

LIVING AND WORKING CONDITIONS IN THE CZECH REPUBLIC



INTRODUCTION

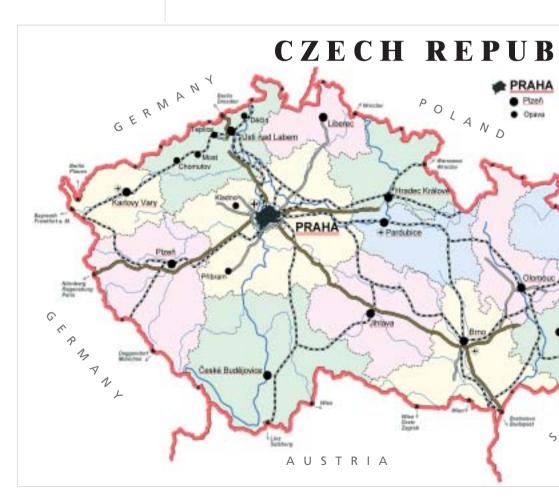
Dear Readers.

The brochure that you are holding in you hands was not written in order to patronize you or to give you the lessons of life. Rather, the aim of the brochure is to make your first steps in living in a country that is not your native homeland a little easier.

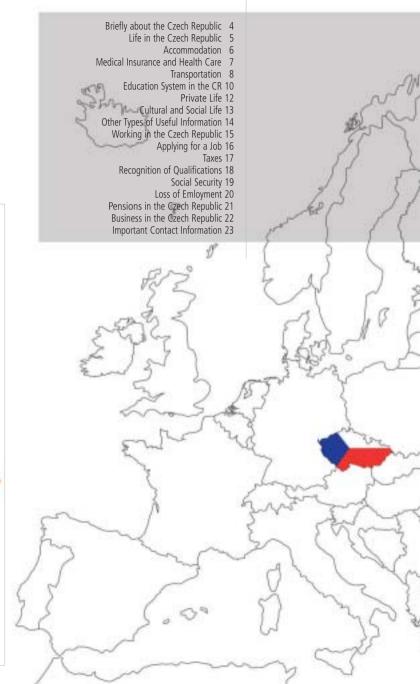
Our intention is to offer you a brief overview of the administrative procedures that are part of living and working in the Czech Republic and provide you with a lot of important links and references that you can use to obtain additional information on subjects in which you have a particular interest.

We believe that this brochure will help you to orientate yourself better in the sometimes complex administrative procedures in the Czech Republic and that living and working in the Czech Republic will be a pleasant experience for you.

Your EURES Advisers in the Czech Republic



CONTENTS





BRIEFLY ABOUT THE CZECH REPUBLIC

The Czech Republic (CR) is a continental country with a rich history and an exquisite present. After the change in the country's political system in 1989 and the subsequent breakup of Czechoslovakia and the establishment of the Czech Republic and the Slovak Republic as two separate countries, the CR focused on the successful completion of its social and economic reforms, which led the country into membership in NATO and, in 2004, into membership in the European Union. The final overall image of the country is still being shaped, which makes the country's near-term future developments interesting to observe, not just for Czechs, but also for Europeans coming in from different parts of the old continent.

The Czech Republic is located in the very heart of Europe. The country is surrounded by extensive mountain ranges, which form most of its borders. The cultural background of Czech cities, country mansions and spa resorts has always been an attractive inspiration for visitors and guests coming in from all over the world. It is not just a coincidence that there are 12 UNESCO world heritage sites in the Czech Republic.

In terms of its religious background, the Czech population is fairly homogenous. The dominant religious orientation is Christian. However, after having lived through 40 years of communism, most Czechs consider themselves as atheists. Neither there is a great deal of diversity in terms of ethnic breakdown, with the Czech and Moravian ethnic groups making up 94% of the population. The largest minority is composed of Slovaks, who represent nearly 2% of the country's population.

Czechs are by nature competitive people and it is therefore no surprise that sports are very popular in the Czech Republic. The country also has many culture oriented people. Although foreigners often find Czechs not to be particularly forthcoming, the truth is that once they get to know them better, they realize how friendly and polite they can be.



Václav Havel – the leading figure in the 1989 political transformation known as the "Velvet Revolution"; the first President of the Czech Republic; writer and a playwight

Magdalena Kožená – singer; one of the best known and most sought after contemporary mezzo-sopranos

Roman Šebrle – athlete and decathlon champion; holder of the world record in decathlon; winner of a gold medal at the 2004 Olympic Games in Athens

www.czech.cz
Oficial Website of the Czech Republic
www.czechtourism.com
Official Website of the Czech Tourist Industry
www.czechcentres.cz
Czech Centres abroad

LIFE IN THE CZECH REPUBLIC

Moving to the CR

Before you decide to relocate to the Czech Republic, you should read the requirements that apply to those who would like to live and work in this country, which can be found under the "Living & Working" link on the European website of the EURES network. You may also contact a EURES adviser in your home country who will be able to provide you with a lot of useful information related to your relocation. In addition to your personal identification documents, you should remember to bring documents verifying your education and a CV, ideally written in Czech.

Staying in the Czech Republic – EU Citizens and Family Members

(temporary and permanent residence permits)

EU citizens can stay in the Czech Republic for an unlimited amount of time without any permit. They do not have to apply for a temporary residence permit. However, such a permit can come in handy when attending administrative procedures and dealing with the authorities, for example when applying for social benefits.

An EU citizen can become a permanent resident of the Czech Republic upon meeting any of the following criteria:

- 1) After 5 years of an uninterrupted temporary stay in the Czech Republic,
- 2) The individual is no longer employed in a member state, i.e. a person becomes eligible to live in the Czech Republic after ending employment,
- 3) The individual is an EU citizen under the age of 18 who was assigned into alternate custody, based on a decision issued by the relevant authority,
- 4) The individual is eligible on humanitarian grounds or for other reasons worthy of special consideration,
- 5) The individual's presence is in the interest of the Czech Republic.

Family members of EU citizens are subject to slightly different rules. A family member of an EU citizen is a person who is a spouse, child under the age of 21, an unprovided-for direct relative (child, parent) or an unprovided-for direct relative of the spouse of an EU citizen. The provisions of the Residency Act as applicable to family members of EU citizens, also apply to persons living in the same household with an EU citizen (also applies to registered partnerships), or to persons who are unable to take care of themselves for medical reasons without the assistance of an EU citizen, or to persons who are the family members of a citizen of the Czech Republic.

If you are staying in the Czech Republic as a family member of an EU citizen, you cannot be the recipient of a long-term residence status.

Registering in the Territory of the CR

As a foreign national (which also applies to EU citizens), you are required to register in the territory of the CR for the anticipated length of your stay within 30 days of entering the Czech Republic. If you are paying for accommodation (for example in a hotel or a hostel), the accommodation provider is legally required to take care of your registration duty for you. To register in the territory of the CR, you will need to complete and sign a registration form, which can either be submitted to the Czech Foreign Police or to your accommodation provider. Such an accommodation provider is any party providing and charging for accommodation services (i.e. including parties that are not being paid directly by you, but are being paid by others on your behalf).



974 841 356, 974 841 357 (infoscpp@mvcr.cz) – information number of the Czech Foreign and Border Police Services. The number can be called Monday through Thursday, between 9:00 a.m. and 3:30 p.m. and on Fridays, between 9:00 a.m. and 2:00 p.m.

www.domavcr.cz

Practical Information about the Czech Republic

www.mvcr.cz

Ministry of Interior of the Czech Republic www.portal.gov.cz

Czech Public Administration Portal

eures.europa.eu

European Website of the EURES Network

ACCOMMODATION

Young people often rent only a single room in a flat or a house in an effort to make commuting to a job or school easier and to economize (www.spolubvdlici.cz).



Short-Term Accommodation

If you are looking for a temporary accommodation arrangement when visiting the Czech Republic or staying in the country for a short period of time, you can select from a broad range of accommodation facilities at various economic levels. The most affordable places to stay are guest houses, hostels and camps, which are abundant throughout the Czech Republic. There are also a large number of inns, motels and hotels. There are also a wide selection of more upscale accommodation options offered in four- and five-star hotels, most of which are located in Prague and larger regional cities.

Long-Term Accommodation

The availability of housing and the rental rates are largely tied to the geographical location. You are likely to pay a lot more for renting a place in a large city, compared to renting in a small town or in the countryside.

Flat rentals are very common in larger cities and the rental rates depend on the flat's size, location, amenities and the age of the building. Rents in Prague are substantially higher than in other parts of the Czech Republic but the rates have also been recently rising in larger regional cities as well.

Offering housing arrangements as part of employment is not a very common practice in the Czech Republic. In most cases, employees have to find their own housing arrangements without the assistance of the employer. More information about this subject can be obtained from the local municipal authorities or real estate agents in the area where you are looking for accommodation. Classified advertising with flats/houses for sale and rent can also be found on numerous specialized internet sites. You can also place your own classified advertisement with your accommodation requirements. You can also search periodicals specializing in classified advertisements (Avízo. Annonce).

Rent is usually charged and paid on a monthly basis and a security deposit of at least one month's rent is usually required. When budgeting for housing expenses, it is important to remember that there will be other expenses such as charges for property maintenance, property taxes (if you own the flat) and utilities (waste disposal, electricity, water, heating, etc.).

If you are looking to buy property in the Czech Republic (house or flat) and if you are a citizen of another country that is part of the EU or the European Economic Area, you have to possess a residence permit as issued to a citizen of the European Community. The exceptions to this requirement are agricultural and forest properties, which can only be acquired by foreign nationals who possess a residence permit, as issued to a citizen of the European Community, if the foreign national are registered in the Registry of Agricultural Business Operators with the local municipal authorities of

a municipality with extended powers, based on a special act, and if the foreign nationals hold permanent residence status for at least 3 years (Article 17/1 of the Foreign Exchange Act).

When buying, selling or completing other property-related transactions, all actions need to be notarized and the terms and conditions of the entire transaction verified. Such services are usually included in the services provided by real estate agencies.

www.czech.cz
Official Website of the Czech Republic
www.arkcr.org
Association of Real Estate Offices
of the Czech Republic
www.domavcr.cz
Practical Information about
the Czech Republic

MEDICAL INSURANCE AND HEALTH CARE

Before leaving for the Czech Republic, you should remember to visit your medical insurance provider. This is because in order to receive medical care in the Czech Republic, you will need a special form or the European Health Insurance Card (EHIC), which is issued by the medical insurance provider in your home country. You will need to obtain the form before travelling to the Czech Republic. The same applies to your family members.

Once you get settled in the Czech Republic and start working under your employment contract, your healthcare expenses will be covered by a medical insurance provider in the Czech Republic. You can select from several different providers. The list of all medical insurance providers in the Czech Republic and their contact information can be found on the website of the Centre for International Reimbursements. The Czech healthcare system is based on publicly provided healthcare, which is largely financed through the government. Subscribing to the Czech public health insurance programme is mandatory under the law and no special negotiations with the insurance provider are required in order to subscribe.

Besides individuals working in the Czech Republic, EU citizens and their family members, who are permanent residents or who qualify under special EU regulations related to employees, sole proprietors, business owners and their families, are also eligible for coverage as part of the Czech public health insurance system. In order to get coverage, you must register with the medical insurance provider you have selected. Only employees are registered by their employers.

EU citizens and their family members qualify for participation in the Czech public health insurance system and are entitled to the same rights and benefits as Czech citizens.

In the Czech Republic, the majority of healthcare services are provided at public healthcare facilities where treatment and hospitalization is usually provided at no out-of-pocket cost to the patient provided the person receiving the care is covered by one of the Czech medical insurance providers or possesses the EHIC or the E111 form. The Czech Republic also has private hospitals, which often offer above-standard care. These private services are however paid for out-of-pocket by the patient.

If you are not insured with a Czech medical insurance provider, your doctor should provide you with a "certificate of eligibility". Medications prescribed by a doctor are partly covered by insurance. Over-the-counter medications have to be paid for out-of-pocket.



65% of medical insurance subscribers in the Czech Republi are insured with the General Health Insurance Company (Všeobecná Zdravotní Pojišťovna), which was established under an act passed in 1992.

www.cmu.cz

Centre for International Reimbursements

www.portal.gov.cz

Czech Public Administration Portal

www.vzp.cz

General Health Insurance Company

TRANSPORTATION

Thanks to its location in the very heart of Europe, the Czech Republic has become a transit country. Because of this, special attention is being paid to improving the country's transportation infrastructure, for which the Czech Republic has been receiving substantial financial assistance from EU funds. The Czech Republic has a very dense transportation infrastructure and the

country has the densest rail network in the EU. Besides railways, the country has an extensive network of road and municipal transportation systems, including airlines, which are mostly used for international

Road Transportation

The motorway and expressway infrastructure in the Czech Republic is still being built. The ultimate objective is to effectively cover the entire country with a modern motorway system.

The maximum speed limit on a motorway is 130 km/h, on regular roads 90 km/h outside of town and 50 km/h in town. The use of the motorway and expressway infrastructure in the Czech Republic is subject to tolls based on a permit system. The rates vary based on the length of the validity period of the toll permit. The toll permits, which are in the form of a windscreen sticker, can be purchased at post offices, petrol stations, border crossings and at other locations that provide services to road users. The locations where such permits are available are marked with a special logo and with purchase of the permit you will receive a brochure with basic information on the working of the system.

The Czech Republic has a standard bus system, which is frequently used by the local population. The country has a number of private bus line operators and you will be able to find convenient and direct connections between cities and connections servicing less populated, more remote areas.

The country has a well-developed system of municipal public transportation services, which are available in all larger cities.

Rail Transportation

The Czech rail network covers most of the country. Czech Railways introduced fare policies which provide lower prices to certain groups of people, such as families and students. The system offers a variety of products, one of which is the rail pass, which significantly cuts the cost of fares. The railways are a popular mode of transportation in the Czech Republic. The 'Intercity' and 'Eurocity' trains, which connect the Czech Republic to the neighbouring countries, are the fastest. Czech Railways has recently introduced new modern trains (Pendolino type) on routes between Prague and Ostrava, Vienna and Bratislava.



All information on bus, rail and municipal transit timetables and connections can be found on the following website: www.idos.cz; or, by calling (24-hours per day): 900 144 444 (price: 14 CZK/min.).

www.mdcr.cz

Ministry of Transport of the Czech Republic www.map24.cz

Route Planner and Map Search

www.cd.cz

Czech Railways www.csa.cz

Czech Airlines

www.idos.cz Nationwide Timetables

Information System

Air Transportation

Direct and connecting flights to the Czech Republic are serviced from Prague's Ruzyně International Airport, which is located approximately 20 km northwest of Prague. Czech Airlines (CSA) offers domestic service between Prague, Ostrava, Brno and Karlovy Vary. Small planes for domestic flights and sightseeing flights can be leased from specialized providers.

Vehicle Licensing

Vehicles with a registration that includes an EC certificate (i.e. globally licensed vehicles) do not have to undergo any further inspections.

Used cars that are older than 8 years and not globally licensed under European regulations cannot be brought into the Czech Republic.

You will have to register your car with the local municipal authority, which will also provide you with additional information on what to do. Registration fees related to the relocation of registered vehicles can vary. These fees are often waived, for example, for workers from one EU country living in another EU country or for students. The fees also do not apply if the owner uses the vehicle in another EU country for only every 6 out of 12 months. These rules apply to both personal vehicles and vehicles used for business. However, they do not apply to buses and lorries carrying goods for trade.

Driving-Licence

An EU citizen who is the holder of a European Community driving-licence and who is a resident of the Czech Republic may (but is not required to) apply for a Czech driving-licence as a replacement for their EC driving-licence by contacting the local municipal authorities. This can also be done if the person's driving-licence got lost, stolen or damaged. A person who applies for a replacement driving-licence may ask the issuing authority to store the original driving-licence for them until the following replacement.

Point System

The point system used for the rating of drivers is one of the many tools used to reduce the number and the severity of traffic accidents in the Czech Republic. Data on drivers and their accumulated points are maintained in special registry databases kept by municipal authorities of municipalities with extended powers. The drivers' registry is part of the public administration information system, in accordance with a special act. Once the driver accumulates the maximum allowable number of violation points (12), his or her driving-licence is suspended for one year. The person also has to retake a driving test before the return of their licence. The total number of accumulated points is reduced each year by four points for each year in which there are no

additional violations. Drivers who commit a traffic violation, but who are not permanent residents of the Czech Republic or who are not living in the country on a temporary basis on a long-term visa issued for a period longer than one year, are tracked by the registry of drivers maintained by the municipality with extended powers that has jurisdiction over the location in which the violation occurred.

While operating a motor vehicle, the driver cannot manually handle a phone or another type of calling or recording device.

Keeping headlights on at all times of the day and year round is required under the law in the Czech Republic.

With the exception of tram drivers, all drivers are required under the law to give the right--of-way to pedestrians, who are on a pedestrian crossing or who are apparently about to use the pedestrian crossing, and allow them to cross the road in a safe and undisturbed manner. Drivers must therefore approach a pedestrian crossing at a safe speed, which would allow them to stop their vehicle before reaching the pedestrian crossing and, if necessary, the driver must stop for any pedestrians using the pedestrian crossing.

Examples of violation penalties: violation of the lights-on-at-all-times rule = 1 point; driving under the influence = 3-7 points; driving without a licence = 7 points.

www.prg.aero
Prague Ruzynë Airport
www.novapravidla.cz
New Traffic Rules
www.portal.gov.cz
Czech Public Administration Portal

FDUCATION SYSTEM IN THE CR

Charles University was founded in 1348 and it is one of the aldest universities in the world Currently, one of the most important educational and scientific institutions in the Czech Republic, the university is also well-recognized throughout Europe and globally. The scientific and academic record and the rich history of the university make it an important cultural institution

Adult education as a part of the lifelong learning process in the Czech Republic is not a single system but is realized in various wavs (e.g. training of jobseekers registered at labour offices). The education system also includes basic education of arts. languages and leisure activities.

Citizens of other EU countries and their family members have access to education and school services under the same conditions as the citizens of the Czech Republic. The Czech educational system is broken down as follows:

Preschool Education

The preschool education for children aged 3 to 6 is usually provided by kindergartens.

Basic Education

Basic education in the Czech Republic is composed of nine grades and it is broken down into two levels. The first level (grades 1-5) takes place at basic schools and the second level (grades 6–9) takes place at the senior level of a basic school or in the junior grades of a grammar school ("gymnázium") or at an eight-year conservatory.

Compulsory School Attendance

Children are required to attend school from ages six through fifteen. The required schooling takes place at a basic school, the junior grades of a grammar school ("gymnázium") or at a conservatory. Regional authorities in the Czech Republic are obliged to arrange for the free preparation for entering basic education system for children of EU citizens, including teaching of the Czech language.

Secondary Education

The following programs are part of the secondary education system:

Secondary education with a school-leaving examination ("maturitní zkouška") (4 years) – students are prepared for more demanding and qualified professions or for entry into the tertiary education system. The programme is completed with "maturitni zkouška" examination and graduates receive a "maturitní zkouška" certificate.

Secondary education with a vocational certificate (2 or 3 years) – students are prepared for qualified professions largely involving manual types of work. The programme ends with a final exam and the receipt of a vocational certificate. Students who complete this type of programme can enter follow-up courses and receive a "maturitní zkouška" certificate.

Secondary education (1 or 2 years) – this programme is designed for students with special educational needs. The programme ends with a final examination.

Types of secondary schools: grammar school "gymnázium", secondary technical school and secondary vocational school. All courses are taught in the Czech language but there are schools that offer bi-lingual courses.

Conservatory Education

Conservatories provide a very special type of education in music, dance, singing and drama. The studies are completed by "maturitní zkouška" examination or "absolutorium".

Tertiary Professional Education

These are three or three-and-a-half year programmes that are designed to enhance the knowledge and skills obtained during a secondary education programme and to provide practical training for the performance of more demanding professions. These programmes can be also taught in a foreign language and are completed by "absolutorium".

Higher Education

The higher education system is provided at three levels:

■ Bachelor's Programme (3 or 4 years). This programme is aimed at preparing the students for a professional career or for a follow-up Master's Programme. The programme is completed with a final state examination.

www.msmt.cz

Ministry of Education, Youth and Sports

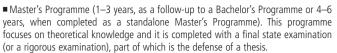
www.nuov.cz

National Institute of Technical and Vocational Education

ec.europa.eu/ploteus/portal/home.jsp

Portal on Learning Opportunities throughout the European Space - PLOTEUS www.edu.cz

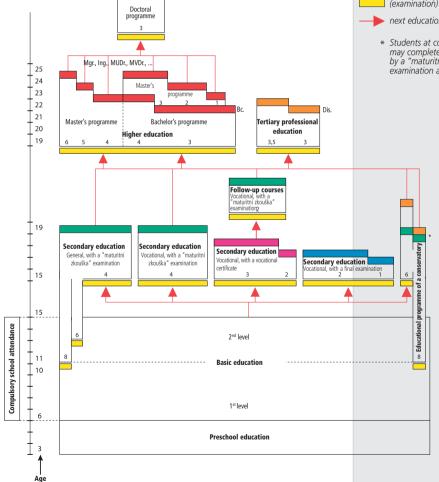
Czech Education and Information Portal www.domavcr.cz - Practical Information about the Czech Republic (Education)



■ Doctoral Programme (3–4 years). This programme is designed for students with Master's degree and it is completed with a state doctoral examination and the defense of a disertation.

Some colleges and universities offer courses taught in foreign languages, mainly in English or German.

Explanations: final examination final examination + vocational certificate "maturitní zkouška" examination absolutorium final state examination rigorous examination state doctoral examination + defence of a dissertation entrance requirements (examination) next educational level * Students at conservatories may completed their studies by a "maturitní zkouška" examination as well



PRIVATE LIFE

Compared to other European countries, the Czech Republic is a country with an above-average divorce rate. In 2006, this rate saw 49% of all marriages having ended in divorce. In the early 1990's, this divorce rate in the CR was approximately 35%.

Birth

The parents of a child born in the Czech Republic have a number of bureaucratic requirements to fulfil. If a child is born in the Czech Republic to a foreign national, the duty to report the birth lies with the hospital in which the child was born. This hospital must report the birth to the Registry Office. The clerk at the registry office enters the newly born child into the Birth register and issues a Czech birth certificate (to be collected by the parents).

In order to make sure that the child's birth certificate is accepted and recognized in the parents' native country (or the country in which the parent was last registered as a permanent resident), the Czech birth certificate that is issued by the Registry Office must be translated into the parents' mother tongue by a court-appointed Czech translator and the translation must then be certified by the local municipal authority. (This process is referred to as "super legalization". Parents can inquire from their consulate as to whether or not their country requires this type of apostille certification.)

Once the above steps have been completed, the parents have to contact their consulate and request having the child entered into their passports or apply for the child's own travel document.

When a pregnant woman, who is an EU national, but not a permanent resident of the Czech Republic, is being admitted to a maternity hospital, she should be able to provide the European Health Insurance Card (the hospital needs to be assured that the costs for the delivery will be covered).

Marriage

In the Czech Republic, two people can enter into a marriage through either a civil or religious ceremony. If the couple gets married through a civil ceremony, any subsequent religious ceremonies are without consequences. However, if a couple gets married through a religious ceremony, they cannot subsequently be married through a civil ceremony. The law covering marriage is the Family Act. This act regulates marriage and divorce, other legal aspects of a marriage and related property ownership issues.

Any person who is single and at least 18 years of age can get married. Persons under the age of 18 can only get married with the approval of a court. A marriage between close relatives, between a child and a parent and between an adopted child and the adopting parent is prohibited.

A couple can get married in any of the following ways:

- At the Registry Office in the location where one of the two persons getting married has their official permanent residence (or, where one of them was last registered as a permanent resident), or, at any other Registry Office. [Note: all residents in the Czech Republic must be registered with a "permanent residence address"]
- At a municipal office or the office of a municipal district or the office of the municipal area of a statutory city, which falls within the jurisdiction of a Registry

Office and which concurrently does not act as a Registry Office, provided that at least one of the two persons getting married is a permanent resident of that municipality. In front of an official representing a state-registered church or religious organization.

■ If neither of two persons getting married is or ever was a permanent resident of the Czech Republic, the marriage is the responsibility of the Registry Office serving the area in which the couple is getting married. If the couple plans to get married in front of an authority other than the Registry Office which has jurisdiction over the marriage or at any other appropriate location, the couple must contact the Registry Office in the area where one of the two persons has a permanent residence. This Registry Office will provide detailed information.

www.domavcr.cz
Practical Information about the Czech Republic
www.portal.gov.cz
Czech Public Administration Portal
www.cssz.cz
Czech Social Security Administration

Divorce

In the Czech Republic, if there are problems with a marriage, which cannot be reconciled, the couple can file for a divorce. However, a divorce cannot be in conflict with the interests of any minor children. A marriage is divorced by a court with the respective jurisdiction. Before a divorce decision is reached, the issues related to the subsequent care for any minor children must be resolved. Issues related to the custody of minor children after the marriage is divorced must be resolved by the court in the case of any type of divorce. A separate filing regarding the custody of children is filed with the court and the court will review the custody matters in a hearing that is separate from the actual divorce proceedings. There are three types of divorce in the Czech Republic: negotiated, standard and aggravated divorce.

Death

A person should always leave a will specifying the settlement of his or her estate upon death. The will should be written and signed in the person's own hand; and, if this is not possible, the will has to be signed by the deceased and by two separate witnesses. If a person dies without leaving a will, the estate is settled by a court in accordance with the legal requirements established in the Civil Code.

If a person dies, funeral arrangements have to be taken care of and the will of the deceased has to be executed. Funeral arrangements are arranged through local funeral services, which can also assist the family members of the deceased with any necessary funeral arrangements. Direct family members of the deceased can qualify for a financial contribution to cover the costs of the funeral arrangements. A widow or a widower and her or his children can qualify for social security allowances, which are referred to as a widow's or widower's or orphan's pension.

CUITURAL AND SOCIAL LIFE

Among the things that foreigners like the most about the Czech Republic are its historic sights, nature, beer and the capital city of Prague. Among the activities enjoyed by younger members of the Czech population are sports, learning of foreign languages and entertainment. The older part of the population prefers watching TV, doing things at home, taking care of children and engaging in various types of hobbies and interests, which include maintaining and spending time in country cottages. This activity has become somewhat of a Czech tradition over the past years, partly due to the Czech tradition of camping and hiking and partly due to the travel restrictions under the communist regime. The Czech Republic also offers many other cultural activity options. General leisure time activities include going to the theatre, concerts and cinema, visiting historical monuments,

such as the country's old castles and chateaus and various religious sights which are abundant throughout the country. Although a small country, the Czech Republic has numerous nature preserves, national parks and interesting and unusual places such as subterranean caves and many others.

Thanks to the abundance of natural hot springs which are known for their therapeutic value, the Czech Republic has an extensive number of spa resorts.

As for sports activities, the most popular are soccer, ice hockey, tennis and also cycling, hiking, downhill and cross-country skiing, mountain climbing and aerobics.



www.czech.cz
Official Website of the Czech Republic
www.portal.gov.cz
Czech Public Administration Portal
www.czechtourism.com
Official Website of the Czech Tourist Industry
www.czecot.com
Tourist Server of the Czech Republic

OTHER TYPES OF USEFUL INFORMATION

More than three-quarters of all Czechs believe that Czech breweries will become commercially successful abroad (24% of respondents in the study indicate that the answer would 'definitely' be a 'ves' and 53% indicated that the answer would 'most likely' be 'ves'). When asked whether they though Czech brands of beer would be pushed out by foreign brands, the vast majority of respondents indicated that they were not worried about such a thing happening (39% = 'definitely no', 38% = 'most likely no').

The Czech crown has continued to strengthen against the euro. In early 2007, one euro could be purchased for twenty-seven Czech crowns.

www.czech.cz
Official Website of the Czech Republic
www.mfcr.cz
Ministry of Finance of the Czech Republic
www.cnb.cz
Czech National Bank
www.svscr.cz
State Veterinary Administration
of the Czech Republic

Shopping

The opening hours of shops in the Czech Republic depend on the location and type of sales activity. Most shops are open from Monday through Friday, between 8:00/9:00 a.m. and 6:00/7:00 p.m. When it comes to smaller shops in the city centre areas of larger cities, these shops can have limited opening hours on Saturdays (usually from 9:00 a.m. to 1:00 p.m.) and many of them are closed on Sundays. In larger cities and areas frequented by tourists, opening hours of shops are usually based on local demand and shops often stay open later into the evening. Regular opening hours of pharmacies are from 9:00 a.m. to 6:00 p.m. Each larger city has a medical emergency service and a pharmacy offering standard-type medications. The Czech Republic has a fairly extensive selection of supermarkets and shopping centres, which have extended opening hours. Although credit and debit cards are widely accepted, it is recommended that cash be taken when eating out at restaurants and pubs and when shopping at smaller shops.

Banking

In the Czech Republic, any EU citizen who is considered to be legally competent can open a deposit account, although credit institutions are not obliged to conclude such an agreement. The CR has two types of credit institutions that are licensed to accept cash deposits from the public – banks and credit unions. In order to open an account at a credit institution, EU citizens usually only need a document verifying their identity and the identity of any other persons authorized on the account (a passport or personal identity card), a signed contract between the holder of the account and the bank and an initial deposit (the amount required can vary from institution to institution).

The Czech Republic has many banks, most of which are owned by large multinational (European) financial institutions. Banks operating on a nationwide basis usually have a dense network of ATMs and most shops accept credit and debit cards. One thing that might be different in the Czech Republic is the many different types of fees charged for various types of banking transactions.

Date

When transporting dogs, cats or ferrets from other EU countries into the Czech Republic, there are certain requirements that must be observed. The animal must have a pet passport, an identification microchip or a tattoo and the animal must have been vaccinated against rabies. EU member states may permit travelling with young animals that are less than three months old without a rabies vaccination, provided the animals have a pet passport and they were kept in the same location since birth, without coming into contact with wild animals, or, provided that the young animals are being transported with their mother, on whom they are dependent.

When trading specially bred animals, the owner must possess a certificate from a veterinary surgeon confirming that the animals have been examined within 24-hours, prior to their transportation, and that the animals are in good health and capable of being transported their intended destination.

WORKING IN THE CZECH REPUBLIC

Registration procedures

When seeking employment, EU citizens are not subject to any requirements that are different than those that apply to Czech citizens and they do not require any special permit in order to take up work in the Czech Republic. The same applies to family members of EU citizens, who can also work without a work permit. The only exception to the above is employment in the public administration, which can only be held by Czech citizens.

The only requirement that relates to the employment of EU citizens rests with the employer. The employer must report such an employee to the

local labour office no later than on the starting date of employment. Such reporting is done for record tracking purposes. The same reporting duty applies also to employers to whom such a foreign employee is posted either from his or her foreign or Czech employer.

How to Find Work in the CR EURES

European job mobility portal EURES offers jobseekers not only the possibility to search for vacancies retrieved from the database of Czech labour offices, but users of the European portal can also create their own account "My EURES". Jobseekers may also visit the Czech website of EURES network on the portal of the Ministry of Labour and Social Affairs, where you will find a link "Looking for work in the CR?" (available also in English). Certainly, you can also visit one of the 15 EURES advisers working in labour offices in all regional cities in the Czech Republic and in the city of Vsetín.

Labour Offices

Labour offices offer jobseekers a number of options to help to improve their position when looking for new employment. The basic option is to search through a current database of vacancies (possible with assistance of the job placement officer), which employers are required under the law to report to their local labour office. In addition to their basic services, labour offices provide for example vocational counselling or advice on retraining.

Employment Agencies

When looking for work through an employment agency, it is important to make sure

that the agency is holding a licence to tender recruitment services. Most employment agencies have their own websites where you will be able to find all the necessary information. The best place to start looking for employment agencies in your region is the local telephone directory. Services of employment agencies should be provided at no cost to the jobseeker.

Media and the Internet

Nationwide press in the Czech Republic often have a supplement published on a regular basis (MF DNES – Tuesdays and Thursdays; Hospodářské Noviny – Mondays; Lidové Noviny – Wednesdays) that attends to the employment issues and lists job offers. Additional printed resources of employment classifieds are for example periodicals Jobmaster, Avízo and Annonce.

Great sources of job offers are various internet portals. These sites can be used not only to search for vacancies offered by employers and employment agencies but, in addition, they often allow you to post your CV online and make it available to employers looking for employees.



The minimum wage is the lowest possible compensation that can be paid to an employee with an employment contract. This wage is regulated by the Labour Code. The current minimum wage for a 40-hour working week is CZK 8,000 per month or CZK 48.10 per hour.

eures.europa.eu

European Website of the EURES Network

portal.mpsv.cz/eures

EURES Czech Republic on the portal of the Ministry of Labour and Social Affairs

portal.mpsv.cz/sz/local

Labour Offices Contact Details

portal.mpsv.cz/sz/obcane/zpr_prace Employment Agency Licence Check

www.jobs.cz

Commercial Job Server www.zlatestranky.cz

Telephone Directory

APPLYING FOR A JOB

One of the new services that are available on the internet portal of the Ministry of Labour and Social Affairs (portal.mpsv.cz) is the option to post a jobseeker's offer on the site. You may also create your own account and post your CV online and request that any job offers be forwarded to your email address.



The most frequent way to apply for a job is to submit (send in) a CV (curriculum vitae) with a cover letter. However, this may not always be the best approach. If looking for a manual labour job, it is often best to visit the potential employer in person. The majority of employers require their employees to be fluent in the Czech language, which is something to be considered when applying for a job. You can always inquire in advance about the specific language requirements related to a particular job.

Cover Letter

The text of the cover letter should be brief and to the point, with the objective of motivating the employer to want to hire you. The content should focus on what you would like to do and how you could make a positive contribution through your work for this employer. In other words, you should indicate why you are interested in that particular job and what you can offer to that employer. Larger companies often have a printed job application questionnaire which replaces the cover letter and it often lists the information that you need to provide to that specific employer.

Curriculum vitae (CV)

Curriculum vitae (CV) is usually required in the form of a structured CV and it should contain the following information:

- Personal Data your first and last name, address, telephone number, email, date of birth and nationality
- Education information about your schooling and academic accomplishments (secondary school and later)
- Work Experience this is the most important part and it should contain a list of all previously held jobs, containing a brief job description and the period of employment (new graduates can list any previous seasonal or part-time work or relevant professional experience)
- Other Skills or Qualifications language skills, computer skills, driving-licence and certificates or training accomplishments
- Special Interests a brief description of your personal interests
- References name and contact information of previous employers

Job Interview

If you are called in by the potential employer for a further selection process or for a personal interview, you should bring your CV and copies of any certificates or licences that you obtained in the past. In some situations, the interview may be accompanied by a psychological test.

Employment Contracts and the Labour Code

Before signing an employment contract, the employer is required to inform the prospective employee about their rights and obligations.

Essential information that must be included in an employment contract is: type of employment, location of employment and employment starting date. The contract must be written and one copy must be handed over to the employee. If the contract does not

include the rights and obligations of the parties, the employee must be provided with such information in writing within one month after the starting date of the

employment

For legal purposes, the employment relationship starts on the date indicated as the employment starting date in the employment contract. The concluded contents of the employment contract may only be changed if both the employer and employee agree to such a change. The employment may be terminated through one of the following means: mutual agreement, notice, immediate termination or termination during the trial period. Should the employer violate any of the terms and conditions contained in the employment contract, you can contact your local labour inspection authority as the aggrieved party and your case will be investigated.

eures.europa.eu
European Website of the EURES Network
portal.mpsv.cz/eures
EURES Czech Republic on the portal
of the Ministry of Labour and Social Affairs
www.portal.gov.cz
Czech Public Administration Portal

Direct Taxes

Personal income taxes have progressive rates, which range from 12–32%. This tax applies to all income generated by employed and self-employed individuals. Under the law, the employer deducts a tax withholding amount from the employee's salary. Self-employed individuals pay tax deposits and file a tax return on an annual basis. Each taxpayer can deduct a non-taxable basic income of CZK 38,040 per year from their taxable income and there are a number of other expenses that qualify as deductions, such as contributions to charity, contributions to a supplementary pension insurance programme, trade union contributions and a specific amount for each underage dependent child. After all allowable deductions have been taken from a person's taxable income, the balance becomes subject to the income tax, with the rate based on the level of taxable income.

Legal entities pay a corporate income tax at a rate of 26%. Property taxes are a tax paid on real property (land and buildings). In the case of land, the tax is based on the total area or the value of the land. The tax rate depends on the quality of the soil, the location and the type of use. For buildings, the tax base is calculated on the total size of the built-up area and the applied tax rate depends on the purpose for which the building is used. Property taxes are paid on an annual basis.

The tax rates for estate and gift taxes range from 0.5 to 40%, based on the relationship between the deceased and the beneficiary or the donor and the donee. (There is no tax due on an inheritance between parties that are lineal descendants.)

Indirect Taxes

The rates on the Czech value-added-tax have been harmonized with the EU regulatory requirements. VAT applies to most good manufactured in the Czech Republic and to most services provided in the Czech Republic, as well as to imported merchandise. The basic VAT rate is 19% and the reduced rate is 5%, and most merchandise and services are taxed using the basic rate.

Excise taxes have also been harmonized with the EU regulatory requirements. Excise taxes apply to manufactured and imported mineral oils, spirits, beer, wine and tobacco products in the EU. The tax rates for the different types of commodities are set as fixed rates and the legal basis for the charging of such taxes is established under the law.



In the Czech Republic, tax-related matters are a popular subject of discussion. It is possible that with changes in the government, the existing tax system could also be changed.

eures.europa.eu
European Website of the EURES Network
www.portal.gov.cz
Czech Public Administration Portal
www.mfcr.cz
Ministry of Finance of the Czech Republic

RECOGNITION OF QUALIFICATIONS



It can take up to 30 days to process an application. If the application is rejected by a Czech public school, you can appeal to the Ministry of Education, Youth and Sports, or appeal directly to the Minister of Education, if the application was rejected by a competent ministry.

Ministry of Industry and Trade

www.msmt.cz

Ministry of Education, Youth and Sports

www.euroskop.cz

Information Server on the European Union

The recognition of foreign qualifications is required for certain professions in the Czech Republic. These are regulated professions and, if applying for such a position, it will be necessary to have your foreign professional qualifications recognized by the respective authority in the Czech Republic, which will either accept or deny your request.

There is an act on the recognition of professional qualifications that regulates the process for the recognition of such qualifications of applicants (EU citizens) who intend to perform a regulated profession or activity in the Czech Republic. Regulated professions and activities are jobs and activities, which are subject to certain special requirements that must be met by the person in order to perform such work or activity (e.g. degree and type of education, prior experience, lack of any criminal conviction, physical fitness, etc.).

The following information can be found on the website of the Czech Ministry of Education, Youth and Sports in the section "Recognition of professional qualifications":

- Database of Regulated Professions and Activities
- List of Recognition Bodies in the Czech Republic and contact addresses
- Application Form for the Recognition of Professional Qualifications
- Other Related Information

Recognition of Foreign Higher Education

Graduates of foreign colleges and universities can apply for the recognition of their foreign academic achievements and qualifications. In order to do so, the applicant must possess documents verifying the completion of the respective foreign programme. Written applications can be submitted at one of the following locations:

- The dean's office of a public college or university offering a similar type of accredited programme;
- The Ministry of Defense if the academic achievements are related to the military;
- The Ministry of the Interior if the academic achievements are related to the police or security forces;

There is no standard application form but you can use a sample form which can be downloaded from the website of the Ministry of Education, Youth and Sports, or from the website of the respective Czech public school. However, the written application for the recognition of your foreign academic achievements and qualifications must contain the date of birth, permanent address, name and address of the foreign college or university where you studied, the name of the completed programme and the field of study and the starting and graduation date of the respective programme. The completed application can be submitted to one of the above-listed institutions. Attached to the application must be a copy of your diploma and a list of completed exams or a supplement to the diploma. Any such copies must be translated into Czech and be notarized for authenticity. All attachments must be apostille certified or superlegalized.

SOCIAL SECURITY

Each person working in the Czech Republic is insured by the Czech Social Security Administration. Under the law, employers are required to deduct a social security contribution from the salaries of their employees. From the employee's gross salary 8% is deducted for these purposes. The employer pays an additional social security contribution of 26% of the employee's gross salary as a matching contribution. This system is designed to help people in situations in which assistance is needed and it is provided in the form of social benefits or access to special services. The Czech social security system has three primary components:

Compulsory Social Insurance – provides coverage in the event of illness, a contribution to the government employment policy and a contribution to the government retirement benefits scheme. The time a person has spent working in another EU country is basically included in the total length of

service taken into account under Czech law and vice-versa, time spent in the Czech Republic is included in the retirement plans of other EU countries.

Government Social Support — is used by the government to contribute to the sustenance and other basic needs of children and families. Nationals of other EU countries must be registered as residents or have worked in the Czech Republic for at least three months in order to qualify for this type of social support benefits. In other words, if a person (whether a Czech citizen or a citizen of another EU country or a third-country national) works, he or she can be entitled to receive this type of social support benefits. Family members of these individuals are also entitled to such benefits, even if they do not work themselves.

Social Assistance – is provided to those who are in financial distress and unable to attend to their basic or necessary needs. Regulation (EC) 1408/71 does not apply to this social assistance system.

If an EU citizen or their family member applies for assistance under the Czech act on social services or under the act on social neediness, the respective authority must review whether or not the applicant would be an unjustified burden on the social system. The authorities do not make such assessment if the applicant is a permanent resident or works in the Czech Republic. Whether or not the person would be an unjustified burden

to the social system is evaluated through a point system, where different criteria are rated on a point basis (the length of stay in the country, the length of current employment or education and options for future employment – i.e. the qualifications and unemployment rate in the region where the EU citizen resides). If the authorities decide that the applying EU citizen or family would pose an unjustified burden on the social system (such a decision can be appealed), they notify the police and the police subsequently terminate the person's residence permit (provided such a decision is appropriate). Once the person's residence permit has been terminated, he or she is no longer entitled to receive social support benefits (however, the individual will continue receiving benefits until the residence permit is cancelled, despite the fact that he or she has been

identified as an unjustified burden on the social system). ...continues on p. 20



To become eligible for benefits while taking care of a family member, you must present a standard form completed by the attending doctor.

Applications for such benefits are submitted by employees to their employers.

www.cssz.cz Czech Social Security Administration www.portal.gov.cz Czech Public Administration Portal ...continued from p. 19



Sick leave

If you fall ill, you are required to notify your employer on the first day of your illnessrelated absence and deliver a work inability note from your doctor to your employer. Without a properly issued work inability note, you cannot qualify for sickness benefits under the Czech law. The sickness benefits are paid on a monthly basis as part of your salary for the entire duration of your illness but for no longer than one year. The amount of these benefits is regulated under the law.

Work-Related Injury

If you are injured on the job, you should immediately notify your employer and, together with the employer, you must fill out a report on the incident, provided your medical condition permits you to do so. If there are any witnesses to the incident, they must be questioned. For further information on this topic, you can contact your local branch of the Czech Social Security Administration.

LOSS OF EMPLOYMENT

If your employment contract is signed for a specific period of time, your employment is terminated upon the expiration of the contracted term of employment. Should you continue to work with your employer's consent past the originally contracted term of employment without amending the original employment contract in writing, your employment automatically becomes indefinitely contracted employment (unless other arrangements have been made between you and your employer).

If you lose your job in the Czech Republic, you have the option of registering with your local labour office as unemployed. Labour offices can be found in all larger cities. You must visit the labour office in person in order to register. When going to register, do not forget to bring your identification documents, a document verifying your last employment (employment credit sheet or the E301 form) and the documents verifying your schooling and academic achievements.

Office hours: Monday and W

Monday and Wednesday: 8:00 a.m. to 5:00 p.m. Tuesday and Thursday: 8:00 a.m. to 1:00 p.m.

Unemployment Benefits

A person becomes eligible for unemployment benefits if he or she has worked for at least 12 months within the past 3 years, of which at least one day was in the Czech Republic. Time worked in other EU/EEA countries and Switzerland is also taken into consideration if verified through an E301 form. Unemployment benefits are distributed by the local labour office either in cash, as a giro transfer form or via a bank transfer. Unemployed jobseekers can receive unemployment benefits for the following lengths of time:

- a) Persons under the age of 50, for 6 months.
- b) Persons aged 50 55, for 9 months.
- c) Persons over the age of 55, for 12 months.

If you are unemployed and qualify for unemployment benefits in your own country (EU/EEA countries and Switzerland) and you would like to seek employment in the Czech Republic, you can apply to have your unemployment benefits transferred to the Czech

Republic for a period of up to 3 months. This is done with the use of the E303 form, which you can obtain at the labour office in your home country. Once you have this form, you must report to your local labour office in the Czech Republic and register within 7 days after the date indicated on the E303 form. At the Czech labour office, you will become subject to the monitoring and registration process applicable under Czech law. If you meet the necessary requirements, you can then have your foreign unemployment benefits sent to the Czech Republic and collect them here. In order to remain qualified for unemployment benefits in the future, you must return to your home country before the expiration of the three month period. You can obtain further information regarding the option to have your unemployment benefits transferred from another country at your local labour office.

www.cssz.cz Czech Social Security Administration www.portal.mpsv.cz Czech Public Administration Portal

PENSIONS IN THE CZECH RÉPUBLIC

Any person who has been paying social security contributions for the minimum required number of years, i.e. 25 years, and has reached retirement age, or any person who has been making social security contributions for at least 15 years and reached the age of 65, qualifies for retirement pension benefits.

Early Retirement Pension Benefits

A person becomes eligible for early retirement pension benefits if he or she has been making social security contributions for at least 25 years and is currently receiving partial disability pension benefits. In other cases, a person becomes entitled to this type of pension benefit after making social security contributions for at least 25 years and there are no more than three years left until the person's retirement age.

Widow's/Widower's Pension Benefits

In order to qualify for a widow's/widower's pension, the person seeking this type of benefit must meet certain criteria. These benefits can be received for a period of 1 year after the death of a spouse or indefinitely, if the recipient is over the age of 55.

Orphan Pension Benefits

These benefits can be paid to an unprovided child whose parent, adoptive parent or guardian has died.

Disability Pension Benefits

A person becomes entitled to full or partial disability pension if he or she became (partially) disabled as a result of a work-related injury or if he or she has become (partially) disabled as a result of any type of injury and has been making social security contributions for the minimum required number of years.

The Czech Republic does not have any special insurance for the compensation of workers affected by work-related injuries or illnesses on a national level. These risks are covered by the social insurance system and the pension benefits such as the disability pension benefits and the survivor pension benefits. However, specific products covering such risks are offered by private insurance providers.

Additional information on eligibility criteria and the amount of pension benefits available can be obtained from the Czech Social Security Administration.



All information regarding retirement pension benefits in the Czech Republic can be obtained at the information centre of the Czech Social Security Administration (Křížová 25, Prague 5) or you can call information line at: 257 062 860-8.

www.cssz.cz Czech Social Security Administration

BUSINESS IN THE CZECH REPUBLIC

Businessinfo.cz – the official If you a big czech business web portal – offers an application that allows you to access and work with electronic versions of original forms used by the various Czech authorities and institutions. The forms can be completed online and printed or saved either directly in the application or as a file in your computer. The application uses your registration data, which it automatically enters into the respective forms. You have to create an account and sign in to have access to this application.



www.mpo.cz
Ministry of Industry and Trade
www.portal.gov.cz
Czech Public Administration Portal
www.businessinfo.cz
Official Czech Business Web Portal
http://wwwinfo.mfcr.cz/ares/ares.html
Registry of Economic Entities
www.czechinvest.org
Investment and Business
Development Agency

If you decide to start your own business in the Czech Republic, you will need a business licence, which issues your local Trade Office. There are a number of requirements that have to be met. The basic requirements are: you have to be at least 18 years of age, you must be capable of taking independent legal actions and have a clean criminal record and you must verify that you do not have any outstanding obligations related to tax, medical insurance and social security authorities.

Recognition of Qualifications

Should you decide to start a business in a regulated area as a sole proprietor, you will also need recognition of your existing foreign professional qualifications. The body performing such recognition in this type of situation is the Ministry of Industry and Trade of the Czech Republic. If the recognition process is subject to any special legal requirements, the recognition is handled through the respective professional chamber.

Social Security, Health Insurance and Taxes

Each individual who has a private business in the Czech Republic must pay regular contributions to the medical insurance and social security authorities and make regular tax payments. If the revenues generated by the business exceed CZK 2 million within a twelve-month period, you must also pay value-added-tax (VAT). Individuals who do not meet the above minimum criteria can always register to collect and pay this tax on a voluntary basis.

If you are the manufacturer, importer or exporter of certain types of products, you also have to pay the related excise tax. This tax applies to products such as fuels, spirits, beer, wine and tobacco products. The volume of products manufactured, imported or exported, as expressed in the respective units of measurement, is used as the basis for the calculation of the excise tax to be paid. For additional information, contact the Czech Ministry of Industry and Trade.

Nationals of other EU countries cannot enter the following professions (as employee or self-employed): notary public, court executor and patent attorney. In terms of other professions, nationals of other EU countries have the same access to these jobs as Czech citizens. In practical terms, this however means that, once again, the necessary permits required for such work in the Czech Republic must be obtained (e.g. a business licence). In order to obtain such a permit, the applicant must meet certain requirements and provide proof of qualifications. In the case of professional type occupations, it is necessary to become familiar with the specific legislation regulating the respective profession (e.g. doctor, solicitor, etc.).

EU nationals can obtain a business licence in the Czech Republic without having a residence permit. However, should their family members also wish to apply for a business licence, they would likely be asked to provide a proof of residency for the family member who is an EU national when applying for the business licence.

An EU national who does not possess a Czech business licence, but is licensed for a certain type of business in his or her home country, can only conduct business in the Czech Republic on the basis of such a licence on a temporary basis.

IMPORTANT CONTACT INFORMATION

Useful Internet Links

<u>eures.europa.eu</u> European Website of the EURES Network

and Social Affairs

portal.mpsv.cz Portal of the Ministry of Labour and Social Affairs

<u>www.mpsv.cz</u> Ministry of Labour and Social Affairs <u>portal.gov.cz</u> Czech Public Administration Portal

www.domavcr.cz Practical Information about the Czech Republic

<u>www.czso.cz</u> Czech Statistical Office

 www.czech.cz
 Official Website of the Czech Republic

 www.cssz.cz
 Czech Social Security Administration

 www.idos.cz
 Nationwide Timetables Information System

www.csa.cz Czech Airlines

Important Telephone Numbers

112 Emergency number 150 Fire brigade 155 Ambulance 158 Police

156 Municipal police

1180 Information on Telephone Numbers

900 144 444 Information on Bus, Train and Municipal Public

Transportation Timetables

National Holidays

January 1 The Day of Recovery of the Independent Czech State

May 8 Liberation Day

July 5 The Day of Slavonic Apostles Cyril and Metodius

July 6 Jan Hus Day

September 28 Day of Czech Statehood

October 28 The Day of Establishment of the Independent

Czechoslovak Republic

November 17 Day of Students' Fight for Freedom and Democracy

Other holidays are:

January 1 New Year's

Easter Monday

May 1 Labour Day
December 24 Christmas Day
December 25 First Christmas Feast
December 26 Second Christmas Feast

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