

## 2022 SME COUNTRY FACTSHEET'S EVIDENCE BACKGROUND DOCUMENT

# Czech Republic

This document faithfully reproduces evidence from various relevant sources, thus providing SME-focused “pure facts” in the form of concise facts. This factual information arises from national evidence, data and insights, such as the SME-relevant recent national studies, surveys, publications, policy measures, etc. (including those published only in the national language) as well as relevant international studies and other relevant sources, indicators and statistics.



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Factual SME-related evidence	Source
<b>KEY NOWCASTS &amp; FORECASTS</b>  <b>KEY NOWCASTS &amp; FORECASTS</b>	
<p>In 2021, SMEs in the Czech Republic recovered in terms of value added, growing by 8.2%, following a decline of 4.0% in 2020. However, SME employment declined by a further 0.8%, after a drop of 1.6% in 2020.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>In line with the overall economy, the <i>retail</i> ecosystem generated strong recovery growth in value added in 2021, growing by 7.0%. However, SME employment fell by 0.9%.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>The <i>digital</i> ecosystem is one of the few ecosystems in the Czech Republic that grew in SME employment in both 2020 and 2021, by 1.2% and 1.5% respectively. SME value added also grew strongly by 7.6% in 2021, following a decline of 1.4% in 2020.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<p>Based on data from early 2022, it was expected that SME value added and SME employment in the Czech Republic would grow by 8.3% and 0.3% respectively, but Russia's war of aggression against Ukraine will affect these estimates.</p>	<p>Estimates and forecasts produced by JRC, based on figures from the Structural Business Statistics Database, provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database and forecasts from the AMECO database.</p>
<p>In 2021, Czech SMEs generated 67.5% of employment and 54.5 % of value added, slightly above the corresponding EU averages of 64.4% and 51.8%.</p>	<p>Estimates produced by JRC, based on figures from the Structural Business Statistics Database as well as provisional data for 2020-2021 from the National Accounts Database and the Short-Term Business Statistics Database.</p>
<b>ENVIRONMENTAL ASPECTS OF SUSTAINABILITY</b>  <b>ENVIRONMENTAL ASPECTS OF SUSTAINABILITY</b>	
<p>In November 2021, the Czech Ministry of Industry and Trade published a draft call for a programme aimed at building new photovoltaic sources with a total planned allocation of at least €80 million over the next 2 years. The programme is part of the Czech NRRP and will support enterprise decarbonisation and sustainability.</p> <p>Only 18.7% of Czech SMEs offer green products or services compared with an EU average of 31.6%.</p>	<p>Support Programme Photovoltaic Systems with/without storage – Call I. (draft of announcement), Ministry of Industry and Trade, November 2021:  <a href="https://www.mpo.cz/cz/podnikani/draft-vyzvy-na-podporu-instalace-fotovoltaickych-elektraren-na-podnikatelskych-budovach-z-npo--264173/">https://www.mpo.cz/cz/podnikani/draft-vyzvy-na-podporu-instalace-fotovoltaickych-elektraren-na-podnikatelskych-budovach-z-npo--264173/</a></p> <p>Eurobarometer survey of SMEs and the environment, 2021:  <a href="http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.html">http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.html</a></p>
<p>The Technology Agency of the Czech Republic will provide funding for Czech entities to participate in the first international call of the European Biodiversity Partnership 2021, a programme that supports the protection of biodiversity and ecosystems across land and sea.</p> <p>Participants can be either companies (including SMEs) or research organizations. The total allocation of the TA CR to the Call for Partnership for Biodiversity Call 2021 is €730,000 with a maximum amount of €300,000 per project.</p>	<p>Partnership for Biodiversity Call 2021: International call for biodiversity support and ecosystem protection, Technology Agency of the Czech Republic, October 2021:  <a href="https://www.tacr.cz/partnerstvi-pro-biodiverzitu-call-2021-nova-mezinarodni-vyzva-evropskeho-partnerstvi-v-oblasti-podpory-biodiverzity-a-ochrany-ekosystemu/">https://www.tacr.cz/partnerstvi-pro-biodiverzitu-call-2021-nova-mezinarodni-vyzva-evropskeho-partnerstvi-v-oblasti-podpory-biodiverzity-a-ochrany-ekosystemu/</a></p>


<p>The Technology Agency of the Czech Republic announced the 5<sup>th</sup> public competition of the Environment for Life programme in April 2021. SMEs had the opportunity to submit project proposals to increase resource efficiency, reduce pollution and methods of adaptation to climate change and its consequences.</p>	<p>Environment for Life Programme: Announcement of the 5<sup>th</sup> public competition, Ministry of the Environment of the Czech Republic, Technology Agency of the Czech Republic, April 2021: <a href="https://www.tacr.cz/program-prostredi-pro-zivot-vyhlaseni-5-verejne-souteze/">https://www.tacr.cz/program-prostredi-pro-zivot-vyhlaseni-5-verejne-souteze/</a></p>
<p><b>SOCIAL ASPECTS OF SUSTAINABILITY</b></p>	
<p>Since August 2021, the Ministry of Industry and Trade has launched the "Small Shop (Obchůdek) 2021+" programme to support small grocery stores in municipalities with less than 1,000 inhabitants. The goal of the programme is to ensure the sustainability of life in the countryside and help for SMEs. By 2025, a total allocation of €7.8 million is foreseen for the programme.</p>	<p>Programme "Obchůdek 2021+", Ministry of Industry and Trade, Department of Business Environment and Business Administration, July 2021: <a href="https://www.mpo.cz/cz/podnikani/vnitri-obchod/program-obchudek-2021/program-obchudek-2021--262006/">https://www.mpo.cz/cz/podnikani/vnitri-obchod/program-obchudek-2021/program-obchudek-2021--262006/</a></p>
<p>According to a survey by IPSOS, 3 out of 5 SMEs are currently dealing with the ESG (Environmental, Social, Governance) issue. The Association of SMEs explains this by the fact that these SMEs often operate at the regional level and usually undertake these activities in a completely natural way often unintentionally.</p>	<p>Innovation, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, February 2021: <a href="https://amsp.cz/89-pruzkum-amsp-cr-inovace/">https://amsp.cz/89-pruzkum-amsp-cr-inovace/</a></p>
<p><b>DIGITALISATION</b></p>	
<p>Czech SMEs can get a total of approximately €12 million to support direct investments in digitalisation and related services under the 5<sup>th</sup> call for support programme "ICT and Shared Services - Digital Enterprise", which was announced in Autumn 2021 as part of the implementation of the Operational Programme Enterprise and Innovation for Competitiveness.</p>	<p>Support Programme ICT and Shared Services – Call V., Digital Enterprise, Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, August 2021: <a href="https://www.agentura-api.org/cs/programy-podpory/ict-a-sdilene-sluzby/ict-a-sdilene-sluzby-vyzva-v-digitalni-podnik/">https://www.agentura-api.org/cs/programy-podpory/ict-a-sdilene-sluzby/ict-a-sdilene-sluzby-vyzva-v-digitalni-podnik/</a></p>
<p>In September 2021, the Ministry of Industry and Trade increased the allocation of the 13<sup>th</sup> call of the Technology Programme from the original €22 million to €62 million. The aim of the increased support for this call is mainly to ensure growth and increase the competitiveness of SMEs through the implementation of their digital transformation.</p>	<p>Increased allocation of the Support Programme Technology – Call VIII. Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, September 2021: <a href="https://www.agentura-api.org/cs/programy-podpory/technologie/technologie-vyzva-xiii/">https://www.agentura-api.org/cs/programy-podpory/technologie/technologie-vyzva-xiii/</a></p>
<p>SMEs indicate that the lack of qualified employees (37%) and lack of finance (33%) are the biggest barriers to successful implementation of digitalization/automation/robotics in their companies.</p>	<p>Innovation, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, February 2021: <a href="https://amsp.cz/89-pruzkum-amsp-cr-inovace/">https://amsp.cz/89-pruzkum-amsp-cr-inovace/</a></p>
<p>Regarding the digitalisation, automation and robotics, only 19% of SMEs have a formal strategy. However, 42% stated that this process takes place but without a formal strategy. Only 12% of SMEs report that they are not concerned with this area at all.</p>	<p>Innovation, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, February 2021: <a href="https://amsp.cz/89-pruzkum-amsp-cr-inovace/">https://amsp.cz/89-pruzkum-amsp-cr-inovace/</a></p>
<p>Czech SMEs outperform the EU average in terms of the percentage that sell online (29% vs 17%) and turnover from e-commerce (18% vs 12%).</p>	<p>Eurostat, Community survey on ICT usage and eCommerce in enterprises, 2020: <a href="http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=isoc_ec_evaln2&amp;lang=en">http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=isoc_ec_evaln2&amp;lang=en</a></p>


<p>Digital tools such as chatbots, personalised e-commerce or virtual reality have potential among around 4 in 10 SMEs, according to a survey conducted by IPSOS. These entities are already using these tools or are interested in doing so in the future.</p>	<p>Marketing, technology and digital trends, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, October 2021:  <a href="https://amsp.cz/90-pruzkum-amsp-cr-marketingove-technologicke-a-digitalni-trendy/">https://amsp.cz/90-pruzkum-amsp-cr-marketingove-technologicke-a-digitalni-trendy/</a></p>
<b>INNOVATION</b>	
<p>In October 2021, the Ministry of Industry and Trade of the Czech Republic announced an increase in the allocation of Call IX of the Innovation Support Programme (innovation project) from the original €40 million by an additional €32 million. The increased budget of the programme will increase support for quality projects created in cooperation with the academic and research sector. This will also expand the know-how of companies for their own innovation and increasing the efficiency of internal processes in the field of innovation management. The aid available in the call is 45% and 35% of eligible costs for small and medium enterprises respectively.</p>	<p>Increased allocation of Call IX of the Innovation Support Programme (innovation project), Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, June 2021:  <a href="https://www.agentura-api.org/cs/aktualizace-navyseni-alokace-vyzvy-ix-programu-podpory-inovace-inovacni-projekt/">https://www.agentura-api.org/cs/aktualizace-navyseni-alokace-vyzvy-ix-programu-podpory-inovace-inovacni-projekt/</a></p> <p>Innovation – Innovation Project, Call IX, Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, June 2021:  <a href="https://www.agentura-api.org/cs/aktualizace-navyseni-alokace-vyzvy-ix-programu-podpory-inovace-inovacni-projekt/">https://www.agentura-api.org/cs/aktualizace-navyseni-alokace-vyzvy-ix-programu-podpory-inovace-inovacni-projekt/</a></p>
<p>In order to deepen communication and sharing of knowledge and know-how between the business and research spheres, the 6<sup>th</sup> Call of the Innovation Vouchers programme was made available to SMEs in 2021. The vouchers allow SMEs to purchase of innovation advisory, expert and support services from research and dissemination organizations or accredited laboratories with a view to launching or intensifying the innovation activities of small and medium-sized enterprises.</p>	<p>Innovation Vouchers, Call VI, Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, January 2021:  <a href="https://www.agentura-api.org/cs/programy-podpory/inovacni-vouchery/inovacni-vouchery-vyzva-vi/">https://www.agentura-api.org/cs/programy-podpory/inovacni-vouchery/inovacni-vouchery-vyzva-vi/</a></p>
<p>According to the IPSOS survey, SMEs in the Czech Republic prefer to use their own resources to finance innovation in more than three quarters of cases (78%). This is followed by loans (28%) and grants (27%).</p>	<p>A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, p. 8, October 2021:  <a href="https://amsp.cz/89-pruzkum-amsp-cr-inovace/">https://amsp.cz/89-pruzkum-amsp-cr-inovace/</a></p>
<b>SKILLS</b>	
<b>ADMINISTRATIVE BURDEN</b>	
<p>According to a study by the Liberal Institute, the number of hours an average small firm spends each year dealing with administrative burdens in 2021 totalled 272 hours. This is an increase of 49 hours from the previous year, which is a relatively substantial increase. According to the Liberal Institute, this increase was mainly due to the government's failure to manage the COVID-19 pandemic, which was reflected in a number of chaotic regulations that affected entrepreneurs and cost them time in addition to increased financial costs.</p>	<p>The necessary paperwork time in Czech companies increased by 49 hours year-on-year, Press Release, Liberal Institute, September 2021:  <a href="https://libinst.cz/nutna-doba-papirovani-v-ceskych-firmach-mezirocne-vzrostla-o-49-hodin/">https://libinst.cz/nutna-doba-papirovani-v-ceskych-firmach-mezirocne-vzrostla-o-49-hodin/</a></p>
<b>REGULATORY OBSTACLES</b>	

ACCESS TO FINANCE		 ACCESS TO FINANCE
SME projects focused on digital transformation will be able to obtain a free guarantee from the National Development Bank of the Czech Republic for loans from commercial banks from December 2021. The programme SMART Guarantee uses both the national resources of the Ministry of Industry and Trade and the counter-guarantee of the European Investment Fund, which runs under the COSME programme.	Programme SMART Guarantee, Ministry of Industry and Trade, National Development Bank, December 2021: <a href="https://www.nrb.cz/produkt/zaruka-2015-az-2023/smart-zaruka/">https://www.nrb.cz/produkt/zaruka-2015-az-2023/smart-zaruka/</a>	
In the first half of 2021, the National Development Bank supported SMEs with almost €1 billion in directly granted or guaranteed loans. The NDB thus participated in half of all new loans up to CZK 30 million granted to entrepreneurs in the period under review. In this way, it facilitated a total of 3600 business projects in the first 6 months of this year.	Companies received CZK 23 billion in support from the NDB in the first half of the year, Press Release, National Development Bank, August 2021: <a href="https://www.nrb.cz/firmy-ziskaly-od-cmzrb-v-prvni-pulce-roku-podporu-ve-vysi-23-mld-kc/">https://www.nrb.cz/firmy-ziskaly-od-cmzrb-v-prvni-pulce-roku-podporu-ve-vysi-23-mld-kc/</a>	
According to the 2021 SAFE survey, around 16% of the Czech companies did not manage to obtain the requested loan. Czechia ranked 24 out of 27 in the 2020 EIF SME Access to Finance Index. The deterioration of the ESAF index was driven by an above average drop in the share of SMEs using leasing products and an above average increase in the share of SMEs that did not apply for bank overdraft out of fear rejection. According to this index, access to finance Venture Capital Investments in Czechia represented only 0.01% of GDP being the lowest in the EU and 0% of SMEs used equity capital in the last 6 months.	Access to Finance Index – Equity, 2020 SAFE survey, 2021	
LATE PAYMENTS		 LATE PAYMENTS
According to the SAFE survey 2021, 62.3% of SMEs experienced payment delays in the last 6 months vs. 45% for the EU. According to the Intrum report, in 2021 64% of firms in Czechia were more concerned than ever about their debtors' ability to pay on time (above EU average), and 56% of firms would welcome the introduction of new legislation to solve the problem of late payments. 68% of Czech business see a risk of late/non-payments from debtors increasing during the next 12 months, and 53% say they accepted longer payment delays than they are comfortable with, in order not to damage client relationship. Moreover, 44% believe	SAFE survey, 2021 European Payment Report 2021 (Intrum)	

that widening the gap between payment terms and duration of pay is a real risk the sustainable growth of their businesses.	
<b>ACCESS TO MARKETS</b>  <b>ACCESS TO MARKETS</b>	
In terms of information availability and the involvement of the trade community, the Czech Republic performs worse than the European average scoring 1.38 (EU: 1.76) and 1.43 (1.72) respectively (scores out of 2)	OECD, 2019: <a href="http://compareyourcountry.org/trade-facilitation">http://compareyourcountry.org/trade-facilitation</a>
In an IPSOS survey conducted in May 2021, SMEs said that there had been a decrease in the areas and countries to which they export compared to 2019, due to the effects of COVID-19.	Export of small and medium-sized enterprises, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, May 2021: <a href="https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/">https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/</a>
In an IPSOS survey, SMEs are generally more lukewarm about whether digitization has helped them address the export challenges posed by the COVID-19 situation. In the survey, about 30% of SMEs said that digitalisation helped them, while about 40% did not see any benefit of digitalization for their undertaking.	Export of small and medium-sized enterprises, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, May 2021: <a href="https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/">https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/</a>
The biggest problems for SME exports are currently identified as input prices, rising costs and COVID-19. Public support for the promotion of and participation in exhibitions and fairs would help them to revive their exports.	Export of small and medium-sized enterprises, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, May 2021: <a href="https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/">https://amsp.cz/87-pruzkum-amsp-cr-export-malych-a-strednich-firem/</a>
<b>START-UP ENVIRONMENT</b>  <b>START-UP ENVIRONMENT</b>	
Start-ups and developing SMEs throughout the Czech Republic can benefit from the Counselling Support Programme focused on providing consulting services for them. SMEs can obtain funding for the purchase of external consultancy focused on gathering new certificates required for business and industry and developing water use assessments at the company level that will lead to water savings in the business.	Counselling Support Programme - Counselling Services for SMEs - Call II., Ministry of Industry and Trade, Agency for Entrepreneurship and Innovation, January 2021: <a href="https://www.agentura-api.org/cs/programy-podpory/poradenstvi/poradenstvi-vyzva-ii-poradenske-sluzby-pro-msp/">https://www.agentura-api.org/cs/programy-podpory/poradenstvi/poradenstvi-vyzva-ii-poradenske-sluzby-pro-msp/</a>
In the first three quarters of 2021, 22,251 start-ups were registered in the Czech Republic. This is 11% more than in the same period last year and almost exactly the same as in 2019. However, the growth rate of the number of new capital companies in 2021 is declining quarter by quarter.	The pace of new business start-ups slowed in Q3, Press Release, Dun & Bradstreet, October 2021: <a href="https://www.dnb.com/cs-cz/o-bisnode/o-nas/novinky/tempo-zakladani-novych-firem-ve-tretim-kvartalu-zbrzdilo/">https://www.dnb.com/cs-cz/o-bisnode/o-nas/novinky/tempo-zakladani-novych-firem-ve-tretim-kvartalu-zbrzdilo/</a>
<b>SCALE-UP ENVIRONMENT</b>  <b>SCALE-UP ENVIRONMENT</b>	
The Deloitte Technology Fast 50 ranking for 2021, which studies the fastest growing public and private technology companies in the CEE and EMEA region (19 European countries), includes 19 companies from the Czech Republic (6 in the top 10, including the winner).	Results Technology Fast 50 CE 2021 - Another most successful year for Czech companies, Deloitte, December 2021: <a href="https://www.deloitte.cz/fast50/#vysledky">https://www.deloitte.cz/fast50/#vysledky</a>



IMPACT OF THE COVID-19 CRISIS		 IMPACT OF THE COVID-19 CRISIS
More than 60% of family businesses have had to postpone or cancel at least part of their planned investments as a result of the COVID-19 pandemic.	Investments in family businesses and their support, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, May 2021: <a href="https://amsp.cz/85-pruzkum-amsp-cr-investice-v-rodinnych-firmach-a-jejich-podpora/">https://amsp.cz/85-pruzkum-amsp-cr-investice-v-rodinnych-firmach-a-jejich-podpora/</a>	
A survey from February 2021 showed that two out of three SMEs were negatively affected by COVID-19, most often by a decrease in orders or the need to interrupt or limit their activities. 42% of the affected companies had to use financial reserves due to the situation and also 30% of entrepreneurs postponed investments due to the pandemic.	Covid-19 and business change, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, February 2021: <a href="https://amsp.cz/covid-19-a-zmeny-v-podnikani/">https://amsp.cz/covid-19-a-zmeny-v-podnikani/</a>	
According to a survey conducted in May 2021, 36% of SMEs have adjusted their service/product portfolio due to COVID-19. 40% are using online sales channels more often. From the customers' point of view, the possibility of paying by card, digital solutions, innovative solutions or delivery options plays a bigger role compared to the situation before COVID-19. According to the same survey, the impact of the pandemic on labour productivity is mostly perceived by SMEs as neutral (53%) or negative (38%). Similarly, companies evaluate negatively the impact of remote working on productivity - overall, the view of companies is rather negative.	Productivity and a new approach to customers, A survey carried out by IPSOS for the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic, May 2021: <a href="https://amsp.cz/86-pruzkum-amsp-cr-produktivita-a-novy-pristup-k-zakaznikum/">https://amsp.cz/86-pruzkum-amsp-cr-produktivita-a-novy-pristup-k-zakaznikum/</a>	
83% of people in the Czech Republic use the internet and 57% of people also shop via the internet. Due to the COVID-19 pandemic, interest in online education has increased. The number of people communicating with authorities via the internet has also increased and there is a growing interest in paid videos and music.  This trend is also reflected on the supply side. In 2020, the percentage of Czech SMEs selling online was 29% (EU: 18%) with the percentage of turnover from e-commerce reaching 18% (EU: 12%).	Half as many people order restaurant food online as last year, Press Release, Czech Statistical Office, November 2021: <a href="https://www.czso.cz/csu/czso/jidlo-z-restauraci-si-online-objednava-o-polovinu-vice-lidi-nez-loni">https://www.czso.cz/csu/czso/jidlo-z-restauraci-si-online-objednava-o-polovinu-vice-lidi-nez-loni</a>  Eurostat, Community survey on ICT usage and eCommerce in enterprises, 2020: <a href="http://ec.europa.eu/eurostat/web/products-datasets/-/isoc_ec_eseln2">http://ec.europa.eu/eurostat/web/products-datasets/-/isoc_ec_eseln2</a>	
NATIONAL RECOVERY AND RESILIENCE PLAN		 NATIONAL RECOVERY AND RESILIENCE PLAN
The National Recovery and Resilience Plan (NRRP), approved in September 2021, allocates a budget of €7 508 million to help the recovery of the Czech economy and support sectors which have been the most significantly affected by the Covid-19 pandemic.	The NRRP website, Ministry of Industry and Trade, September 2021: <a href="https://www.planobnovy.cz/">https://www.planobnovy.cz/</a>	
The NRRP 2021 allocates €1 094 million for digital transformation, €3 348 million for green transition and infrastructure, €1 612 million education and labour market, €428 million for institutions, regulation and business support in response to COVID-19, €519 million for RD&I and last but not least €489 million for health and resilience of the population.	The NRRP website, Ministry of Industry and Trade, September 2021: <a href="https://www.planobnovy.cz/predstaveni">https://www.planobnovy.cz/predstaveni</a>	

The Czech NRRP envisages a higher proportion of allocation for the so-called climate transition and digitization than required by the European Commission: 41.6% (37%) of expenditure on climate transition and 22.1% (20%) of digitization.	The NRRP website, Ministry of Industry and Trade, September 2021: <a href="https://www.planobnovy.cz/">https://www.planobnovy.cz/</a>
<b>NATIONAL INDUSTRIAL ECOSYSTEMS*</b>  <b>NATIONAL INDUSTRIAL ECOSYSTEMS</b>	
The Czech Republic's gross domestic product rose by 8.2% year-on-year in Q2 2021. The strong increase is largely driven by comparison with the exceptionally weak Q2 last year. On a quarter-on-quarter basis, gross domestic product rose by 1.0%. Domestic demand was the main contributor to the growth of the Czech economy compared with the first quarter of the year.	The recovery has occurred across the economy, Press Release, Czech Statistical Office, September 2021 <a href="https://www.czso.cz/csu/czso/k-oziveni-doslo-napric-celou-ekonomikou">https://www.czso.cz/csu/czso/k-oziveni-doslo-napric-celou-ekonomikou</a>
<p>The COVID-19 pandemic period reinforced the role of information and communication activities. Postal and courier activities also benefited from the development of e-commerce (30.9% growth in 2 years).</p> <p>Sales in tourism-related sub-sectors fell the most in the last two years due to the pandemic. Travel agencies, air transport and accommodation sales fell by around 70% and by 34.3% in the catering and hospitality sector.</p>	<p>Economic Development of the Czech Republic, Sector Performance, p. 14, Czech Statistical Office, September 2021: <a href="https://www.czso.cz/documents/10180/143550777/320193-21q2a3.pdf/fef4cc2f-1e61-47e5-9f6f-c7dacb66473d?version=1.1">https://www.czso.cz/documents/10180/143550777/320193-21q2a3.pdf/fef4cc2f-1e61-47e5-9f6f-c7dacb66473d?version=1.1</a></p>
<b>OTHER RELEVANT TOPICS</b>  <b>OTHER RELEVANT TOPICS</b>	
In the first half of the year, 6 885 capital companies went out of business in the Czech Republic, which is a tenth less than in 2020 and 13% less than in 2019. Most companies went out of business in property management and rental, trade, services and catering.	6,885 firms closed in the first half of the year, the fewest in three years, Press Release, Dun & Bradstreet, September 2021: <a href="https://www.dnb.com/cs-cz/o-bisnode/o-nas/novinky/v-prvnim-pololeti-zaniklo-6885-firem/">https://www.dnb.com/cs-cz/o-bisnode/o-nas/novinky/v-prvnim-pololeti-zaniklo-6885-firem/</a>
The Czech Republic has invested €12 billion in R&D over the last ten years, roughly half in dedicated support for individual projects and half in long-term conceptual development by research organizations through institutional support.	The state has invested €12 billion in research and development in the last ten years, Czech Statistical Office, December 2021: <a href="https://www.czso.cz/csu/czso/stat-investoval-dovyzkumu-a-vyvoje-v-poslednich-deseti-letech-300-mld-kc">https://www.czso.cz/csu/czso/stat-investoval-dovyzkumu-a-vyvoje-v-poslednich-deseti-letech-300-mld-kc</a>

\* "National industrial ecosystems" refer to the national aspects of the industrial ecosystems as defined by the EC.  
<https://op.europa.eu/en/publication-detail/-/publication/6355326c-ae95-11eb-9767-01aa75ed71a1/language-en>