The State Housing Development Fund (SFRB) will defer or lower instalments on loans for those who got into financial trouble because of the coronavirus measures, which will mainly apply to housing loans taken out by young people, the fund's spokeswoman Karolina Smetanova told CTK .

The coronavirus measures are cutting electricity consumption as shops and restaurants are closed, for example, distributors said.

ČEZ energy group reported about a 5% drop compared to the previous week, Prague-based energy distributor Prazska energetika saw a fall of some 10% and E.ON reported a decrease by about 5% in annual terms.

Suspended production at car makers on which tens of contractors are dependent will reduce consumption significantly, ČEZ spokesman Ladislav Kriz told CTK .

A demand for taxis has declined by tens of% and many drivers stopped providing their services. Firms are therefore distributing food and goods to offset a shortfall in sales, they told CTK.

Two Uber taxi drivers who were infected with coronavirus are in serious condition.

Prague airport traffic keeps falling, with 110 take-offs and landings planned for , which is about 70% less than the daily average in March last year, said Roman Pacvon, spokesman for Letiste Praha, the airport's operator.

Bus carrier FlixBus is going to suspend its operations in CR starting Saturday until further notice, Flixbus said on its website.

ECONOMIC IMPACT

Smartwings and Czech Airlines benevolent in rebooking flights – 12. 3.

The air carriers Smartwings and Czech Airlines have announced that people flying with them can re-book their flights without any sanctions. The decision pertains to any flights between March 13 and June 30.

Other airlines have adopted a similarly benevolent approach in view of widespread measures and restrictions in fighting the coronavirus.

In the past few weeks airlines have cancelled hundreds of flights in connection with the coronavirus health emergency.

LOT Polish Airlines will not start flying from Ostrava to Warsaw until September – 12. 3.

LOT Polish Airlines will postpone the launch of a new line connecting Warsaw and Ostrava until September 1, 2020. The airline has made the decision due to the spread of the coronavirus and low global demand for travel. The line was to be launched on March 31. LOT had planned five weekly rotations and increasing their number to ten as of August 31. The airline has also suspended flights from Warsaw to Milan and Venice (until April 3) and to Beijing (until April 25).

E-shops no longer taking cash payments – 12. 3.

In view of the spread of the coronavirus, Czech e-shops are no longer taking payments in cash, the ctk news agency reported. Couriers leave the deliveries outside people's doors to avoid coming into direct contact with clients.

Kosik, Rohlik, and Tesco have all posted the announcement on their web pages. Rohlik says it is preparing a solution for older clients who are used to paying in cash.

Air carriers suspend flights, no international train and bus links – 13. 3.

The air carriers Smartwings and Czech Airlines are suspending all flights from and to the CR for the duration of the government ban on travel. They will ground 23 planes at the country's four international airports.

Smartwings and Czech Airlines earlier announced that people flying with them can re-book their flights without any sanctions. The decision pertains to any flights that coincide with the ban which may last for 30 days or longer, up until June 30.

As of midnight Sunday international passenger trains and busses will not be allowed to cross the border. Freight trains will be allowed free passage.

State must protect firms affected by emergency – 13. 3.

The CR must protect jobs in companies affected by the state of emergency. Therefore, the Czech Chamber of Commerce (HK ČR) has proposed to the government the introduction of interest-free loans starting from CZK50,000 with an instalment deferment by at least one year. Chamber president Vladimír Dlouhý said that overnight, companies would be without income but still would have to cover expenses related to their business and employee wages. A large part of employers cannot economically manage this. It can be expected that after the end of the infection, these companies will be again viable, but they would probably be liquidated in the transitional period. Therefore, Dlouhý considers loans to be the easiest solution.

One-third of companies have employee in quarantine – 13. 3.

Measures against the dissemination of the coronavirus have already affected or will soon affect the activity of many companies. One-third of companies already have one or more employees in quarantine. These figures stem from a survey conducted by the Confederation of Industry of the CR (SP ČR). A total of 37.5% of companies are feeling or expecting a problem with supplies of components and raw materials and related increase in prices. A total of 36.4% of companies are dealing or will be dealing with problems related to transport and logistics. A total of 35% of companies records or expects a blackout in contracts.

Traffic at Prague airport down, retailers incurring losses – 15. 3.

Flights from the Prague airport are being cancelled and traffic at the airport is winding down due to the government's ban on travelling abroad over the coronavirus outbreak, the airport has told CTK.

Flights to Frankfurt, Vienna, Zurich and other cities were cancelled on March 14, and flights to Dusseldorf, Paris, Barcelona, Vienna, Geneva, Munich and Frankfurt have been cancelled so far , with others to follow.

The Czech government closed borders on March 13, banning Czech citizens from leaving CR and foreigners from entering the country with effect as of March 16.

The Prague airport will not allow foreigners to enter the Czech territory and will refer them to carriers to transport them abroad, airport operator Letiste Praha said earlier.

The biggest Russian air carriers Aeroflot and S7 Airlines will restrict or suspend flights to and from a number of European countries including the CR, agency TASS said.

Aeroflot will suspend the Prague-St. Petersburg service, for example.

Czech air carriers Smartwings and CSA said already that they would suspend all their flights to and from the CR as of March 16.

About 400,000 Czechs were still abroad at the weekend. Mobile operators have sent them text messages from the MT ¹⁰ informing them on how they can return to CR, Association of Mobile Networks Operators spokesman Jiri Grund told CTK.

¹⁰ MT: Ministry of Transport

Mobile operators started offer clients some of their services, such as calls, text messages, television and Internet, free of charge.

On March 12, the government declared a 30-day state of emergency over the epidemic, with cultural and sports events being cancelled. As of March 14 morning, shops, with some exceptions such as food stores and pharmacies, as have all restaurants and bars are closed for 10 days.

Retailers will incur losses worth billions of crowns due to the closed shops. Part of the losses will, however, be erased in the form of deferred consumption, analysts Vit Hradil of Raiffeisenbank and Lukas Kovanda of Czech Fund have said. Restaurants, which cannot expect the effect of deferred consumption, will be hit most hard by the measure, they said. "Restaurant operators will lose CZK4.1bn in the next 10 days, clothing retailers CZK2.5bn and furniture retailers CZK1.3bn," Kovanda said.

The Financial Administration said it would restrict the operation of its offices and the public will be able to visit them during limited opening hours as of March 16.

GA Food chains report increased sales by tens of per cent – 16. 3.

In some categories related to the extraordinary eating at home of school-goers, Albert reports increased sales by tens to hundreds of per cent. If it runs out of some goods, it is ready to restock by means of another delivery from its distribution centres. The COOP Group records a 10%-50% increase in purchases depending on the location and size of the store. Kaufland confirms a higher demand for fresh products. All its stores are being supplied and the chain is in further talks with suppliers. Lidl and Penny Market are also experiencing an increased number of customers buying more groceries. Cooperative CBA CZ reports a 30% increase in turnover. The chains refused to comment on information about related financial indicators.

GA Carriers cancel foreign connections under govt regulation – 16. 3.

As of March 14, 2020, international carriers are cancelling connections from the CR abroad, as decreed by the government. Leo Express said that with regard to the coronavirus impacting all carriers, it would be talking to the government about possible compensation. The restrictions currently apply to train connections to Poland and Slovakia and to bus connections to Austria, Poland, Slovakia and Ukraine. In addition to suspending international connections, FlixBus is putting off its expansion plans. RegioJet is cancelling or adapting the operation of connections until April 4, 2020 for the time being.

GA Smartwings, ČSA and Wizz Air suspend flights abroad – 16. 3.

As of March 14, 2020, Smartwings and Czech Airlines (ČSA) are suspending all flight connections from and to the CR for the duration of the imposed government measures. They will ground (will not use) up to 50% of their fleet. The carriers allow their passengers to rebook to a later date free of charge or to get a refund. Until April 3, 2020, Wizz Air is suspending flights between Luton and Prague. An amount corresponding to 120% of the original price of the flight ticket will be credited to the customer's WIZZ account. Passengers can also opt for a refund.

CTK Industrial firms suspending investments over coronavirus – 16. 3.

Industrial companies in CR are suspending investments and other expenditures due to complications and restrictions in production related to the coronavirus outbreak in order to preserve maximum possible amount of money to offset their losses, consulting firm Moore CR's partner Petr Kymlicka told CTK.

About 10-15% of Czech industrial companies started introducing such measures, he said.

Other companies are adjusting their regime, communicating electronically with clients, letting employees work from home, holding videoconferences and so on, he said.

Some companies are having problems receiving consignments from the countries hit by the coronavirus outbreak, particularly China, which is an important exporter for many Czech firms, he said.

State-run export guarantee and insurance company EGAP is offering help to Czech exporters endangered by the economic impacts of the coronavirus pandemic, EGAP spokesman Cerny told CTK.

EGAP has cut fees for its clients and offers fast track procedure when settling insurance applications filed by exporters who seek new customers.

"The Czech economy is dependent on exports, so we are trying to adjust our services to help them in this difficult period. We want Czech goods to keep being exported abroad despite the growing risks," EGAP board chairman Prochazka said.

The impact of the coronavirus epidemic on domestic tourism will be crushing, with many businesses struggling to merely survive, state-run agency CzechTourism Herget told CTK.

In Prague, for instance, tourism has been growingly on monthly basis in the past two years, with two third of foreign tourists visiting the capital. Besides Prague, regions of Karlovy Vary, South Bohemia and South Moravia have been hit by the current situation particularly hard, and the future development is hard to estimate, Herget said.

Domestic guests could be the first to help calm down the situation after everything returns to normal, he added.

Based on the European Travel Commission's analysis of tourist behaviour after periods of crisis, tourism can be expected to revive after six to eight months. However, the scope of the current crisis is much bigger. Such a radical restriction of movement has not occurred since World War Two, Herget said.

As of , Czech citizens are banned from leaving the country while foreigners are not allowed to enter it.

As of March 14, restaurants, bars and shops except for groceries, drugstores, pharmacies and some others, are closed and the sale of accommodation services is banned. Free movement of people all over the CR is restricted. The measures are in place until March 24.

According to data from the CNB, revenues from tourism amounted to CZK167bn last year.

According to CzechTourism, tourism accounts for 3% of GDP and provides around 250mn jobs.

Banks, insurance companies and some building societies are closing their branches to prevent the spread of the coronavirus, according to a poll conducted by CTK among large financial institutions.

The government's restriction of retail sale and services does not apply to banks and other financial institutions.

National postal service operator Ceska posta closed 42 out of its 3,200 branches, more than a quarter of them in northern Moravia.

Used-cars dealers expect losses amounting to hundreds of millions of crowns in relation to the coronavirus outbreak, and more than 30,000 people in the industry could lose jobs if the situation lasts long, according to information from the two largest used-car dealer associations.

The closure of used-car dealerships came at the start of the strongest season, AOOA association chairman Jiri Grund noted.

In addition, fears of the new coronavirus have raised demand for used car by about 15% in recent weeks, as people consider cars a safer means of transport than public transport, he added.

"Normally, over 2,000 used cars are sold in CR daily, and now it is zero," he said.

Cleaning firms and laundries that provide services to businesses are losing 80-100% of their sales in the current situation even though they rank among establishments that have been allowed to stay open, Association of Laundries and Dry Cleaners head a Puskacova said.

The problem is most their customers are linked to the tourism industry.

Severe economic slowdown to come – 16. 3.

It is obvious that a severe economic slowdown will come, and the continuation of the extraordinary situation connected with the coronavirus outbreak raises the probability that the economy will drop, CNB governor Rusnok said at a press conference.

The press conference took place after an extraordinary meeting of the CNB Bank Board which cut interest rates by 0.5%.

"We do not have a comprehensive forecast at this moment, and it is not even technically possible to have it. But it is obvious that a severe economic downturn will come. It is hard to say whether the economy will show zero growth or whether it will drop to negative figures, but the probability of the worse scenario is growing with every day of the extraordinary situation," he said.

At the beginning of the year, economists and institutions estimated that the Czech economy would grow by 2% this year. An increasing number of economists are now expecting a lower growth. Some of them have even said stagnation would be an optimistic scenario.

The CNB said in its latest forecast in February it expected Czech GDP to grow by 2.3% this year.

The economic slowdown will be accompanied by falling prices, Rusnok also said.

Thanks to the laws of statistics, the inflation rate will continue to show a brisk pace of growth in the nearest months, but a rapid turnaround will come within a few months, he said.

The decision to make a rate cut was a step in the right direction. When the ordinary policy meeting of the CNB Bank Board takes place in ten days, central bankers will already have a crisis scenario at their disposal, which will show whether it is necessary to toughen the response, Rusnok said.

Government-imposed restrictions to cost CZK2bn a day – 17. 3.

The restrictions introduced by the government to fight the coronavirus epidemic will result in losses estimated at around CZK2bn a day, the ctk news agency reports, citing economic experts.

The hardest hit will be retailers, with the exception of food stores, aviation and transport companies, restaurants and accommodation providers.

Economists say there is no immediate threat of big lay-offs, and the CR further has the advantage of having the lowest unemployment rate in the EU.

ŠKODA AUTO unions want to declare COVID-19 a work obstacle – 17. 3.

KOVO MB, VR, KV trade unions, aware of the complicated health situation in the CR, which may affect ŠKODA AUTO during a period of sudden increase in the number of people infected with coronavirus or quarantine, have asked the company for 14 days off for employees (quarantine). The trade union is ready to discuss this situation immediately with the carmaker's management.

Czech tourism head: Impact of coronavirus pandemic will be staggering – 17. 3.

The economic impact of the coronavirus pandemic will be staggering, according to the head of CzechTourism Herget. In an interview for the ctk news agency Mr.Herget said that entrepreneurs in the tourist industry are no longer thinking about how to minimize the damage, but how to survive.

Prague, which attracts two thirds of the country's foreign tourist will be hardest hit, but Western and South Bohemia as well as South Moravia also expect significant losses.

The long-term outlooks are totally unpredictable, Herget noted, adding that when the worst is over domestic tourists could help revitalize the industry.

Czech air traffic down by fifth in March due to coronavirus – 17. 3.

Air traffic over the CR has decreased by 18% yoy in the first 10 days of March owing to the travel restrictions related to the current coronavirus crisis, Czech Air Navigation Services (RLP) spokesman Richard Klima told CTK.

Air traffic over the entire Europe is weakening as air carriers are cancelling flights and countries, including CR, are imposing travel bans. In the weeks ahead, the decline can be expected to be even more notable.

Domestic air controllers registered a decrease in the past months already. In February, 52,848 flights were recorded in the Czech air space, which was an annual drop of 8.2%. In uary, the number fell annually by 6.7% to 57,187.

While uary and February saw predominantly restrictions of flights to China, March restrictions concern mainly flights over Europe and intercontinental services.

Domestic air carriers Smartwings and CSA have suspended all their flights to and from the CR, grounding about a half of their fleet.

Eurovia builder suspending construction, administration work – 17. 3.

Czech builder Eurovia CS suspends construction and administration work as of for a period of two weeks due to the spread of the coronavirus, company spokeswoman Iveta Stockova told CTK.

The firm takes part in the reconstruction of the D1 motorway from Prague to Brno, for example.

The Road and Motorway Directorate (RSD) said other projects on motorways may be halted, too.

Some workers are in quarantine, others are in Slovakia and some are at home with their children, said Stockova.

Eurovia was the second largest construction firm in CR after Metrostav in 2018, with sales rising by an annual rate of 13% to CZK16.7bn. Gross profit added 14.6% to CZK899.2mn.

Strabag building company continues implementing its projects at the moment.

Lorry traffic on Czech motorways has intensified amidst measures against the spread of coronavirus, with toll collection in the past week rising by CZK2.5mn to nearly CZK250mn against the previous week, reaching the highest figure so far this year, toll collection administrator CzechToll spokesman Miroslav Benes has told CTK.

Hauliers made use of the lifting of the ban on lorry transport on Sundays. In addition, lorry transport is exempt from the government's ban on travel abroad. "The results of toll collection correspond with the measures trying not to restrict smooth supplies to consumers and manufacturing companies," Benes said.

RSD plans to build and repair 230 km of roads and motorways this year, the highest number in history, with 100 km being new sections.

Losses from cancelled congresses in Prague reach CZK980mn – 17. 3.

The coronavirus outbreak and related government measures have a devastating effect on the congress industry in Prague as losses from cancelled congresses reached CZK980mn as of March 13 and can be expected to be even higher, according to data from non-profit organisation Prague Convention Bureau.

At least 1,200 events for over 320,000 participants scheduled for March-June have been cancelled or postponed.

Some 100,000 jobs related to tourism in Prague are endangered, with about 5,470 of them being in the congress industry, Prague Convention Bureau head Roman Muska said.

Tourism in general provides about 250,000 jobs.

The cancelled and postponed congresses will also have a negative impact on revenues to public budgets.

Spending of congress attendees in Prague are four to five times higher than spending of ordinary tourists, Muska noted.

"A study conducted for us by KPMG in 2017 shows that the congress industry accounts for 0.9-1.1% of Prague's GDP and for 15% of the tourism industry," Muska said.

Prague Convention Bureau based its survey on data from its partners who make up about a half of the Prague congress industry.

According to the CSO, 5,336 conferences with 531,000 participants took place in Prague last year. In the entire CR, more than 14,000 conference attended by more than 1.4mn people were held.

Skoda Auto to halt production – 17. 3.

Skoda Auto car maker will halt production on March 20, PM Babiš told journalists, and Skoda Auto union leader Jaroslav

Povsik told CTK the outage would begin on Wed at 22:00 and production would be resumed on Sunday, April 5, at 22:00.

German group Volkswagen (VW) said it would close its plants in Europe for two to three weeks over the coronavirus pandemic that is causing marketing problems. Most production facilities will have the last shift on Friday, VW said. Skoda made 908,000 cars in CR last year, with yearly's production at 76,250 units, that is some 2,500 cars a day. It has plants in Mlada Boleslav, central Bohemia, and Kvasiny, eastern Bohemia, that produce cars, and the Vrchlabí plant, also in eastern Bohemia, produces transmissions.

It is bad news for the automotive industry, but given the current coronavirus situation it is obviously an inevitable preventive measure, said Zdenek Petzl, executive director of the Automotive Industry Association.

Skoda Auto is not the only firm that is supplied components, however, for many Czech contractors, it constitutes 20 to 30% of their production volumes, so the outage will have a significant impact on their performance, Petzl told CTK.

The economic impacts of the measures against the spread of the novel coronavirus on the car makers and the whole supplier chain will be enormous, Petzl said.

Skoda Auto, part of VW's group, had one coronavirus case on Monday, which is why its unions wanted the firm to place all employees in a 14-day quarantine.

Deputy MLSA " minister Robin Povsik spoke in favour of suspending production at the firm .

Babiš said on Monday he did not agree with the unions' appeal to close the plant. , he said he came to realise it is a good measure.

He plans to ask Skoda Auto to figure out what the impacts will be on other firms as its outage will affect the entire chain. Skoda is a key part of the Czech economy, Babiš said.

The car maker employs over 30,000 people, with a big number of suppliers being dependent on its operations.

Skoda staff to get 70% of pay on March 18-29, 75% later on – 17. 3.

Skoda Auto officially confirmed the suspension of production in all three plants in CR, with employees to get 70% of their pay on March 18-29, and 75% afterwards, the car maker's management said in a letter to employees.

Two employees have contracted the coronavirus, the management said.

Czech state to spend billions on COVID-19, budget must change – 17. 3.

The Czech state will spend up to tens of billions of crowns to deal with the situation related to the new coronavirus, and so the state budget will have to be changed, PM Babiš told a press conference after a government meeting .

"It will cost us lots of billions, maybe tens of them," Babiš said. "A change in the budget will clearly be necessary," he added. The Czech state budget was to have a deficit of CZK40bn this year, its expenditures have been projected at 1,618bn and revenues at CZK1,578bn.

Babiš said investments in the Czech military might be limited, for example the purchase of new infantry fight vehicles, which was delayed until late spring or summer.

As the military was to pay roughly CZK50bn for these vehicles, their purchase would have been the biggest tender in the Czech military history.

Babiš said he cannot say whether the final waves of the EET can be postponed. He said he would ask MF Minister Schillerová about it.

Deputy PM Hamáček said the government has not dealt with this issue yet. He said he himself supported the idea of the postponement.

CTK Limited car production to cause huge losses to Czech suppliers – 17. 3.

The suspension of production at European plants of carmakers Volkswagen, Fiat and PSA will cause immense losses to Czech suppliers, Czech Automotive Industry Association executive manager Petzl has told CTK.

All companies in the automotive industry and related sectors will have big problems in the next two to three weeks, he said. Exports of Czech supplier companies amount to around CZK350bn annually, their share in total Czech exports reaching about 40%.

"I firmly believe that the entire sector will return to its usual pace after the current extraordinary situation is over," Petzl said.

The decision made by individual carmakers was not surprising and was probably unavoidable in order to curb the spread of the novel coronavirus, he added.

German car manufacturer Volkswagen, which is one of the most important customers for Czech car parts producers, announced it would shut down its European plants for two to three weeks.

French carmaker PSA announced a temporary closure of its factories in Europe including Slovakia on Monday. A similar announcement was made by Fiat Chrysler Automobiles. Both groups' shutdowns are to last until March 27.

☰ Long lines forming at border crossings with Poland and Slovakia – 18. 3.

Long lines of trucks have been forming on the open border crossings with Poland and Slovakia since the two countries introduced strict border controls in connection with the coronavirus pandemic at the start of this week.

The lines on the Nachod- Kudowa Slone crossing with Poland – the only crossing which the Polish authorities have left open – are reported to be 25 to 30 km long, with no rest and hygiene facilities for truck drivers on the way in the form of refreshment stalls or toilets.

Deputy PM Hamáček said at Tuesday's press briefing that he was aware of the problem and would talk to his Polish counterpart about possible ways of alleviating it.

GA EUROVIA CS to suspend building work, office activity – 18. 3.

EUROVIA CS will suspend the operation of the whole company in the CR for two weeks with effect from March 18, 2020. The limitation applies to both office and construction activities. The reason is the lack of protective equipment for workers. She added that some of the employees are quarantined and some of them in Slovakia. Everyone will be under partial unemployment with a wage compensation of 60% of average income.

GA AutoSAP: Production attenuation will cause massive losses – 18. 3.

The Automotive Industry Association (AutoSAP) monitors significant disruption of international supply chains, very difficult logistics conditions and significant planning difficulties. The export volume of Czech supplier companies (AutoSAP members) is around CZK350bn per year, accounting for about 40% of total exports. According to the association, production attenuation will cause huge losses to companies. However, the manufacturers' decision to restrict activity seems to be inevitable to stop the spread of the disease. AutoSAP believes that the industry will return to normal pace once the current emergency has subsided.

CTK Czech car production to drop by at least 10% in 2020 -analysts – 18. 3.

The Czech car output in 2020 will decrease annually by at least 10% from 2019's 1.43mn units because of shutdowns over the coronavirus, and losses of the largest producer Skoda Auto alone will amount to tens of millions of euros, according to economists.

The Automotive Industry Association should release its 2020 production estimate next week.

Tonight, Skoda's three plants and the Kolin plant of TPCA will suspend their production, the former for two to three weeks and the latter for a month. Hyundai Motor Manufacturing Czech continues its operations, having taken measures to ensure the safety of its employees.

Closing factories will have an impact not only on car companies' production and sales but also on their contractors. However, many of them still operate like nothing is happening, EY partner Petr Knap said, mentioning Bosch, Valeo and ZF.

Saxo Bank analyst Martin Sklenar expects that contractors will see their profits drop by up to 30%.

Skoda's shutdown will be a big loss for the company but also for the state, and each day of the outage will have economic and social impacts, Sklenar said, expecting Skoda's production to be suspended for more than three weeks.

Shutdowns will have a strong influence on GDP results for Q1 and even more so for Q2, CSOB analyst Petr Dufek said.

After tourism, transport and trade, the virus is taking its toll on the largest Czech industry. The car industry accounts for more than 5% of GDP and with other segments linked to it the share grows to about 10%, Dufek said.

However, taking account of the nature of the current shock, there is a good chance that this and other industries will see a quick recovery, he added.

The government has declared the state of emergency. The borders of the country have closed, same as schools, restaurants and most shops, and free movement of people is limited.

Operators of bricks-and-mortar shops are not taking the situation very seriously and only 15-20% of them are being responsible and try to offer remote sales, according to experts and a CTK poll.

National rail operator Ceske drahy will reduce its operations by 6.6%, MIT Minister Havlíček said after 's government meeting. Rival companies RegioJet and Leo Express have made cuts over the coronavirus, too.

Hotels have financial reserves for two to three months – 18. 3.

Czech hotels and guest houses have financial reserves for two to three months and if the present situation persists in May and June, half of businesses active in tourism will go bust or will need significant financial support from the state, a survey by booking site Hotel.cz shows.

The government has banned the sale of accommodation services until March 24.

Many hotels are closed and some register limited operations, providing accommodation to foreign nationals who have been unable to get home due to flight cancellations.

The number of bookings has dropped by more than 90% since the ban, Hotel.cz general manager Milan Petr said.

Czech hotels and guest houses may post losses of as much as CZK400mn in mid-March, according to Czech hotel system provider Previo.cz.

Spa and wellness hotels are also facing difficulties. The government decided that spas cannot accept new patients from Friday until further notice.

This could cause monthly losses of CZK800mn to CZK1bn, Czech Spa Association head Eduard Blaha told CTK.

The MIT and CMZRB launched Uver COVID, a programme of interest-free loans for entrepreneurs affected by the novel coronavirus situation.

Based on analyses, the Czech government could provide up to CZK1,000bn worth of support, with CZK100bn in direct aid and CZK900bn in guarantees, PM Babiš has said.

Florists and gardening shops have been granted an exception from the general closure of shops, one of the reasons being that 70 to 85% of their annual sales are generated between March and the end of May, said Jiri Horak, head of the Czech Union of Flower Growers and Florists.

Horak refused comments that florists have been granted the exception because of PM Babiš's trust funds having a stake in the Flamengo florist chain.

The government recommended that the time frame between 10:00 and 12:00 be reserved for people over 65 by shops.

In addition, a government ban on going out without the mouth and nose covered will become valid as of midnight.

The municipal and state police should help with checking people going to shops, said Tomas Prouza, head of the Confederation of Trade and Tourism. They will mainly focus on whether people have their airways covered, he added.

People's age will not be checked, said Police Presidium spokesman David Schon.

The two-hour time frame will not be feasible mainly in small shops in the country as the elderly usually go shopping early in the morning, said Roman Mazak, chairman of Czech retail cooperative CBA.

Therefore, the cooperative has proposed that the regulation apply only to shops over 400 square metres, he added.

Czech national postal service operator Ceska posta will limit the opening hours of its offices, Ceska posta spokesman Matyas Vitik told CTK.

They will close at 16:00 at the latest, the 10:00-12:00 time frame will be reserved for people over 65, and weekend operations will be cancelled starting this Saturday, he added.

Prague airport flight numbers continuing to decline – 19. 3.

The number of flights to and from Prague's Václav Havel Airport continues to fall. On Thursday there were 110 scheduled arrivals and departures, which is around 70% below the usual number, the Czech News Agency reported. While operations at the airport will decline further in the coming days they will continue, an official said.

Since Monday Czechs have been barred from travelling to a number of countries considered high risk by the Prague authorities under measures aimed at curbing the spread of the coronavirus. Foreigners are not allowed to enter Czech territory.

Arriva cancelling most long-haul and some regional lines – 19. 3.

Arriva is until further notice cancelling most of its long-haul lines. It is also suspending operations of some train and regional connections. The transporter only allows entry into its vehicles through the middle or rear doors. It recommends that passengers not enter vehicles without protecting their faces with masks.

Hyundai's Nosovice plant to stop production on Monday – 19. 3.

Hyundai's Nosovice plant will on Monday halt production for two weeks because of the coronavirus pandemic, and its employees will stay at home with 70% of their average pay, the car company's spokesman Pavel Barvik told CTK.

Hyundai is gradually taking strict precautionary measures in line with regulations of the government and other institutions, Barvik said.

The company decided to suspend production after European borders were sealed, which caused logistics problems for employees and suppliers, and demand for cars is in decline, he said.

Production has been scheduled to resume on April 6, he added.

Hyundai's Czech plant employs about 3,300 people and its sub-contractors employ another roughly 8,700.

The company's unionists demanded on Monday that production be suspended for two weeks. However, Hyundai applied stricter hygienic rules and continued operating.

Spreading of the coronavirus has made car companies all over Europe halt production, which includes BMW, Fiat Chrysler, Ford Motor, Renault and Volkswagen.

The Czech plant of Toyota Peugeot Citroen Automobile (TPCA) stopped producing before midnight on Wednesday. Its employees will get 85% of their pay and some of their shifts may be moved to after the shutdown, TPCA spokesman Tomas Paroubek said. The plant should resume operations on April 17, after a planned shutdown.

The largest Czech car maker Skoda Auto stopped its three factories at 22:00 on Wednesday and the shutdown should last until April 6. Its employees will get 70% of their pay on March 18-29 and 75% afterwards.

Czech tyre maker Continental Barum will suspend production during the weekend, after which its operations will be limited, and it will make an extraordinary shutdown from March 28 until Easter, company spokeswoman Regina Feiferlikova told CTK. The company employs about 5,100 people.

Company Marelli Automotive Lighting said it would stop producing for two weeks as of Monday because of

shutdowns of car companies. Car parts producer Fraenkische CZ said it would reduce operations significantly.

Slovak plant of Kia Motors will on Monday suspend production for two weeks, its spokesman Zgravcak told CTK. Other three car makers operating in the country, Volkswagen, PSA and Jaguar Land Rover, have either made or announced shutdowns this week.

Slovak division of Continental will also stop producing, according to media.

This month, Hyundai launched the production of Kona Electric cars in its Nosovice plant, starting the first serial production of electric cars in CR.

The Kolin plant also makes the Hyundai Tucson model and five versions of the Hyundai i30 model.

Last year, the factory produced 309,500 cars, down by 9% yoy. In 2018, its profit rose annually by CZK531mn to CZK7.22bn, and sales fell by CZK7.4bn to CZK129.26bn.

CTK Czech GDP to shed 5-8% if coronavirus crisis last 3 months – unions – 19. 3.

Trade unions estimate that if the coronavirus crisis lasts for three months, CR's GDP will shrink by 5 to 8% and some 400,000 to 450,000 people might lose their jobs, CMKOS trade union confederation head Josef Stredula said at a press conference.

A GDP drop of 1% equals roughly CZK60bn. Therefore, the resulting losses would be in the range of CZK300bn to CZK480bn.

Most staff cuts are likely to be made in commerce, transport and industry. As many as 100,000 sole traders may end operations, according to unions' projections.

CMKOS experts estimate that the Czech economy will halt in two weeks.

Unions demand that the government take swift measures to support employees, companies and sole traders so that the economy is kept going.

If the volume of US spending is converted into CR's conditions, the Czech government should make direct investments of at least CZK300bn, Stredula said, adding that the CZK100bn worth of direct aid proposed by PM Babiš on Wednesday is insufficient.

MISCELLANEOUS

SENIOR CONSTITUTIONAL OFFICIALS CONDEMN CHINESE PRESSURE – 12. 3.

The CR's top constitutional officials have released a joint statement rejecting pressure from China and condemning threats of retaliatory measures. The statement issued after a meeting on Wednesday evening came in response to a letter from Prague's Chinese Embassy warning of consequences if the then speaker of the Czech Senate went ahead with a planned trip to Taiwan. Current Senate speaker Miloš Vystrčil said the top officials did not have uniform views on China and had to take a show of hands on the final wording of the statement. Having previously said he was in favour of the removal of the Chinese ambassador to Prague, Mr. Vystrčil said he had been voted down at Wednesday's meeting.

CTK SENATE HEAD WANTS FURTHER TALKS ON CHINA AMBASSADOR'S REPLACEMENT – 12. 3.

Czech Senate chairman Miloš Vystrčil considers it right and necessary for the debate on the replacement of the Chinese

ambassador to Prague to continue, although he failed to push his proposal in this respect through at the Czech supreme officials' talks on Tuesday, he said.

Vystrčil (Civic Democrats, ODS) said he wants to continue the debate with President Miloš Zeman and Foreign Minister Tomáš Petříček (Social Democrats, ČSSD) about the Chinese embassy's behaviour and its threatening letter linked to former Czech Senate chairman Jaroslav Kubera's (ODS) planned visit to Taiwan.

Vystrčil, who was elected new Senate head after Kubera suddenly died on uary 20, said he does not plan to visit Taiwan now, with regard to the recommendation that all foreign trips be cancelled over the coronavirus outbreak, although the trip had been repeatedly recommended to him by the Senate foreign committee.

"The trip to Taiwan has been postponed. I expect us to reopen the Taiwan issue one day, after the current debate on what I consider much more important things is over," Vystrčil said, referring to new coronavirus, whose spreading the WHO declared a pandemic on Wednesday and of which more than 90 cases have appeared in CR since March 1.

For the same reason, Zeman should cancel his planned trip to Beijing, which is hosting the 17 + 1 summit of Central and Eastern European countries and China in mid-April, Vystrčil said.

"We addressed quite resolute recommendations to him in this respect, and the president will decide on his own. If empowered to do so, I would ban the president's trip to China, but I cannot do it, unfortunately," Vystrčil said.

He repeated that he lost the supreme officials' Wednesday vote on the China-related part of their joint resolution 3-1, with PM Babiš also voting against him.

According to Vystrčil, Babiš changed his mind on whether to replace the Chinese ambassador during the meeting on Wednesday.

"I am still convinced that it is necessary and correct for us to discuss the replacement of the Chinese ambassador and also discuss the situation where the CR deserves an apology for the Chinese embassy's behaviour," Vystrčil said.

He said he will ask Zeman and Petříček for a meeting to discuss the Chinese embassy's operation.

In a letter addressed to the Czech Presidential Office in uary, the Chinese embassy threatened with consequences for Czech companies if Kubera made a planned trip to Taiwan. Many Czech politicians protested against the letter and its threatening style.

In their joint resolution, the supreme officials, i.e. the Zeman, Vystrčil, lower house chairman Radek Vondráček and Babiš, on Wednesday rejected China's pressure and condemned its threatening with retaliatory measures.

Vystrčil said he never learned who at the Presidential Office received the letter. "I was told that the president did not read the letter at all. I have not learned who read it at Prague Castle," he said.

The letter from the Chinese embassy, which the Czech Presidential Office supported by two addenda, was given to Kubera by Zeman at a New Year's luncheon of high officials at Prague Castle.

STATISTICS

AGRICULTURAL PRODUCTION INCREASED TO A RECORD

CZK140.3BN – 12. 3.

In 2019 production in the agricultural segment totaled CZK140.3bn, the highest value since the beginning of the compilation of the summary account. The share of plant production over animal production was in the ratio 56.5% to 37.7%. The value of crop production increased by 4.6% yoy to CZK79.2bn and animal production by 2.2% to CZK52.8bn. Gross value added grew by 3.7% to CZK44.9bn. The estimated volume of other production subsidies paid was CZK34.7bn (+ 5.3%). Business income after two years of recession rose by 11.9% to CZK17.5bn.

INDUSTRIAL PERFORMANCE IN JANUARY DROPS 1.4% YOY

- 13. 3.

After adjustments for the influence of the number of workdays, industrial production in January 2020 dropped 1.4% yoy in real numbers. Mom¹⁶ and seasonally adjusted, it was 1.1% higher. This information was provided by the CSO, adding that generation and distribution of electricity, gas, heat and conditioned air (contribution -0.8 pp, a decrease of 5.8%) contributed the most to the yoy change. Production increased in the segment of production of motor vehicles and trailers (contribution +0.6 pp, an increase of 3.0%). The total value of new orders in the sector grew 1.3% yoy. Revenues from industrial activities in common prices grew 1.1%. Of this, direct exports were 0.2% lower and domestic revenues were 2.9% higher.

RETAIL REVENUES UP 4.9% IN UARY – 16. 3.

After adjustments for calendar influences, retail revenues in uary 2020 grew 4.7% yoy in real numbers. Unadjusted, they were 4.9% higher, while they were 7.3% higher for non-food items, 2.8% higher for food items and 1.1% higher for vehicle fuels. Seasonally adjusted retail revenues, except for motor vehicles, were 0.9% higher mom. Seasonally adjusted revenues from the sale and repairs of motor vehicles in real numbers dropped 1.8% mom and 4.1% yoy in real numbers.

INDUSTRIAL PRODUCER PRICES UP 1.4%, BUILDING 4.4% –

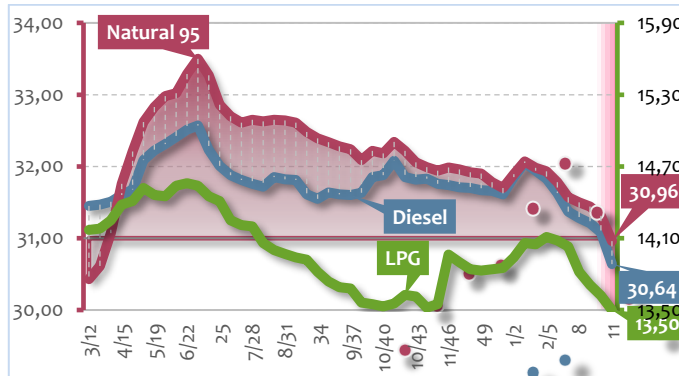
17. 3.

Agricultural producer prices fell by 3.8% yoy in February 2020. Prices of industrial producers grew by 1.4%, construction work by 4.4% and market services for enterprises by 2.4%. In mom terms, agricultural producers raised their prices by 0.5%. Construction work prices increased by 0.4% and market services for enterprises by 1.2%. Industrial producer prices fell by 0.7%.

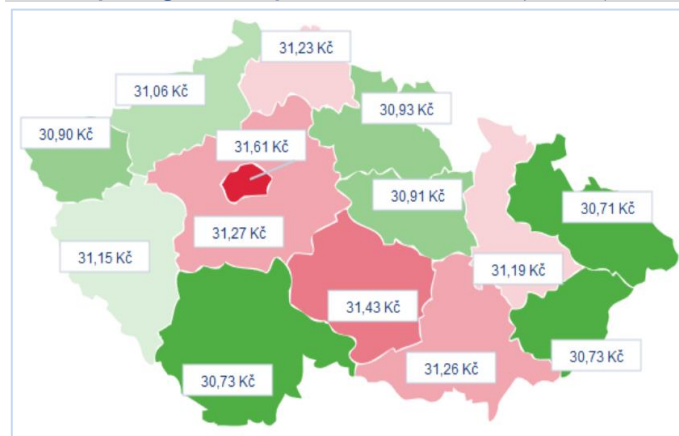
FUEL PRICES – 13. 3.

Natural 95 increased by 35h¹⁷ to CZK3.96/l¹⁸ over the past week. Diesel oil decreased by 34h to CZK30.64/l.

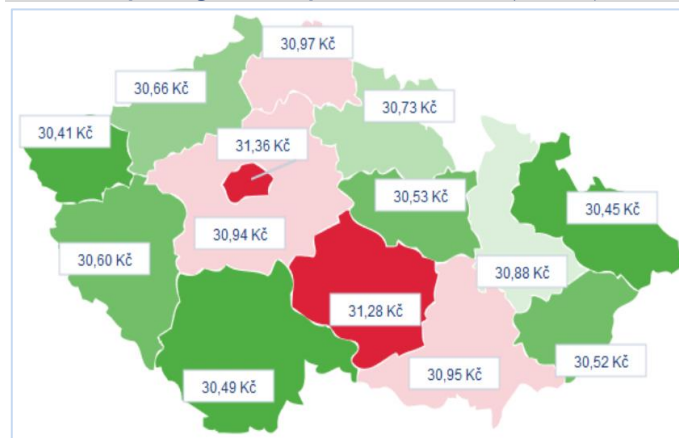
Graph 1: Average prices¹⁹, 2018 – 2019, Month/Week (in CZK/l)



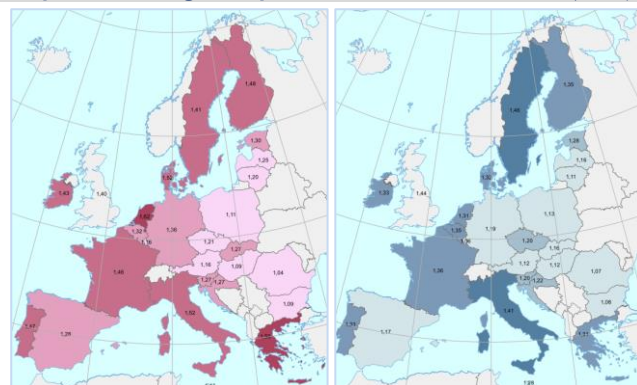
Map 1: Regions, fuel prices, Natural 95, 15. 3. (in CZK/l)²⁰



Map 2: Regions, fuel prices, Diesel, 15. 3. (in CZK/l)



Map 3: EU, Average fuel prices, Natural 95, Diesel, 9. 3. (in €/l)²¹



¹⁶ Mom: month on month, compared with preceding month

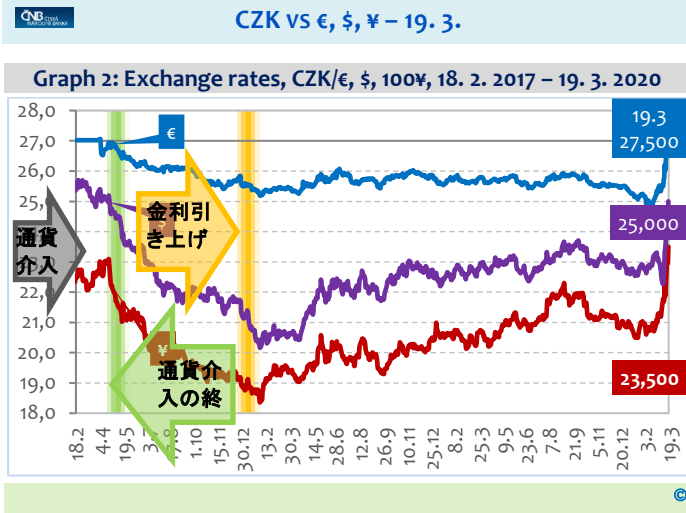
¹⁷ h: Heller, a term was used for a coin valued at 1/100 of a CZK, it continues to be used as a means of calculation since the CNB removed the coins themselves from circulation in 2008 and notionally replaced them with rounding to the next CZK.

¹⁸ l: litre, is an SI accepted metric system unit of volume equal to 1 cubic decimetre (dm³), 1,000 cubic centimetres (cm³) or 1/1,000 cubic metre.

¹⁹ 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

²⁰ data issued by the mBenzin.cz; <https://www.penize.cz/ceny-benzinu-a-ceny-nafty>

²¹ data issued by the EC; <https://ec.europa.eu/energy/en/data-analysis/weekly-oil-bulletin>



NEWS OUTSIDE OF THE GIVEN TIME SPAN
EXCERPT

	CCC, Czech Chamber of Commerce (HKČR, Hospodářská komora ČR); an organisation which represents the business community in the CR, its competencies are defined by Act No. 301/1992 Coll.
	CEEMarketWatch, is a subscription-based analytical service, covering the emerging regions of Central and Eastern Europe, Euro zone periphery, Middle East, Africa and Latin America.
	CFD, Czech Fiscal Council (Národní rozpočtová rada), is an independent expert body whose primary mission is to evaluate whether the state and other public institutions comply with the rules of budgetary responsibility set out by Act No. 23/2017 Coll.
	CIA News (Česká informační agentura Ltd.); a news agency, specialising in the CR's economy and markets. It is owned by Inergo Slovakia Jsc., owned by Emil Hubinák.
	CNB, ČNB (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. CTK is a public corporation and is governed by the law on CTK number 517/1992 Coll.



ČSÚ, Czech Statistical Office (Český statistický úřad, CSO), 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.



HN, Hospodářské noviny Daily; published by Economia a.s., publishing company issuing economic and professional periodicals in the CR that is owned by Zdeněk Bakala from 2008. Centre-right view.



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



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



MIT, Ministry of Industry and Trade of the CR (Ministerstvo průmyslu a obchodu České republiky)



MLSA, Ministry of Labour and Social Affairs of the CR (Ministerstvo práce a sociálních věcí České republiky)



MT, Ministry of Transport of the CR (Ministerstvo dopravy České republiky)



Office of the Government of the CR (Úřad vlády 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.