



# CZECH REPUBLIC

## State of Play – Winter 2017



### MACROECONOMIC SITUATION

#### No imbalances (no In-Depth Review)

- Growth remains robust, despite a slowdown in 2016
- Economic convergence gained momentum in recent years
- Inflation rate reached the central bank's target of 2%
- Unemployment is one of the lowest in the EU; participation of certain groups, such as women with young children, remains low



### PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

#### Substantial progress

- in strengthening the fiscal framework
- in improving the attractiveness of the teaching profession

#### Some progress

- in adopting anti-corruption reforms
- in increasing the inclusion of disadvantaged children
- in removing obstacles to greater labour market participation by certain underrepresented groups

#### Limited progress

- in addressing long-term sustainability of public finances
- in improving public procurement practices
- in addressing barriers to investment
- in strengthening governance in the R&D system
- in e-government services



### FISCAL SITUATION

- No excessive deficit; marked improvement in government finances, with continued surpluses ahead
- Structural balance forecast to consistently overachieve its medium-term budgetary objective
- Public debt under the 60% reference value, expected to decline well below 40% of GDP

More info at

<https://ec.europa.eu/info/strategy/european-semester/european-semester-timeline/analysis-phase>