



How our digital future depends on our political present

At AmCham’s third Digitizing Czechia event, Deputy Prime Minister Ivan Bartos reported on the government’s progress toward digitization, and listed his priorities heading into the final year of this governing coalition. The progress is better than what the headlines would have you believe. The priorities illustrate how much political fragmentation is preventing us from fully exploiting the potential provided by an ever-expanding array of digital tools.



When DPM Bartos took the digitization portfolio, the government had a very decentralized approach, and investment in digital systems had been sporadic at best. “We created the Digital Information Agency (DIA) to build more coherence and connectivity to the architecture of government systems,” Bartos explained to members. “So much of the information government uses needs to flow between ministries, and the better we do that, the better we can analyze the needs of the country, and adapt our services to react to those needs.”

The DIA is a concept that has proven effective in other countries. In Czechia, however, DIA remains handicapped by a lack of staff, budget, and clear lines of authority. It also must deal with the large number of legacy systems that suck up much of the budget it does have.

“Estonia had the great advantage of starting from a relatively clean slate,” Bartos said. “They could build new systems using the latest technology. We have a large number of existing systems that cannot be changed all at once. Keeping these old systems working takes human and financial resources away from new projects.” [more](#)

The many different futures of health care



What is the future of Czech health care? Depends on who you ask. If we want the future to be better than today, we need some common goals and some projects we agree will achieve those goals. The AmCham Health Care Council asked nine experts from different parts of the sector to participate in a roundtable to see how closely their perspectives and aims align today, and whether it was possible to align them more closely.

Moderated by the Council’s co-chairs [Michala Malat](#) of Johnson & Johnson and [Vaclav Novotny](#) of Aspironix, the roundtable assessed health care’s current status, immediate issues and long-term goals. [more](#)

A disruption to Employee Stock Benefits

The Ministry of Finance issued new rules for taxing employee stock benefits intended to assist local startups. The new rules have unintentionally made the usual practice of awarding stock option in multinational corporations more difficult.

In the previous system, tax and withholding was paid when the company awarded stocks to the employees. Under the new scheme, employees must report to the company when they sell the stocks so the company can report tax and withholding.

AmCham Tax Chair [David Borkovec](#) of PWC led a discussion of the new benefits scheme with a group of AmCham Human Resource leads and legal advisors. The group concluded that the Ministry should be informed about the consequence. It is rumored that the Ministry plans to rectify the situation, and AmCham would like to provide further argument that the remedy should be moved with urgency through the legislative process. [more](#)

government initiatives

macroeconomic policy

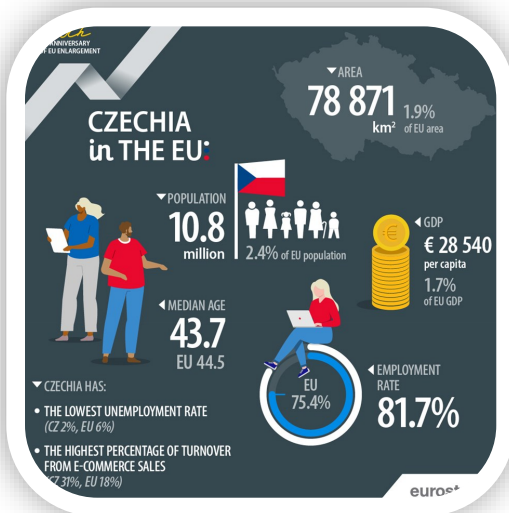
Ministry of Finance forecasts growth for Czech economy in 2024-2025.

Last year, the Czech economy balanced on the edge of recession. Gross domestic product fell by 0.3% in 2023, but is forecast to grow by 1.4% in 2024 and 2.6% in 2025. Inflation will stay below 3% for most of 2024, before falling towards 2% in 2025. Continually strong demand for labor and falling inflation should lead to real wage growth. [more](#).

euro policy

The Government is not set yet to adopt euro.

The Czech Republic is formally non-compliant with the exchange rate fluctuation criterion, as it does not participate in the relevant exchange rate mechanism. [more](#).



immigration policy

Update on hiring qualified workers.

As of May 1, monthly gross salary of applicants for blue card was increased to a minimum of CZK 65,012. [more](#).

The CzechTrade agency launched new service to assist with economic migration. [more](#).

amchamevents

May 13th
EU Parliamentary Election Brief:
Alexandr Vondra (SPOLU)

May 27th
Digitizing Czechia: DIA Progress
and Priorities with Martin
Mesršmíd

May 27th
Tourism Council with Jiří Pos on
strategic plans of Prague Airport

May 29th
Human Resources Committee
with Jaroslava Režlerová and
Mirek Mejstský on Wage and Labor
Availability



health care policy

Priorities for Czech health care.

Minister of Health Vlastimil Válek has presented a document with strategic analysis of the needs of the Czech health care system. [more](#).

The Ministry also presented new legislation in the area of public health insurance, including bonuses for individual responsibility for one's state of health. [more](#).

labor market policy

'Flexi' amendment to Labor Code and pension reform proposals unveiled.

Minister of Labor and Social Affairs Marian Jurečka presented new draft amendment to Labor Code addressing the employers' call for more flexibility in employment relations. The proposal will be debated in the Parliament. [more](#).

The Government has also officially presented their proposal of a long-awaited pension reform. The proposal will be debated in the Parliament. More details [here](#) and [here](#).

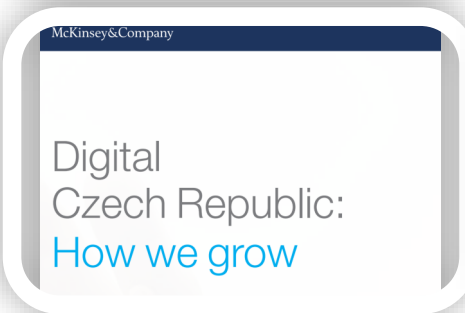
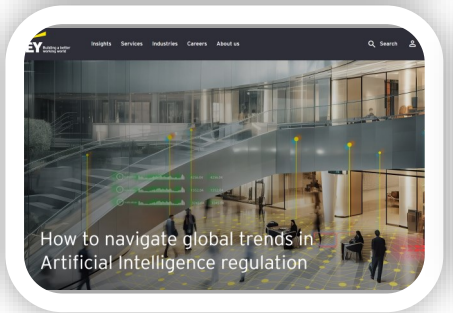
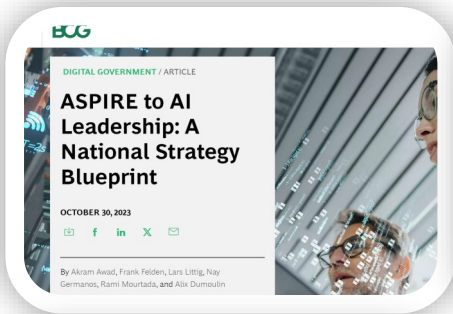
construction process digitization

Builder's portal should be step towards digitized construction process

Minister for Regional Development Ivan Bartoš presented the launch of Builder's Portal (Portál stavebníka). From July 1, the portal and a related app can be used to process applications and submit documentation to building authorities. [more](#).

New Construction Act will enter into force on July 1, with transition period until June 30, 2027. [more](#). [Decreases](#).

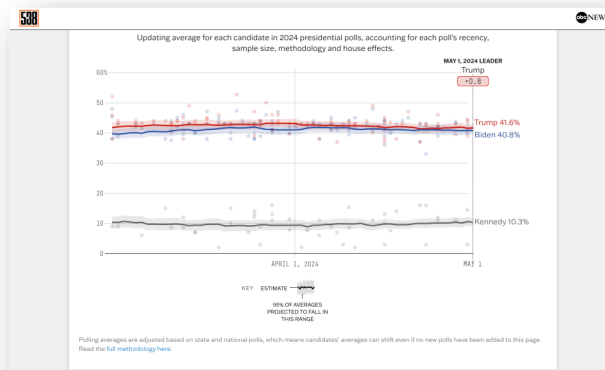
policyanalysis



politicalanalysis

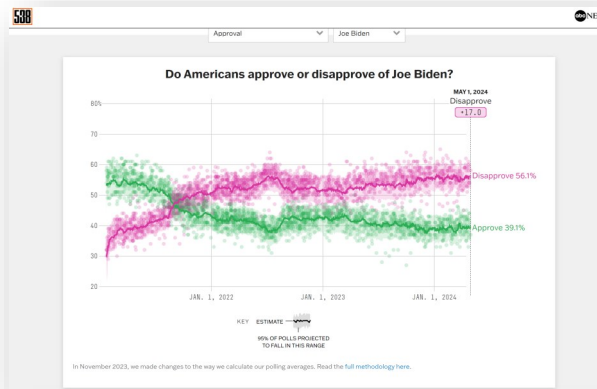
us national politics

Very, very tight with many, many variables



National polls show the 2024 presidential election between Incumbent President Joe Biden and former president Donald Trump to be a statistical dead heat with independent candidate Robert Kennedy polling at a distant yet important 10%. Six months remain before election day. Much can happen. Much will. President Biden will be damaged if Ukraine cannot turn back Russia's assault, Israel continues to kill civilians in Gaza, and the US economy stumbles. President Trump could be harmed by a Republican Congress at each other's throats, or convictions in one of his trials.

The biggest what-if is if Robert Kennedy stops his campaign. Both the Biden and Trump campaigns believe his candidacy is siphoning votes from their totals. Whether his supporters would vote for either remains unclear. But if even 1% of that 10% decides to vote for one of the two main candidates, it could swing the election.



RealClear Polling | Polls | Election 2024

Top Battlegrounds – RCP Average

Wisconsin, Arizona, Georgia, Michigan, Pennsylvania, North Carolina, Nevada

RCP AVERAGE	DATE	TRUMP (R)	BIDEN (D)	SPREAD
Top Battlegrounds	5/2	47.9	44.7	Trump +3.2
Wisconsin	May 2nd	48.8	47.0	Trump +1.8
Arizona	May 2nd	48.3	43.3	Trump +5.0
Georgia	May 2nd	48.8	45.0	Trump +3.8
Michigan	May 2nd	46.0	44.8	Trump +1.2
Pennsylvania	May 2nd	48.0	47.0	Trump +1.0
North Carolina	May 2nd	48.2	42.8	Trump +5.4
Nevada	May 2nd	47.3	42.8	Trump +4.5

In the states that do not vote either strongly Republican or Democrat (the so-called battleground states), former president Trump is ahead, though all are within the margin of polling error.

Most voters have decided who they support. Each candidate must now convince them to vote.

