

The Czech diplomacy declares

The emergency package of urgent help for Czech exporters in foreign markets

The Ministry of Foreign Affairs will help the Czech entrepreneurs in foreign markets during the state of emergency due to the spread of the coronavirus. Czech embassies have been monitoring the situation in the foreign markets, which is influenced by a complicated logistics of commercial transactions, growth of commercial restrictions and turbulent demand.

The importance of export is absolutely crucial for the Czech economy. The Czech economy is extremely open, which is evidenced by a high share of export on the gross domestic product, which amounted to almost 80% in 2019, the share of employees working in businesses, which are directly or indirectly linked to export is 52%, which is more than double of the worldwide average. The worldwide spread of the coronavirus epidemic has a key influence to the global economy and its future development. According to some estimates the economies of the USA and the Great Britain could go down, as well as the EU27, for which annual decrease of 1% is expected. The estimates of the growth of the world economy for this year fell from the original 2,4% to 1,5%.

The majority of the newly introduced restrictions in commerce aim to restrict movement of persons, not goods. This also concerns international commercial exchange. It is not possible to travel for a meeting with foreign partners or invite them to visit the Czech Republic. Due to the growing barriers to the international commerce, doing business and its logistics is becoming more and more difficult. This already poses a serious obstacle for Czech companies.

The Czech embassies and the Ministry of Foreign Affairs are currently ready to provide assistance to Czech entrepreneurs if they get into troubles in realization of business supplies abroad, in particular with administrative barriers imposed by local authorities to importers.

At the same time, due to the restrictions of movement of persons we offer help in finding new contracts and opportunities in areas, which will be parts of stimulation packages of other states. A single network of Czech embassies is prepared to help analyze opportunities, find adequate business partners and give their contracts within the single foreign network.

These services will be offered to the companies free of charge. Czech enterprises may communicate with the foreign network remotely with use of information technologies. We have prepared a series of webinars with Czech embassies. The first one will take place in March 2020 with the economic department of the Czech Embassy in Moscow and USA. Companies will have an opportunity to discuss online with an economic diplomat about the current situation in the relevant markets with focus on current opportunities, news and risks. Information about dates and topics of the webinars can be found at www.export.cz/akce.

In collaboration with the Economic Chamber of the Czech Republic and the Union of Industry and Transportation of the Czech Republic we present a new tool to promote economic activities abroad (PROPEA). It allows Czech companies, which are active in foreign markets, to respond promptly on

the extraordinary situation. It will be possible to use services of local experts, who will ensure continuity of commercial relationships and addressing of logistic and other issues related to the extraordinary measures. In time of personal movement restriction these subjects may help companies ensure personal contact and supervision over their activities in the place. The PROPEA program will be financed from means designated for the interministerial joint instrument to promote economic diplomacy. The pilot operation shall start in 10 countries of the world: Morocco, Japan, Mongolia, India, Vietnam, Bosnia and Hercegovina, Peru, China, United Kingdom and Mexico.

Emergency package of the Ministry of Foreign Affairs for Czech Companies:

Within the Emergency package the entrepreneurs will be able to use free of charge and to the increased extent the Czech foreign network of embassies and other state instruments with a considerable state support.

The measures are synergic and are logically connected to packages and programs of support declared by the Ministry of Industry and Commers, EGAP and ČMZRB.

The Emergency package comprises support to Czech companies in five areas:

- 1) Practical information for implementation of foreign operations in the coronavirus situation with a number of restrictions in the respective country;
- 2) Assistance of embassies in solving problems in trade;
- 3) Seeking and analyzing of opportunities, assistance in searching and checking of appropriate partners;
- 4) Assistance and information exchange through a series of webinars and online consultations;
- 5) Use of services of local experts, who will assist the company on place in negotiating of business and trading.

Contacts:

The current development and information is published in the websites of Czech embassies (website in format www.mzv.cz/cizy, e.g. www.mzv.cz/rim) and in the BusinessInfo portal.

The emergency package of support is launched immediately as of today. The new initiative of the Ministry of Foreign Affairs will be implemented without any additional requirements for personal of financial sources from the state budget.

The main contact point for obtaining of support will be our embassies in collaboration with the single foreign network and the Client center for export.

More information at https://www.mzv.cz/ekonomika/cz/kontakty_v_zahranici/index.html and the Client center for export with information concentrated at BusinessInfo www.businessinfo.cz.