Czech Republic

* The Czech Republic, with a population of 10.5m and GDP of $261.3 billion, is the 45th largest economy in the world. The average per capita income of $24, 869 is above average by world standards. A stable and prosperous market economy, with an annual growth rate of 2.3% in 2011, it harmonized its laws and regulations with those of the EU prior to its EU accession in 2004.
* The auto industry remains the largest single industry with more than a million cars produced for the first time in 2010, over 80% of which were exported.
* The CIA World Factbook identifies its long term challenges as a rapidly aging population, funding an unsustainable pension and health care system, and diversifying away from manufacturing toward a more high-tech, services-based, knowledge economy.
* In a move toward the principle of limited government, the country is placing a high priority on fiscal discipline and striving for budgetary balance after years of budget deficits. Government spending has increased to 45.9 % of GDP, causing an 8 point reduction in the 2012 Heritage Foundation government spending score to 36.8 out of 100, 147th in the world.
* Low tariffs, other trade barriers, no restrictions on currency transfers, and competitive investments contribute to the 2012 Heritage Foundation Economic Freedom Score of 69.9, a slight decrease from 2010.
* The private sector accounts for 80% of GDP and the global competitiveness is ranked 4.52 out of 7 by Transparency International.
* The judiciary is generally independent, although commercial disputes can take years to resolve.
* Most major state owned companies have been privatized with foreign investment. No restrictions are imposed on currency transfers and the financial sector is one of the region’s more advanced, scoring 80 out of 100 on financial freedom in 2012 by the Heritage Foundation.
* The regulatory process has become more conducive to entrepreneurial activity and the process to obtain licenses has been simplified, reducing lead time. However, other competitive reforms have lagged, netting a small reduction in the business freedom score to 67.7 out of 100 by the Heritage Foundation in 2012.
* On the Transparency Internal Corruption Index, the Czech Republic scores below average, with a score of 4.4 out of 10, and a ranking of 38 overall. Both foreign and domestic businesses voice concerns about corruption especially in public procurement.

**International Competiveness Strategy for the Czech Republic**

Nov. 23, 2011

In 2011, the government of the Czech Republic adopted a significant document, the International Competiveness Strategy for the Czech Republic for the 2012 – 2020 period, prepared by the Czech Ministry of Industry and Trade. The aim of the Strategy is to join the ranks of the top twenty most competitive economies in the world by 2020.

Through the Strategy, the competiveness is evaluated in nine pillars. The key pillars within the new Strategy are effective and efficient institutions, quality infrastructure and economics driven by innovations. In total, the Strategy includes more than forty major proposals for projects, elaborated in detail in over two hundred specific measures, following from recommendations of international institutions, such as the World Economic Forum, and National Economic Council (NERV).

The Strategy is also consistent with the European Strategy [Europe 2020](http://www.vlada.cz/en/evropske-zalezitosti/evropske-politiky/strategie-evropa-2020/europe-2020-strategy-78991/), the National Programme of Reform of the Czech Republic 2011, and other government policy documents. According to the National Programme of Reform, the International Competiveness Strategy for the Czech Republic is an important cross-sectional document for the foundations of an economic policy and it also elaborates the measures contained therein in greater detail.

Along with the International Competiveness Strategy, the Czech government adopted the National Innovation Strategy that details one of the key pillars of the international competiveness, which is support in creating friendly conditions for innovation. <http://www.czech.cz/en/Discover-CZ/Facts-about-the-Czech-Republic/Politics/International-Competiveness-Strategy-for-the-Czech>sxc

**India Chooses Czech Republic for its Greatest Business Show**

April 3, 2012

The India Show is the biggest trade and economic event organised by India in a different country of the world each year. The Czech Republic has been chosen as the presentation country for 2012. The event will take place from 10 to 14 September 2012 in Brno.

The Indian government selects two or three countries to organise the India Show every year. This year, the Czech Republic was chosen along with Japan. In the Czech Republic, this important commercial event will take place within the International Engineering Fair in Brno, which will thus host more than 100 Indian companies supported by the highest representatives of the country. For the very first time, the India Show will be brought to Central and Eastern Europe. The Indian business mission will be headed by the Minister of Trade and Industry Anand Sharma himself.

The fair and the India Show will be enriched by many accompanying events, such as the Czech-Indian business forum, and the plan is to organise seminars focusing on different fields including machining tools, mining engineering or energetic engineering...

<http://www.czech.cz/en/Business/Making-investments/India-chooses-the-CR-for-its-greatest-business-sho.com>