

CTIA

Annual Report 2013



Foreword of the Director General of the Czech Trade Inspection Authority

Annual evaluation of activities of the surveillance authority is not easy because changes that clearly showed during the evaluated period of 2013 were to a major extent launched already in the previous years. Thus, the successes reached by the Czech Trade Inspection Authority in 2013 were mostly results of these changes and their subsequent application in practice. For example, only thanks to continually carried out and repeated inspections it was possible to prove unfair commercial practices of some organizers of presentation sales events and subsequently impose sanctions amounting to hundreds of thousands and millions of Czech crowns. Hundreds of hours of preparations also were ground to careful and patient activities of inspectors and other employees as well as close cooperation with other inspection authorities.

Significant contribution to the successful activities of the authority came from consumers who turned to the Czech Trade Inspection Authority with trust concerning their problems. We thank them for their input and we also thank journalists who published results of the authority's inspection activities and were willing to spread information about risky products or obstacles that consumers face in the market as well as advice how to deal with difficult situations. Media coverage of cases concerning violations of obligations within sale of products and provision of services had positive impact on behaviour of vendors themselves – the responsible ones took action of remedy and improved their internal control systems.

All the above mentioned factors contributed to the fact that we can evaluate the year 2013 as successful because in the Czech market there was no serious extraordinary event that could endanger the health and lives of consumers to a great extent. The Czech Trade Inspection Authority continuously monitored the market and searched for poor quality or risky products, inspected manufacturers, importers, and distributors of non-food products and simultaneously participated in pan-European surveillance projects. Its activities were also appreciated on international level.

In May 2014, it will be 10th anniversary of the Czech Republic entering the European Union and the Czech Trade Inspection Authority becoming a part of the European market surveillance system. Let's wish that this year is even more successful than the previous one – that vendors comply with laws and consumers behave responsibly and confidently. If it will not be the case, consumers shall know that the Czech Trade Inspection Authority is here for them – to protect their rights and the clarity of the market – as well as for all fair and honest entrepreneurs.

Mgr. Vlastimil Turza

Acting Director General of the Czech Trade Inspection Authority

ANNUAL REPORT 2013

**FOREWORD OF THE DIRECTOR GENERAL OF THE CZECH TRADE
INSPECTION AUTHORITY**

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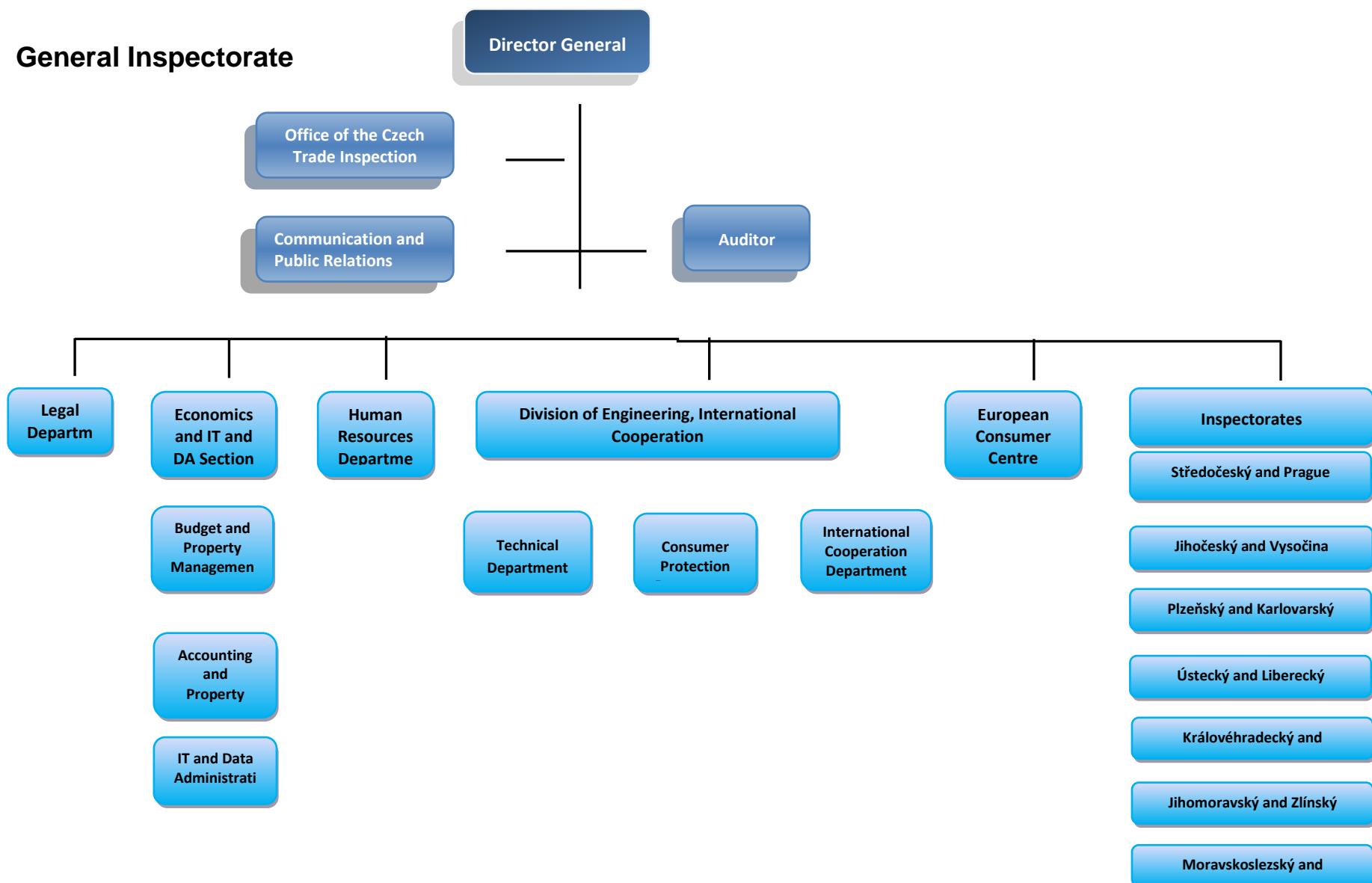
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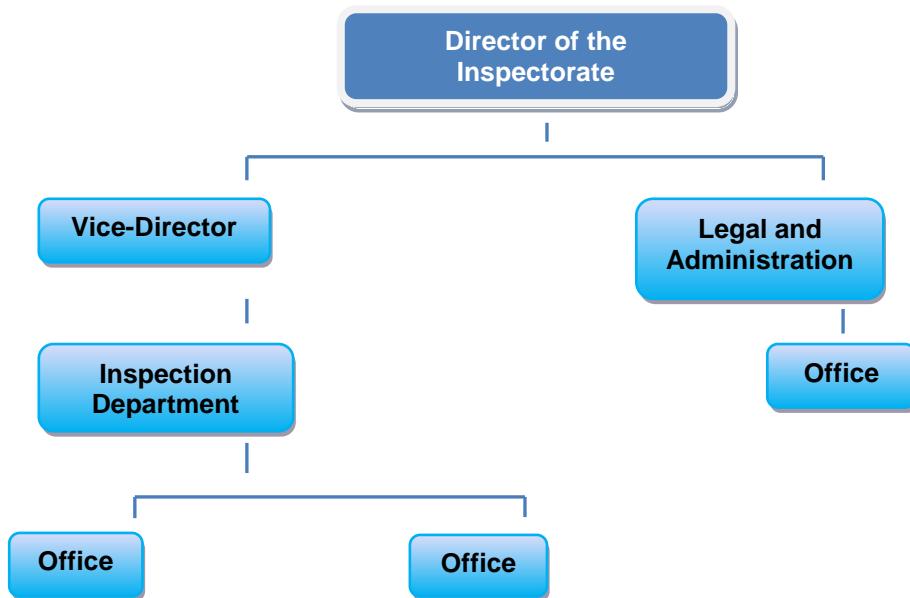
ORGANISATION STRUCTURE

General Inspectorate



ORGANIZATIONAL STRUCTURE OF INSPECTORATES

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ORGANIZATIONAL STRUCTURE Středočeský and Prague Inspectorate with the Technical Department with national scope



CZECH TRADE INSPECTION AUTHORITY IN 2013

In 2013, **organization stability** was reached within the Czech Trade Inspection Authority. After organizational structure changes of 2012 and stabilization process of 2012 the Czech Trade Inspection Authority could evaluate effectiveness of organizational changes and their impact on inspection activities in 2013.

Establishment of the united **Technical Department, International Cooperation Department and Consumer Protection Department** within the General Inspectorate belonged among significant changes that undoubtedly proved right. Individual units of the section met their objectives in the field of unification and support of inspection activities of the Czech Trade Inspection Authority both on national and international level.

The change concerning integration of highly specialized **technical inspection** to one single department of the Středočeský and Prague Inspectorate has seen its good results. The activity of the technical department was supplemented by activities of individual regional inspectorates that targeted inspection of certain product fields, such as toys.

The both changes required establishment of new elementary management processes and procedures of inspection activities. Establishment of **working groups** for ensuring direct exchange of information and experience of workers of regional inspectorates concerning execution of inspection activities brought further improvement within inspection activities and quality methodical and technical background for surveillance execution. The groups communicated individual inspection matters and, hence, actively participated in creation of methodical procedures that were subsequently applied within execution of inspection activities.

As in the previous years, the inspection activities of the Czech Trade Inspection Authority stemmed from determined strategy and objectives. The elementary document for inspection activities was the **Plan of Projects** of the Czech Trade Inspection Authority for 2013 that determined elementary directions and priorities of inspection activities. During the year, the extent of the scheduled activities was supplemented by projects and inspection actions reacting to ad hoc problems that appeared in the market.

In 2013, the Czech Trade Inspection Authority developed a strategy of targeted inspections that was supplemented by wide monitoring of the market and investigations of consumers' submissions. It kept on improving quality of inspection activities even at the detriment of the number of inspections carried out. In 2013, **the total of 37,299 inspections were carried out**, which was by 11,366 inspections less than in the previous years (48,665) and it meant a decline by 23.4%. Despite the decline concerning the total number of executed inspections, there was in fact a minimal decrease concerning the number of inspections within which breaches of laws were detected - from 13,896 in 2012 to 13,226 in 2013. The rate of inspections

with findings increased from 28.6% in 2012 to 35.5% in 2013. It is necessary to add that in 2012 the number of inspections was partly influenced by inspections concerning the so-called methanol affair. Results of targeted inspection activities can especially be recognized in the field of electronic trade and certain technically focused inspections. Inspections of fuels quality are an example of market-wide monitoring.

The Czech Trade Inspection Authority also continuously provided **advisory and information services** through which it contributed to the increase of legal literacy among both consumers and commercial subjects. At the same time it gained a lot of valuable knowledge to be used for its inspection activities and identification of problematic fields within the market.

The Czech Trade Inspection Authority very closely **cooperated with other public administration bodies and surveillance authorities of both the Czech Republic and the European Union**. Cooperation stemmed from applicable legislation in the area of institutional ensuring of activities and from the treaties concluded among the surveillance authorities regarding to the common internal market of the European Union and the common consumer protection.

In 2013, the CTIA kept **cooperating with civic associations** established to protect consumers' rights as well as **professional associations and interest groups** and participated in creation of information materials that were provided to the wide public. CTIA employees also gave lectures, e.g. concerning conclusion of contracts away from business premises.

The **European Consumer Centre**, integrated in our structure, also significantly helped consumers. It especially contributed to the prevention and help in terms of resolving concrete problems of consumers with sellers of goods and providers of services from the other member states of the European Union, Norway, and Iceland.

There was a significant progress in the area of public relations after the CTIA launched a strategy of **transparent and more open attitude towards the public**. It joined the project *Open Data* and made available part of its data sources concerning inspection activities.

In regards to **education** of employees, the CTIA continued in improving professional qualification of inspectors of both technical and general inspection and their language knowledge. Management skills were developed for example at a course on communication skills for managers.

Strategy of the Czech Trade Inspection Authority to meet the objectives set for the period from 2011 to 2016

In 2013, strategy accepted in 2011 was followed, which stemmed from the requirements for high quality surveillance authorities operating within the EU. The same applies for objectives that were determined by the CTIA in 2011 and that saw no significant changes.

The Czech Trade Inspection Authority has defined its clear vision, mission, values and goals to achieve:

VISION:

“Dynamic surveillance body for the protection of consumers and the EU common market.”

MISSION:

The mission of the Czech Trade Inspection Authority is as follows:

- consumer protection within the single market in cooperation with the authorities of the European Union
- supporting unified conditions for placing products on the market.

VALUES:

- Professionalism and ethics
- Respect to the legislation
- Respect to the obligations towards consumers, commercial subjects and others
- Permanent professional growth

OBJECTIVES:

- Provision of balanced, targeted and objective surveillance
- Cooperation with the state administration bodies and NGOs
- Cooperation with the surveillance authorities within the EU
- Preventive activity in the field of consumer protection and creation of the EU single market
- Prompt reactions to legislative changes
- Participation in the development and enforcement of the state's policy
- Maintenance and development of the level of consumer protection and the conditions for placing products on the EU market

The objectives are being achieved mainly through permanent improving of management and communication skills of managers and professional qualification and overall education of inspection employees. Stress is also put on the internal communication both on the horizontal and vertical level, including feedback. Another important factor is the continuous verification of set procedures and their adaption to legal environment as well as rationalization. Development of cooperation with the state administration authorities both on the national and the European level plays an important part in the fulfilment of the objectives. It is also necessary to be open to communication with consumers and their problems.

Development of the Czech Trade Inspection Authority for 2014

The Czech Trade Inspection Authority meets the concept of development elaborated in the below mentioned fields for the period from 2012 to 2016 with the aim to reach the objectives and tasks laid down for the individual periods. The proposed solutions stem from tens of national and European legal regulations and elementary social framework which is laid down by the following documents:

- Consumer Policy Priorities of the MIT 2011 – 2016
- 2014 – 2020 consumer programme
- EC's recommendations for the actions to improve the EU's single market
- New Legislation Framework

The major legal framework consists of the regulations governing the following fields:

- Inspection activities (Act on State Control and Act on Czech Trade Inspection Authority)
- Consumer protection and provision of services to consumers
- Technical requirements for products
- New Legislation Framework (NLF EU)
- General Safety of Products
- Inspection of fuel quality
- Consumer credit
- Unfair commercial practices
- International cooperation

An effective surveillance authority with a stable organization structure is a tool used to meet inspection objectives. Its management principles shall ensure the following:

- Unified surveillance execution within all its regional inspectorates
- Both methodical and legal support to the inspection officers
- Activities of the European Consumer Centre Czech Republic
- Effective and targeted use of financial resources

Surveillance execution requires targeted coordination of specialists, unified surveillance methodology, inspectors' high professionalism within the inspection execution as well as subsequent collection and analysis of information. Functional information systems and effective management are the conditions necessary to meet such requirements.

It is necessary to continue in creation and rationalization of the management concept applying a new systematic and procedural approach that assumes elimination of duplicate administrative resolutions, and in simplification of processes that create both factual and financial burden to both inspected economic subjects and the surveillance body.

It is necessary to preserve the current institutional infrastructure (General Inspectorate, 7 inspectorates, and the concentration of technical control at the Prague and Středočeský Inspectorate) that has proven its sufficient functionality and flexibility. In the field of international relations and cooperation, the membership of the Czech Republic in global and European organizations engaged in market surveillance and consumer protection is essential as it contributes to the development of free movement of goods and services.

In the consequence of changes of legal environment, it will be necessary to permanently ensure methodical support of the inspection as well as to change and update procedures ensuring the execution of inspection activities. The change of legal environment will result in the CTIA's increased demands on its inspection workers, mainly in terms of their systematic education and qualification.

In the frame of national relations, it is necessary to develop cooperation among surveillance bodies and other involved parties – state administration bodies, commercial subjects, research and education institutions, and subjects representing consumers.

Stress will further be put on areas in which risks are difficult to recognize for consumers or they are of such nature that consumers cannot defend against them in any effective way. Technical inspection will still keep executing surveillance focused on safety of products and assessment of their characteristics. In the case of technical inspection it is necessary to consider extension of activities to areas of general inspection.

Many changes are ahead of the CTIA in 2014. After the new law on inspection came into force, many changes will come concerning the execution of inspection activities. This required the preparation of the new inspection code of the CTIA already in 2013. Another major change is the amendment of the Civil Code that newly governs rights of consumers and indirectly intervenes in the contents of the CTIA inspection activities. These changes are followed by a number of changes concerning a number of other legal regulations, e.g. the Act on CTIA and Act on General Safety of Products. It can also be assumed that 2014 will be a very important mile stone that will decide the further development of the CTIA as well as other surveillance authorities.

PROFILE

The Czech Trade Inspection Authority is a state administration body subordinated to the Ministry of Industry and Trade; it is composed of the General Inspectorate and subordinated inspectorates.

The Czech Trade Inspection Authority inspects both legal and physical persons selling or supplying products and goods within the internal market, providing services or conducting other similar activity in the internal market, providing consumer credit or operating marketplaces, unless another administrative authority exercises the surveillance in compliance with special legal regulations. Supervision over the compliance with the legal regulations in the field of consumer protection and the free movement of goods in the internal market are the major parts of the control activities.

The Czech Trade Inspection Authority was established by the Act No. 64/1986 Coll. as a successor of the former State Trade Inspection Authority. In 2013, the range of the activities and surveillance competencies of the Czech Trade Inspection Authority are defined above all by the following laws:

- Act No. 64/1986 Coll., the Czech Trade Inspection Act
- Act No. 552/1991 Coll., on State Control
- Act No. 500/2004 Coll., Administrative Procedure Code
- Act No. 634/1992 Coll., the Consumer Protection Act
- Act No. 311/2006 Coll., on Fuels and Filling Stations
- Act No. 22/1997 Coll., on Technical Requirements for Products
- Act No. 102/2001 Coll., on General Safety of Products, as amended,
- Act No. 56/2001 Coll., on Conditions of Operation of On-road Vehicles
- Act No. 145/2001 Coll., on Consumer Credit
- Act No. 477/2001 Coll., on Packaging
- Act No. 201/2012 Coll., on Clean Air Protection
- Act No. 185/2001 Coll., on Wastes
- Act No. 353/2003 Coll., on Excise Duties
- Act No. 253/2008 Coll., on selected measures against legitimisation of proceeds of crime
- Act No. 379/2005 Coll., on Measures for Protection from Harm Caused by Tobacco Products, Alcohol, and Other Addictive Substances, as later amended,
- Act No. 73/2012 Coll. on substances that deplete the ozone layer and fluorinated greenhouse gases
- Act No. Coll., on Emergency Oil Reserve
- Act No. 247/2006 Coll., on Restrictions of Night Operations of Pawnshops and Other Establishments
- Act No. 156/2000 Coll., on proving of firearms, ammunition, and pyrotechnics, as well as on the proper ways of handling certain pyrotechnic products
- Act No. 307/2013 Coll., on Compulsory Labelling of Spirits, as amended,
- Act No. 226/2013 Coll., on placing timber and timber products on the market
- Regulation (EC) No. 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible

- for the enforcement of consumer protection laws (the Regulation on consumer protection cooperation)
- Regulation (EC) No. 764/2008 of the European Parliament and of the Council of 9 July 2008 laying down procedures relating to the application of certain national technical rules to products lawfully marketed in another Member State
- Regulation (EC) No. 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93

In 2013, the Czech Trade Inspection Authority continuously informed the wide public about the results of its activities, pointed at dangerous products, problematic fields of consumer protection as well as noncompliance with technical requirements for products that are placed on the market. The advisory and information service provided legal information in the range of the CTIA's inspection scope and accepted suggestions concerning inspections at all branches of the CTIA and other contact points. These services are offered to consumers free of charge.

As well as in the previous year, the primary document for inspection activities was the 'Plan of Inspection Activities of the Czech Trade Inspection Authority'. The Plan determined the elementary frame of focus of surveillance activities with regard to the requirements for ensuring high level of consumer protection when respecting the rules of free movement of goods and services in the internal market. The scheduled inspection activity was supplemented by extraordinary inspection projects or actions that reacted to current situation in the market.

Planning of operational inspection activities in the field of general inspection remained in the competence of the directors of the individual CTIA inspectorates. This enabled them to plan their own activities according to the problems of their regions.

The general inspection was mainly focused on compliance with legal regulations governing obligations of commercial subjects selling goods or providing services to the final consumer. The Czech Trade Inspection Authority paid a special attention to distant forms of trade, namely e-shops and forms of direct selling, i.e. conclusion of contracts away from business premises at the so-called presentation sales events.

Organisation and execution of technical inspections were mainly in the scope of the Středočeský and Prague Inspectorate. Surveillance was carried out in compliance with legal regulations and the CTIA's competence on the whole territory of the Czech Republic. Stress was especially put on investigations and inspections concerning legal entities and physical persons that place selected products on the EU internal market.

Another important part of the activities of the Czech Trade Inspection Authority were investigations of consumers' submissions that were regularly evaluated and included in operative inspection plans.

Verification of selected measuring instruments continued within common inspection with the Czech Metrology Institute concerning fuel dispensers and non-automatic scales. Collaboration with the Customs Administration started concerning inspections of fuels quality and inspections of fairness of sale of solid fuels.

In 2013, cooperation continued with the Czech Office for Standards, Metrology and Testing and the Ministry of Industry and Trade. Stress was put on technical legal areas in order to reach consistency within the work of individual institutions. Based on the agreement with the Czech Office for Standards, Metrology and Testing, the system *Normy on-line* (*Standards on-line*) was still used as an indispensable tool for activities of a surveillance body.

There was a very beneficial cooperation with coordination workplaces of authorized bodies and test rooms within the building of a unified system of placing products on the market and into operation. This namely concerned Technical and Test Institute for Construction, Engineering Test Institute, Electronical Testing Institute, Technischer Übewachung Verein Czech Republic (TÜV CZ), Fire Testing Laboratory, Association of Inspection Organizations, Authorized National Body, Advanced Technology Group (ATG) and so on.

The CTIA also cooperated with professional associations with the aim to increase legal literacy of vendors as well as protection of legitimate interests, preventive protection of consumers concerning prevention and free movement of goods. Traditional cooperation continued with the Association of Accredited and Authorized Organizations and Czech Confederation of Commerce and Tourism.

Similar cooperation continued with other national inspection authorities within surveillance where professional collaboration was necessary in certain areas. This concerned mainly the Fire Rescue Service of the Czech Republic, Assay Office, Czech Telecommunication Office, Czech Environmental Inspectorate, State Agriculture and Food Inspection Authority, Brown Coal Research Institute, State Labour Inspection Office, as well as professional authorities of state administration and Metropolitan Police, Police of the Czech Republic, trade licensing offices, Alien Police and municipal offices.

Employees of the Czech Trade Inspection Authority represented the Czech Republic on international level and participated in activities of the following groups: ADCO, Prosafe, COEN, EMARS II., SOGS-MSG, group WP6, TAXUD, WELMEC WG5 and other (for explanations of abbreviations see page 57). Thus, they took part in the concept of inspection activities by both increasing effectiveness of execution of surveillance activities in the internal market of the Czech Republic and fulfilment of international commitments within the EU Member States.

Inspection activities

The 'Plan of Projects 2013' included inspections in the field of general consumer protection, i.e. abidance with the information obligations concerning sold products and provided services, prohibited use of unfair commercial practices, e-shops, tour operators, consumer credit, protection of certain intellectual property rights as well as protection of economic interests of consumers and the general safety of products covering ca. 70% of non-food products in the market. Inspection activities also included the protection of state's fiscal interests (in compliance with the selected provisions of the Act on Excise Duties) and environmental problems (Act on Wastes, Act on Clean Air Protection, fuels quality, and so forth).

Surveillance over the compliance with safety requirements, including fulfilment of technical requirements for products before these products are placed on the market or put into operation, was another part of the activities. The inclusion of these tasks to the 'Plan of Projects 2013' stemmed from the official sources of information (especially from the European alert information system RAPEX, ADCO portal of the CIRCA groups, including the ICSMS database, suggestions from other surveillance authorities and the organization PROSAFE), consumers' and businesses' submissions, knowledge gained from coordination meetings, media news and other information received, investigated or found within the inspection activities of the CTIA which subsequently reacted to the actual problems of the market by monitoring or inspecting and taking appropriate measures.

The third part consisted of the CTIA activities stemming from its participation in EU surveillance related structures in the area of coordination of the surveillance activities (see international business trips below).

On the grounds of the EU legal regulations transposed to the legislation of the Czech Republic or the directly applicable regulations (the so-called New Legislative Framework – NLF) governing the field of consumer protection and the free movement of goods, the CTIA actively contributed to the prevention of illegal conduct and compliance with the conditions for trade in the internal market of both the Czech Republic and the EU. The CTIA joined ten surveillance projects within European cooperation (above all in the ADCO groups and the European organization PROSAFE) and collaborated with the competent authorities of the neighbouring countries.

In 2013, the CTIA carried out in total 37,299 inspections and detected shortcomings in 35.5% of cases (i.e. in 13,226 inspections). The total of 29,552 inspections was focused on compliance with the Act No. 634/1992 Coll.; deficiencies were found in 10,049 cases (34.0%). Other 1,499 shortcomings (24.2%) were detected within 6,198 inspections concerning compliance with the Act No. 22/1997 Coll. on Technical Requirements for Products. The total of 3,142 controls was focused on abidance with the Act No. 102/2001 Coll. on General Safety of Products and deficiencies were detected in 197 inspections, i.e. 6.3% of cases.

In 2013, in total 11,609 fines amounting to 105,400,200 CZK were lawfully imposed.

A total of 271 product types were collected in order to check compliance with legal requirements for quality and safety. 154 types were assessed as products that fail these requirements.

A significant proportion of the costs concerning collection and assessment of product samples consisted of the costs of sample analysis within the monitoring of fuel quality at filling stations. The fuel quality inspections were carried out by all the seven CTIA inspectorates in accordance with the annual schedule of sampling (in compliance with the Decree No. 133/2010 Coll.) and also operatively based on consumers' submissions on the whole territory of the Czech Republic. A total of 2,495 samples of all fuel types were taken, including petrol, diesel fuel, LPG, CNG, Ethanol E85, FAME and diesel fuel blend whose quality was inspected in an accredited laboratory. 72 samples (2.9% of the total number of collected samples) failed the legislative quality requirements. These results became the basis of the report sent by the Ministry of Industry and Trade to the EU authorities.

All the CTIA's activities aimed to ensure the same level of consumer protection and consumers' legitimate interests within the EU market. The inspection activity in the field of consumer products was especially focused on products from third countries, mostly toys and products intended for children, electric low voltage devices, machinery, construction products, etc. In cooperation with the customs authorities, the CTIA assessed products from the third countries before letting them into free circulation. These assessments were carried out in compliance with the European methodology TAXUD.

In order to reach prompt and timely sharing of information from inspections in the market and surveillance measures taken by surveillance authorities, the CTIA started to actively use the database ICSMS (Information and Communication System for Market Surveillance). The major task of the system created and operated by the European Commission is to provide a complex online exchange of information about products. This concerns archiving and exchange of information on matters concerning market surveillance activities, programmes and related information about cases of noncompliance with harmonized legal regulations of the EU.

During 2013, 22,505 submissions were received which was a slight decrease by 2.6% in comparison with 2012. There were no significant changes regarding their topics. Top places were occupied by submissions concerning exercise of liability rights for defects of products and services, and use of unfair commercial practices. In terms of form of trade, most consumers complained about e-shops.

In the consequence of the system RAPEX, the CTIA carried out monitoring of the market within which it searched for potential appearance of dangerous products notified into the system by other Member States and also sought for products that could pose risk to consumers or certain groups of consumers. The Czech Trade Inspection Authority transferred 28 notifications of noncompliant products to the Ministry of Industry and Trade.

In 2013, the European Commission published 2,019 notifications pursuant to Article 12 of the GPSD, including 1,468 notifications (about 122 notifications a month) that were sent to the Czech Trade Inspection Authority.

Activities of the Legal Department

As in previous years, the basis of the Legal Department's activities was preparation of suggestions for decisions of the Director General on the inspected subjects' appeals from the regional inspectorates' decisions. Employees of the Legal Department subsequently represented the CTIA in administrative court proceedings in which it was decided about suits brought against legitimate CTIA decisions. The department also prepared appropriate petitions for these proceedings.

The department's activities also included legal advice and consultations provided to other employees of the General Inspectorate and the regional inspectorates of the CTIA, and preparations of legal opinions that would unify the interpretation and the application of legal regulations within the CTIA activities as well as participation in the preparation of some internal regulations.

Representatives of the department participated in a number of negotiations with representatives of state administration bodies and professional public, e.g. within preparations of new legislation.

The Department also provided legal help in placing public contracts, ensured activities of the Loss Committee and the Work Injury Compensation Board. It also took over the agenda of labour-law disputes between the organization and its employees.

Lawyers answered numerous written information requests from the consumer public, entrepreneurs, public administration authorities and the media as regards legal opinions on legal regulations in the surveillance competence of the CTIA. In this respective field and in relation to the Act No. 106/1999 on Free Access to Information, they also provided consultations and statements to the Department of Communication and Public Relations.

The competency of the department also included continuous monitoring of legislative changes on both the national and European level that affected the CTIA activities. The department processed legal analyses of these changes and informed the other subdivisions about them. Further it submitted comments to the proposals of legal regulations that were submitted to the CTIA and monitored decision-making practice of courts (especially in the area of administrative justice).

The Department also ensured the agenda of cross-border cooperation in compliance with the Regulation (EC) No. 2006/2004 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of laws on consumer's interests, including participation in member states' joint inspection action SWEEP 2013.

Overview of the Legal Department's activities	Number of solved cases in 2012	Number of solved cases in 2013
Decisions issued by a second degree body	331	389
New decisions given on the grounds of judgements	5	8
Review procedure decision	7	15
Decision on appeal from a decision on request for instalment payments	10	8
Decision on pleaded bias	1	0
Review proceedings (solved by the Ministry of Industry and Trade)	6	6
Accusations (against decisions of second degree body in administrative proceedings)	44	40
Judgements rejecting suits against decisions of second degree body in administrative proceedings	22	27
Judgements overruling decisions of second degree body in administrative proceedings	5	13
Appeals	10 8 filed by the party to the case 2 filed by the CTIA	10 9 filed by the party to the case 1 filed by the CTIA
Judgements of Supreme Administrative Court rejecting appeals	5	8, incl. 1 caused by filing appeal out of deadline
Judgements of Supreme Administrative Court overruling judgement given in administrative justice	3	3

Analysis of employment and distribution of wage funds

Budget of Expenses 2013

Use as of December 31, 2012	Modified budget	Total budget, incl. reserve fund (ESC)	Budget use	Budget use in %
Common expenses				
501-2 Employee salaries and other personal expenses OPE	147 304 348	148 486 845	148 378 680	99,93
Including: 5011 Employee salaries	146 227 348	147 315 605	147 314 630	100,00
5021 Other personal expenses	1 077 000	1 171 240	1 064 050	90,85
5024 Compensation payments	0	0	0	0

The limit for wage funds amounting to 149,338 thousand CZK was established in a list of obligatory factors (letter of the MIT, file number 832/2013/21200 from January 8, 2013), including comprised resources for other personal expenses (payments for the work done) amounting to 2,052 thousand CZK, financial sources for wages of the established limit of 472 employees amounting to 146,279 thousand CZK (average salary 25,826 CZK), and financial resources for compensation payments amounting to 1,007 thousand CZK.

On January 1, 2011, an organisational change was implemented and activities of individual organizational units, including the needs of staffing, were also re-

evaluated. On the above mentioned date, wage funds were reduced by 10% due to austerity measures which resulted in reduction of work places by 40. The budget for wages was reduced also for 2013. The CTIA again determined the number of work places to 432 (average monthly wage 28,217 CZK).

Change of the list of obligatory factors for 2013 by the budgetary corrective action No. 5 of the Ministry of Industry and Trade (letter No. 46478/2013/21500/21200 from November 11, 2013) brought reduction of wage funds for 2013 by 51,652 CZK. With effect from November 1, 2013, one systemized work place was transferred, including wage funds, in favour of the Czech Proof House for Arms and Ammunition based on "Agreement on transfer of systemized work place" from October 22, 2013. After the modification, the limit of wage funds amounted to 146,227,348 CZK for the foreseen number of employees of 471 (average monthly wage 25,817 CZK).

The list of obligatory factors was changed by the budgetary corrective action of the Ministry of Industry and Trade No. 7 from December 10, 2012 (file number 50852/2013/21500/21200) upon the CTIA's request after the needs of funding for 2013 had been calculated. This action changed the obligatory factors in the sense of reduction of funds available for other personal expenses by 975 thousand CZK.

The financial resources for compensations of wages were reduced by the amount of 1,007 thousand CZK. The total reduction amounted to 1,982 thousand CZK. This amount increased the funds for compensations for employees to whom the organization was - based on binding court decisions - obliged to pay compensations for illegal termination of employment relationship.

After the changes had been made, the final list of the obligatory factors amounted to 0 thousand CZK in the compensation payments item, 1,077 thousand CZK in the other personal expenses item, 146,227,348 CZK were the resources for employees' wages (i.e. the average monthly wage amounted to 28,207 CZK when the calculated number of employees was 432), and 1,982 thousand CZK was allocated for the compensations of wages.

In 2013, there was no increase of wage funds in relation to the payment of wage expenses for the operation of the European Consumer Centre that is organizationally integrated into the CTIA. The financial resources were increased by the total of 1,182,497 CZK, including 1,088,257 CZK for wages and 94,240 CZK for other personal expenses.

Thus, it was possible to use wage funds up to the amount of 147,315,605 CZK, funds for other personal expenses up to 1,171,240 CZK. The limit of wage funds amounted to 148,486,845 CZK when the above mentioned increase was included.

Funds for compensations of wages were budgeted in the amount of 1,982 thousand CZK.

The use of the wage funds limit in 2013 amounted to 148,378,680 CZK, out of which wage payments amounted to 147,314,630 CZK while the recalculated average number of (really working) employees was 414. The real average monthly paid wage was 29,653 CZK per 1 employee.

Funds allocated to other personal expenses amounted to 1,064,050 CZK; compensation payments were not used.

Education of employees 2013

Training actions for employees of the CTIA in 2013 were focused on raising professional qualification of inspection officers – executive inspectors and other employees, especially in the field of legislation, communication skills, and foreign languages.

CTIA employees also attended courses organized by the Institute for Public Administration Prague (IPAP) which provides specialised courses for employees of state administration authorities. The agenda of IPAP stems from the Government Resolution No. 1542 on Rules for Education of Employees of Public Administration Authorities.

Raising professional qualification

Specialized courses were focused on application of individual government orders pursuant to the Act No. 22/1997 Coll. on Technical Requirements for Products, the Act No. 102/2001 Coll. on General Safety of Products and other supervised laws in the field of consumer protection, concerning e.g. toys and child care products, pressure equipment, construction products, trademarks and other products.

Specialized seminars concerned wastewater treatment plants, use of the database of the European Information and Communication System for Market Surveillance (ICSMS) as well as international surveillance actions PROSAFE.

In 2013, the total of 99 employees participated in courses in compliance with *Rules for Education of Employees of Public Administration Authorities* organized by the Institute for Public Administration Prague (IPAP). The participants got a certificate of successful completion of e-learning courses of initiate and subsequent training as well as in programmes of continuous and advanced education. The courses concerned for example the following areas: ethics and anticorruption measures, Administrative Code, provision of information from administrative file, New Civil Code, communication with the media, communication skills, conflicts and their resolution, principles of correct correspondence, Electronic Document Filing Service, Anti-discrimination Act, and Word and Excel programmes in practice of officers.

Selected employees participated in specialized courses and seminars organized by educational agency and institutions and especially focused on new legislation in the following fields: labour-law relations and human resources, wage changes, accounting in state administration, and so forth.

Specialized courses focused on commercial law contracts, contracts and liabilities as provided by the Civil Code, the New Civil Code, insolvency and administrative proceedings, new Act on State Control, e-commerce and European law, etc., were

intended mostly for employees of the Legal Department or chiefs of administrative-legal departments of individual inspectorates.

Selected employees of individual units of the General Inspectorate took part in courses concerning public contracts, energy labelling of buildings (Building Act), right for information, official and commercial communication, media skills and prevention of risks.

At the same time, trainings on safety and protection of health at work, fire protection, and trainings of drivers were continuously held.

The following two 2-days courses were organized in cooperation with the education agency Psycho & Educo. The course „*Basics of communication within inspection activities*“ was intended for new employees. Its content was among others focused on effective negotiations with people, communication barriers and how to brake them within inspections, emotional frustration of inspected person, model situations, factors that influence success of communication, communication techniques, social skills, negotiation styles and communication types, conflicts and their resolution, use of assertiveness within inspection activities and so forth. A total of 14 employees took part in the course. The course “*Communication skills for managers*” was intended for selected manager employees of individual inspectorates. The course was mainly focused on manager’s personality, communication techniques, management styles, motivation factors, time management, effective way to hold meetings, creativity in management work and so forth.

As regards IT technologies, trainings of administrators of software systems Mercurius and Bit9 were carried out.

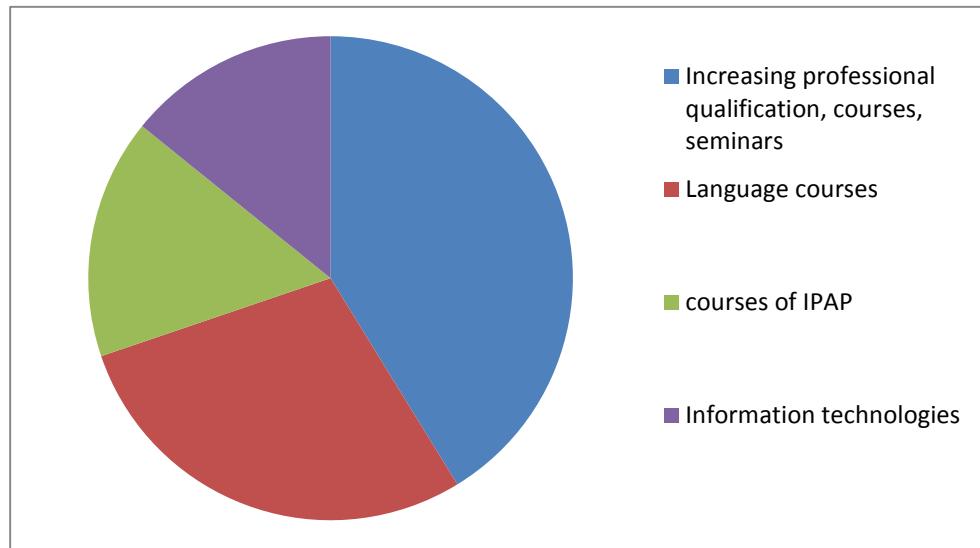
Learning foreign languages

Language courses that were provided by external specialized agencies or language schools were available to those employees who use foreign languages within their work in order to improve their skills or keep their level. English courses were carried out at the General Inspectorate and inspectorates seated in Prague, České Budějovice, Pilsen, Ostrava and Olomouc. 47 employees attended the courses.

Expenditures on education

In 2013, the total of 695,276.45 CZK were used for trainings and education of employees, including 286,662,45 CZK for increasing professional qualification and other courses and seminars with specialized focus, 111,510 CZK for courses at IPAP Prague, 98,615 CZK for courses of information technologies, and 198,489 CZK for language courses.

Due to austerity measures, some training courses focused on individual government orders were held reciprocally with other state administration authorities or lead by our own lecturers. In other cases the courses were carried out within contract of services.



PUBLIC RELATIONS

Communication department – public relations, communication with the media

Communication of the CTIA with the public, especially via the media, became significantly more intensive. Active cooperation with the communication and marketing department of the Ministry of Industry and Trade also became much closer. 166 press releases were published, most of which – besides being available on the website of the CTIA – was sent to the media. (For comparison – 107 press releases were published in 2012.) Website of the CTIA also got a new dynamic and attractive design.

In July 2013, the CTIA organized a press conference at which Deputy Minister of Industry and Trade was present and at which results of the first half-year of 2013 were presented, especially in the area of presentation sales events, e-commerce, consumer credit, counterfeits as well as results of extraordinary inspection actions focused on deceitful commercial practices of vendors who offer precious stones and sell used cars.

Results of the activities of the Czech Trade Inspection Authority and other information intended for wide public were presented in the press, radio, television, and online media with more than 4,300 media appearances which was by 1,300 more than in the previous year.

In 2013, regional inspectorates also deepened their cooperation with local media. TV crews participated in presentations of results of carried out inspections of marketplaces (counterfeits) and there were a number of actual columns in the press, interviews and radio educational programmes or reports on actual consumer issues in specialized TV shows.

The entire year was medially represented by struggle against so-called "crooks" (*šmejdi*) – unfair entrepreneurs and sellers who use unfair commercial practices especially at presentation sales events and act illegally when forcing selected and subsequently invited consumer groups, particularly seniors, to purchase overcharged goods and conclude unfavourable consumer credit contracts. They often use aggressive commercial practices. The media action was launched by a documentary *Šmejdi (Crooks)* by Silvia Dymáková. The CTIA actively participated in screening of the film and subsequent discussions. Based on requests from municipalities, the CTIA accepted a number of invitations to discussions held at homes for seniors and schools throughout the country and gave a number of lectures and seminars on defence against aggressive practices of sellers especially at presentation sales events and excursions.

An important step towards more transparency and openness was CTIA's participation in the project called *Open Data*. On September 28, which is the *International Right-to-Know Day*, the Czech Trade Inspection Authority made available on its website data sources concerning its inspection activities, lawfully imposed sanctions and prohibited products. The CTIA does not participate in development of applications for use of provided data, but it went the same way as institutions in other countries and it suggested that it is up to nongovernmental institutions to develop such software. Publication of data is not costly for the CTIA. Data is regularly updated in original files once in three months. The content of the files is intended not only for citizens and the media, but also developers of computer programmes from both private sector and academic sphere.

The media were mostly interested in continuous results of inspections of presentation sales events, e-shops, and consumer credit, detected cases of risky products, especially toys, but traditionally also results of inspections of collected fuel samples and subsequently imposed fines that are continuously published on the website of the CTIA.

The Communication Department answered all questions from journalists, consumers and professional and consumer associations concerning results of inspection activities and CTIA competence, consumer rights, claims and so on. 103 requests pursuant to the Act No. 106/199 Coll. on Free Access to Information were answered.

Cooperation with public benefit organisation Test continued when the CTIA was provided a number of information material for consumers. These brochures were distributed through Information and Advisory Service of the CTIA and at various discussions and lectures in which CTIA employees participated.

Overview of preventive educational activities of the CTIA in 2013

Section of the CTIA	Number	Participants	Topic
Inspectorate Jihočeský and Vysočina	8	seniors	Protection against sellers' unfair commercial practices and related consumer rights
	8	students of secondary schools and universities	Position of consumers in applicable legislation and competence of the CTIA; consumer protection as stipulated in the new Civil Code (NOZ)
	2	interest groups	Position of contractor pursuit to NOZ and fulfilment of public law obligations inspected by the CTIA; sellers' obligations towards consumers within sale of goods and provision of services
Jihomoravský and Zlínský Inspectorate	12	seniors	Presentation sales events
	1	entrepreneurs	Inspection activities of the CTIA
Moravskoslezský and Olomoucký Inspectorate	11	seniors	Protection against unfair commercial practices at presentation sales events
	2	students	Inspection activities of the CTIA – counterfeits and information obligations
Ústecký and Liberecký Inspectorate	8	seniors, students and the public	Protection against sellers' unfair commercial practices and related consumer rights
Středočeský and Prague Inspectorate	7	seniors	Protection against unfair commercial practices at presentation sales events and Inspection activities of the CTIA
	2	entrepreneurs	The Act No. 22/1997 Coll., electric products and medical devices
Plzeňský and Karlovarský Inspectorate	7	seniors	Protection against unfair commercial practices at presentation sales events
	1	students	Inspection activities of the CTIA
	3	Entrepreneurs, professional associations	Inspection activities of the CTIA, interpretation of certain provisions of the Act No.634/1992 Coll. as amended
Královéhradecký and Pardubický Inspectorate	10	seniors, students of secondary schools and universities as well as University of the Third Age	Risks of presentation sales events and deceitful commercial practices, activities and competence of the CTIA, legal regulations under surveillance of the CTIA, consumer rights concerning claims, amendments of the Civil Code
Division of Engineering, International Cooperation and Consumer Protection – General Inspectorate of the CTIA	10	seniors	Protection against sellers' unfair commercial practices at presentation sales events
	4	manufacturers	Labelling of textile, e-commerce
	3	surveillance bodies	Inspection activities and international collaboration of the CTIA in 1 st and 2 nd half of 2013
	9	professional public	Permanent Board of Education – preparation and organisation of educational activities for professional public; activities of the CTIA; counterfeits



European Consumer Centre

The European Consumer Centre (ECC) Czech Republic originated in 2005 within the Ministry of Industry and Trade and since January 1, 2009, it has operated within the CTIA. It provides free-of-charge information to Czech consumers about their rights associated with shopping in other EU countries, Norway, and Iceland, and it helps them resolve cross-border disputes with sellers of goods and providers of services from the above mentioned countries. The ECC activities are financed by the European Commission and the Czech Trade Inspection Authority. The ECC is not authorized to deal with disputes of Czech consumers with Czech traders.

When resolving disputes, the lawyers of the ECC CZ cooperate with their colleagues from the European Consumer Centres' Network (ECC-Net). In 2013, the Czech ECC dealt with 928 consumer contacts within its information and advisory activities. When compared with the previous year, there was an increase by 10% in the number of cases in which the Centre directly helped consumers resolve their complaints with traders from other EU countries, Norway, and Iceland.

Besides direct assistance to consumers and information and advisory services in the area of consumer rights in the European market, the ECC in cooperation with foreign partners from the above mentioned countries (ECC-Net) took part in a number of activities in favour of spreading information to consumers about their rights in the internal market of the EU, e.g. information campaign on air passenger rights at European airports or participation at travel trade fairs and information campaign on international buses. It also reedited its brochures concerning consumer rights when buying goods or using services elsewhere in the EU, and so forth.

INSPECTION ACTIVITIES OF INSPECTORATES

Středočeský and Prague Inspectorate

The Inspectorate carried out its inspection activities in the field of general inspection within the Central Bohemia Region ("Středočeský kraj" in Czech) and the capital of Prague, as well as technically focused inspections on the whole territory of the Czech Republic. It is the largest CTIA inspectorate when it comes to the number of employees which imposes higher demands on organization, planning and ensuring of inspection activities.

Inspection activities were carried out not only in compliance with the "Plan of Projects of the CTIA for 2013" but also with focus on the inspectorate's own scheduled inspection actions, execution of international actions stemming from membership of the Czech Republic in the European Union and from cooperation in working groups of European surveillance authorities.

Annual inspection actions

- Offering or selling goods or services infringing certain intellectual property rights, including e-commerce

Inspections were traditionally aimed at counterfeits offered and sold at marketplaces, especially at the Prague Market (Prague 7), marketplace at the Tiskařská Street (Prague 10) and the SAPA marketplace (Prague 4). These inspections were executed in cooperation with the members of the Police of the Czech Republic - Regional Directorate of the Alien Police, Prague Metropolitan Police, and members of the Customs Office. Offering and selling of fakes increasingly moves to the internet. Inspectors of the CTIA react to this fact and search fakes online while using also suggestions from consumers. In 2013, the assortment of products infringing certain intellectual property rights did not differ from previous years.

- e-commerce – inspections were mostly carried out based on consumers' suggestions that increase in numbers through the time due to increasing popularity of this type of shopping. The very most cases concerned insufficient, misleading or missing information to consumers in the sense of section 53 of the Act No. 40/1964 Coll., the Civil Code. This information is usually provided in business terms and conditions, purchase rules or complaints rules available on their websites.

- consumer credit – major shortcomings were detected in advertising concerning consumer credit while absence or incorrect Annual Percentage Rate of Charge was the most frequent misconduct. Inspections also focused on whether telephone lines with defined price are used within offering, negotiating or intermediating consumer credit through voice phone communication. These inspections were also carried out based on numerous submissions from consumers who spent tens thousands of crowns for phone calls without even having concluded consumer credit contracts. The matter was solved in cooperation with the Police of the Czech Republic and the Czech Telecommunication Office.

- presentation sales events

The inspectorate paid increased attention to inspections of this focus. Most of the inspections started based on submissions from consumers and inspectors focused on proving violations of prohibition to use unfair commercial practices. Sellers use unfair commercial practices when providing untruthful information to consumers in concluded sales contracts. These practices are intentionally targeted on seniors who are often offered various prizes, advantages or presents with the vendors' aim to make them conclude unfavourable sales contract. Violations of law were detected in 78% of cases.

- toys intended for children under 36 months, children from 3 to 14 years of age and child care articles

Inspections were carried out in both classic shops and e-shops. Most inspections concerned distributors and in the case some shortcomings were detected, terminated measures concerning removal of detected shortcomings (e.g. supplementation of important information in Czech) were imposed and subsequently it was checked whether shortcomings were removed. Based on a consumer's submission, one product type was collected to check its safety. The collected sample met the requirements of law. No toy notified into the RAPEX system was discovered within monitoring of the market.

- general safety of products

In the field of general safety of products, inspections employees of the inspectorate focused on safety of bicycles and prams and inspections of conditions for distribution of these products. In terms of assessment of safety according to the Act No. 102/2001 Coll. on General Safety of Products, 6 products (e.g. prams, playpen for children) were collected. Laboratory assessment and subsequently risk analysis showed that all six product samples failed safety standards according to the Act No. 102/2001 Coll. on General Safety of Products.

As well as in the past, the Středočeský and Prague Inspectorate cooperated with other state administration bodies, especially trade licensing offices, Police of the Czech Republic, Prague Metropolitan Police, Customs Administration, Assay Office, and the Czech Proof House for Arms and Ammunition. Collaboration with trade licensing offices is based on regular monthly inspections. Cooperation with the Police of the Czech Republic and the Prague Metropolitan Police was realised ad hoc, especially within inspections of restaurant services during evenings and nights, taxi cabs and counterfeits. In 2013, inspections of solid fuels were carried out in cooperation with the Police of the Czech Republic and the Customs Administration. A scale set of the Customs Administration is used within these inspections directly at consumer's place where solid fuel is delivered. Inspection focused on honesty of sale could be carried out directly at consumer's, i.e. on the spot of delivery. Truck was weighed with the cargo, and subsequently after the coal was unloaded at consumer's it was weighed again without the cargo. Breaches were detected in 42% of cases.

Significant part of the inspectorate's activities and cooperation with customs bodies was issuing of the total of 68 binding position papers on release of products from

third countries to the EU internal market (pursuit to section 13 par. 5 of the Act No. 64/1986 Coll. on CTIA). Most frequently statements were required concerning toys and electric products, i.e. selected products according to the Act No. 22/1997 Coll. on Technical Requirements or Products.

The inspectorate registers annual growth concerning submissions from consumers – on the phone, through e-filing registry, and mail). The submissions are handled within advisory activities. In 2013, the inspectorate received and answered a total of 8,154 submissions. Submissions that are out of CTIA's competence are forwarded to competent authorities, most frequently the State Agricultural and Food Inspection Authority, Czech Telecommunication Office, trade licensing offices or bodies of public health. Suggestions were resolved by inspection to the respective subject and subsequent measures imposed by the inspectorate. Queries were resolved in the form of professional reply. Advisory and information service is provided daily in the inspectorate's seat and at 9 municipality offices within the region on defined dates. A telephone line is available to consumers every day.

Inspection actions of the Středočeský and Prague Inspectorate of the CTIA	Number of inspections	Inspections with findings	Findings in %
Inspections related to a match of Super Cup	157	63	40.1%
Refreshments in dining cars and trains in general	4	2	50.0%
Discos	6	4	66.7%
Amusement devices	30	23	76.7%

Technical Inspection Department – Inspectorate Středočeský and Prague

In 2013, the Technical Inspection Department (TIC) carried out surveillance in the scope of the plan of inspection activity as well as its own inspection projects, including the participation in European inspection campaigns which resulted from the Czech Republic's membership within the European Union. Special attention was paid to cases received from other state administration authorities – Czech as well as foreign (according to the Regulation of the European Parliament and of the Council No. 765/2008), as well as inputs by consumers and the professional public which concerned the safety of products placed on the market.

At the request of customs authorities, binding standpoints concerning the release of products, mainly electric and electronic devices, into the internal market of the EU were issued. The TIC further cooperated with other state administration authorities and surveillance authorities of the Czech Republic. The cooperation within the inspection activity on the international level, including the participation of the TIC in all-European control projects (i.e. lawnmowers, battery chargers, reflective clothing with high visibility, and switch-mode power supplies for notebooks and similar

devices) took place through the Section of Technology, International Cooperation, Services, and Consumer Protection.

Lawnmowers

The inspection concerned electric lawnmowers with a cable. All 90 types of inspected lawnmowers were marked in the stipulated way, including the CE conformity marking, and the information on the guaranteed level of acoustic performance. Products were accompanied by instructions for use and maintenance in different languages, including the Czech language, as well as the EC declaration of conformity. Within this inspection, 3 types of lawnmowers were collected for assessment by a competent person (in a testing laboratory). According to results of partial tests, collected samples fulfilled standards stipulated by regulations and declared by respective manufacturers.

Battery chargers

This inspection project was focused on power supplies and chargers (in general, called AC/DC adapters). The inspection concerned the assessment of electric safety and electromagnetic compatibility of these stipulated products, and research at entrepreneurial entities (distributors) that supplied the given products to final sellers. The inspection project was initiated in 2012. It was extended due to its large scope and it will be concluded in 2014.

Switch-mode power supplies for notebooks

The inspection concerned the verification of technical requirements for EMC emission for collected samples of products – switch-mode power supplies (network adapters) which are provided with notebooks. It was part of a joint cross-border surveillance project – the 5th ADCO EMC campaign focused on switch-mode (non-original) power supplies for notebooks and similar devices (Ultrabook, MACbook, PCtablet). All inspected products in the Czech market had the CE marking, they were provided with operating instructions and the labelling of these products was sufficient for these products to be safely used as appliances. 5 types of products were collected for an assessment by a test laboratory. Two of these collected types of switch-mode power supplies failed the requirements of the applicable technical standard in terms of harmonic current emissions, injected into the public distribution network, produced by the respective tested device. The TIC took steps to stop their further distribution.

Reflective clothing

The TIC also participated in the international surveillance project aimed at the verification of whether during the sale of high visibility reflexive clothing for professional and unprofessional use the parameters of these products are in compliance with requirements of harmonized technical standards. Inspections were carried out at distributors of personal protective equipment – reflective clothing and reflective accessories. Inspectors collected samples of products which are offered to final consumers, and at the same time they inspected their accompanying documents and labelling. Insufficiencies were discovered mainly in the accompanying documents and marking of products according to ČSN EN 1150. 9 samples were collected, out

of which 3 according to tests results did not comply with the requirements of the declared standard concerning the retro-reflection coefficient. After the evaluation of the tests, steps were taken to prevent further distribution of these reflective clothes.

Inspection projects of the TIC on the national level:

Plasterboards and accessories

The inspection concerned plasterboards and accessories necessary for their assembly – mainly structural elements, couplers and fasteners, metal trim, joint materials, and plaster glue with features stipulated by harmonized technical standards. These construction products were controlled for the fulfilment of requirements according to Government Order No. 190/2002 Coll. which stipulates technical requirements for construction products with the CE conformity marking (replaced by the Regulation of the European Parliament and of the Council No. 305/2011 as of July 1, 2013). CTIA inspection workers verified whether these products met the requirements for market introduction, whether they were labelled with the stipulated CE marking, and whether they were correctly labelled with the product description according to its character, purpose of use, and with other required information in terms of requirements of respective standards. In the case of products used for mounting plasterboards, it was discovered that they were not always labelled with the CE marking or they were missing some stipulated information and characteristics. In some cases, their labelling did not correspond to the requirements of the respective regulation of the European Parliament and of the Council No. 765/2008 which stipulates the requirements for accreditation and market surveillance, concerning the placing products on the market. The products also did not have the correct labelling which would correspond to their character and purpose of use.

Domestic waste water treatment systems up to 50 ENI

The inspection project concerning packaged and/or on-site assembled waste water treatment systems up to 50 ENI (equivalent number of inhabitants) was carried out based on input by the Water Protection Department of the Ministry of the Environment. It was initiated in 2012, and due to its large scope it was concluded in 2013. The inspection focused on construction products (domestic waste water treatment systems), whose assessment of conformity is governed by the harmonized technical ČSN EN 12566-3+A1. Selected products were inspected for the fulfilment of stipulated requirements according to the Government Order No. 190/2002 Coll. which stipulates technical requirements for construction products with the CE marking. The inspection was focused on the correctness of the information stated in the CE declaration of conformity concerning purification effectiveness with regard to presented protocols on the initial type testing and fulfilment of other requirements resulting from the government order. Besides insufficiencies in the fulfilment of obligations resulting for manufacturers from the Act on Technical Requirements for Products, inspections also discovered more non-homogeneous/ non-standard procedures of individual AO/NO during the process of conformity assessment according to the stipulated procedure/ system 3, where the manufacturer secured the performance of the initial type testing of the product by an authorized person and pursued the production management system.

Flexible textile and laminate floor coverings

The inspection concerned floor coverings whose assessment of conformity and labelling is governed by the harmonized technical standard ČSN EN 14 041 Flexible, textile and laminate floor coverings – Essential Qualities. The aim was to verify that inspected products fulfilled stipulated requirements pursuant to the Government Order No. 190/2002 Coll. which stipulates technical requirements for construction products labelled with CE, and to ensure fulfilment of other terms resulting from the Act No. 22/1997 Coll. and Act No. 634/1992 Coll. on Consumer Protection, based on findings from initial inspections at distributors by respective regional inspectorates. At the same time, the inspection was focused on the existence of instructions for installation, maintenance, and specification of the implied use. No serious flaws were discovered.

Decorative wallpapers

Technical requirements for decorative wallpapers – wallpaper products in rolls and in the form of boards intended for hanging on inner walls, partitions or ceilings by means of glue, are stipulated by Government Order No. 190/2002 which stipulates technical requirements for construction products labelled CE. The TIC inspectors were supposed to carry out inspections at distributors and suppliers based on findings from inspections at distributors carried out by regional inspectorates. To map the situation, there was an inspection by the TIC at one distributor focused on the information on CE marking (label), which should be placed on the packaging or in the trade documents accompanying the wallpaper product (e.g. delivery note). Wallpaper products placed on the market after January 1, 2011, should be accompanied by the CE marking, and the distributor should have complete information on the CE marking. At the same time, the inspection was focused on the existence of operating instructions in the case that pictograms according to EN 235 were not used directly on the product.

Electric products at distributors

The aim of this inspection was to verify at the manufacturer authorized representative and supplier (based on findings from initial controls at distributors of electric products) the fulfilment of stipulated requirements according to the Government Order No. 17/2003 Coll. which stipulates technical requirements for low-voltage electric devices, and No. 616/2006 Coll., on technical requirements for products in terms of their electromagnetic compatibility. The inspection itself was focused on whether inspected products fulfilled the technical requirements of the respective legal regulations. 10 types of stipulated products were procured for further investigation to the TIC from regional inspectorates. These products were not provided with complete safety instructions and information on product features in the official language of the country in which the product is supposed to be sold, i.e. in Czech. The inspection did not discover any shortcomings concerning the obligatory CE conformity marking.

Vacuum cleaners and water-suction cleaning appliances

Inspection was above all focused on accompanying documentation as well as on whether inspected products meet technical requirements of applicable legal

regulations. The objective was to check whether manufacturers, authorized representatives, importers, and distributors of vacuum cleaners and cleaning appliances comply with determined requirements pursuit to the Government Order No. 17/2003 Coll. that lays down technical requirements for low voltage electric equipment, and Government Order No. 616/2006 Coll. that lays down technical requirements for products relating to their electromagnetic compatibility, or pursuit to the Government Order No. 481/2012 Coll. on the restriction of the use of certain hazardous substances in electrical and electronic equipment in compliance with Directive 2011/65/EU – RoHS. Within the inspections, no products without CE marking were detected and inspected vacuum cleaners also showed no shortcomings that could endanger users' health, life or property, even though these products may potentially be risky.

Projection and lighting equipment for concerts and discos

The aim of the inspection was to check whether manufacturers, authorized representatives, and importers, or distributors of projection and lighting equipment comply with stipulated requirements pursuit to the Government Order No. 17/2003 Coll. that lays down technical requirements for low voltage electric equipment. The inspection was focused on whether inspected products that use especially LED technology meet technical requirements of the above mentioned legal regulations, above all whether they are equipped with information for consumers in Czech, including safety instructions.

Protective gloves for welders

The inspection action was focused on personal protective equipment protecting against various risks and intended to use for manual welding and cutting metals as well as mounting procedures in order to protect an individual against small splashes of molten metal, against short-term effects of not a very large flame, against heat shared in convection, against thermal contact conduction, and against UV radiation from electric welding arc, and to protect against adverse mechanical effects. All products were equipped with accompanying documentation within instructions for use. Inspected products were labelled with the required CE marking in compliance with requirements of applicable legal regulations. Misconducts concerning absence of obligatory marking were detected concerning certain protective gloves: products were not equipped with pictograms or information about the product or manufacturer. Inspected subjects took actions to ensure remedy of detected shortcomings.

Car jacks

Vehicle lifts are with regard to their electromagnetic compatibility selected products pursuit to the Government Order No. 176/2008 Coll. on Technical Requirements for Products. The first phase of the inspection consisted of visits to workplaces of car repair shops where technical findings concerning the use of vehicle lifts were made after agreements with vendors. Inspections also brought information about suppliers, manufacturers or importers where placing of products on the market as well as putting them into operation was subsequently checked. The inspection concerned the total of 70 product types. The following shortcomings were detected: failure to provide declaration of conformity in accompanying documentation, incomplete

assessment of conformity of EMC requirements, production label with incomplete information. Inspected subjects took action to ensure remedy the detected shortcomings.

Inflatable boats

The subjects to inspection were inflatable boats that are both determined by the Act No. 22/1997 Coll. on Technical Requirements for Products, in the consequence of the Government Order No. 174/2005 Coll., and governed by the Act No. 102/2001 Coll. on General Safety of Products and the Act No. 634/1992 Coll. on Consumer Protection (further on referred to as ACP) as amended. The total of 30 types of boats was inspected and shortcomings were detected especially concerning missing information in affixed instructions for use and CE declaration of conformity. Further, incomplete information and missing information on product label were detected. Collection of the boat PACIFIC was carried out to expert assessment. The assessment of its characteristics showed violation of information obligation to enable customer to use adequate pump as stipulated in Article 10 of ČSN EN ISO 6185-1. No pump was delivered together with the product and no information was provided about what pump with which valve type can be used.

Safety valves

Objective of the inspection was to check technical requirements for safety valves that are placed on the market and compliance of accompanying documentation with applicable legislation when elementary requirements related to the above mentioned products are met. The requirements are stipulated in Government Order No. 26/2003 Coll. that lays down technical requirements for pressure equipment. Subjects to inspection were direct acting relief valves that serve as safety elements for pressure equipment. A safety valve is a fitting that automatically releases a certain amount of liquid and, thus, prevents any exceedance of the safe pressure without any other contributing energy than the one released by the respective liquid designed for the follow-up resealing, which returns the fluid flow into the normal operating pressure conditions. Inspection action focused directly on safety valves PED was carried out in order to find out the state within production and distribution of these products. All inspected persons carried out conformity assessment of selected products in compliance with the inclusion of safety valves among the safety devices of pressure equipment of fourth category pursuit to the Government Order.

Inspections of regularity of placing of fuel dispensers and non-automatic weighing instruments on the market and putting them into operation – within simultaneous inspection of regularity of operation of these measuring instruments within sale

Non-automatic scales were inspected pursuit to the Government Order No. 326/2002 Coll. that lays down technical requirements for non-automatic weighing instruments, and fuel dispensers according to the Government Order No. 464/2005 Coll. that lays down the technical requirements on measuring instruments. The inspection was focused on regularity of placing these products on the market and putting them into operation. Certification for use of weighing instruments required for use within

commercial distribution and sale was also checked. In 7 cases the determined period for certification was not complied with despite it is required by applicable legislation.

Play elements at children playgrounds

Surveillance was focused on manufacturers of play elements for children's playgrounds in terms of compliance with requirements of the Government Order No. 173/1997 Coll. that lays down selected products for conformity assessment, affix No. 2 item 6 – Amusement Devices – Children's playground equipment. CTIA's procedures concerning operators comply with section 3 of the Act No.102/2001 Coll. on General Safety of Products. Manufacturer determines conditions for operation of play elements of children's playgrounds based on section 6 of the standard ČSN EN 1176 -1.

Defects detected within inspection at operators (misconducts concerning the list ČSN EN1176) were mostly caused by operation of the devices however cases of defective construction by manufacturers or inconvenient installation were also detected. Within every inspection, inspectors checked documents related with conformity assessment (conformity assessment, certificates concerning types, test protocols) and appearance of risky play elements – i.e. from the view of construction of produced play element, installation of equipment as well as maintenance of the devices. Rate of risk was analysed concerning detected defects and subsequently scenario of potential injury was described in protocol of inspection. Respective taken action corresponded with the significance of the defect. Children's playgrounds' equipment is products intended for the most threatened user group – children. They do not concentrate on potential risks when playing and therefor risks should be reduced to as minimal level as possible. The inspection action and information provided to operators about risks and consequences stemming from failure to meet the requirements of ČSN EN 1176-1 and ČSN EN 1177 served their purpose especially in case of municipality offices and kindergartens. Three meetings were held in cooperation with professional association of inspectors DH SOTKVO as well as consumer association. The meetings resulted in inspectors of children's playgrounds SOTKVO having promised that they would provide documentation for further CTIA's inspections. In addition, CTIA's competence was explained in detail. Regional inspectors were lectured on the issue of children's playgrounds and unification of procedures within inspections of operators. The issue of a play element being assessed pursuit to EN 71 as a toy on public playgrounds and procedure concerning prohibition of noncompliant play elements was also resolved.

Product inspections by Technical Inspection Department and inspectorates

Inspection workplace	Technical Inspection Department			Inspectorates		
	Total number of inspections	Inspections with findings	Detected violations in %	Total number of inspections	Inspections with findings	Detected violations in %
Inspections of toys*)				1,176	629	53.5%
Inspection of children's scooters*)				90	45	50.0%
Plasterboards and accessories	31	26	83.9%			
Resilient, textile and laminate floor coverings	3	1	33.3%	95	54	56.8%
Fire doors with declared fire resistance	21	4	19.0%			
Packaged, site assembled domestic wastewater treatment plants	13	8	61.5%			
Decorative wallpapers – wallpaper products concerning rolls and boards intended for gluing on interior walls, interior partitions or ceilings	1	1	100.0%	91	48	52.7%
Electric devices were checked at distributors in the market network. Product marking, operation instructions and other accompanying documentation	5	5	100.0 %	497	192	38.6%
Vacuum cleaners and water-suction cleaning appliances	61	3	4.9%			
Projection and lighting equipment for concerts and discos	14	4	28.6%			
Protective gloves for welders	18	3	16.7%			
Car jacks	48	3	6.3%	187	84	44.9%
Inflatable boats	23	18	78.3%			
Pregnancy tests	13	0	0.0%			
Safety valves	15	0	0.0%			
Regularity of placing of fuel dispensers and non-automatic weighing instruments on the market and putting them into operation	26	8	30.8%			
Play elements at children's playgrounds	27	19	70.4%	97	13	13.4%
Inspection of aerosol sprayers *)	62	12	19.4%	1,688	814	48.2%
Bicycles and prams*)				129	42	32.6%
Fuel quality*)				10	6	45.5%

*) These inspection actions were not carried out by the TID, but all CTIA inspectorates within investigations and general inspection

Number of inspections carried out according to individual government orders in 2012 and 2013*)

Government Orders relating to the Act No. 22/1997 Coll.	Number of inspections		Inspections with findings			
	Total		Number		in %	
	2012	2013	2012	2013	2012	2013
9/2002 Coll., noise emissions - products	66	32	5	1	7,6%	3,1%
17/2003 Coll., low voltage electrical equipment	497	495	113	13 8	22,7%	27,9%
20/2003 Coll., simple pressure vessels	6	6	2	0	33,3%	0,0%
21/2003 Coll., personal protective equipment	63	75	29	22	46,0%	29,3%
22/2003 Coll., appliances burning gaseous fuels	30	19	13	16	43,3%	84,2%
23/2003 Coll., systems with explosive risk	34	18	1	0	2,9%	0,0%
25/2003 Coll., hot-water boilers	0	0	0	0	0,0%	0,0%
26/2003 Coll., pressure equipment	77	113	7	0	9,1%	0,0%
27/2003 Coll., lifts	24	0	3	0	12,5%	0,0%
42/2003 Coll., transportable pressure equipment	9	3	2	0	22,2%	0,0%
70/2002 Coll., for equipment to carry persons	0	6	0	3	0,0%	50,0%
154/2004 Coll., active implantable medical devices	3	1	0	0	0,0%	0,0%
163/2002 Coll., selected construction products	92	189	35	55	38,0%	29,1%
173/1997 Coll., selected products	18	75	14	52	77,8%	69,3%
174/2005 Coll., recreational crafts	21	32	12	22	57,1%	68,8%
176/2008 Coll., machinery	194	206	11	6	5,7%	2,9%
179/2001 Coll., refrigeration appliances	0	1	0	0	0,0%	0,0%
190/2002 Coll., construction products bearing the CE marking	192	163	55	71	28,6%	43,6%
194/2001 Coll., aerosol sprayers	0	1750	0	82 6	0,0%	47,2%
326/2002 Coll., non-automatic weighing instruments	97	77	9	8	9,3%	10,4%
336/2004 Coll., medical devices	109	119	46	40	42,2%	33,6%
365/2005 Coll., the emission of pollutants from exhaust gases of spark ignition engines	53	20	3	0	5,7%	0,0%
426/2000 Coll., radio and telecommunication terminal equipment	80	60	36	14	45,0%	23,3%
453/2004 Coll., in vitro diagnostic medical devices	4	18	3	1	75,0%	5,6%
464/2006 Coll., measuring instruments	135	129	35	26	25,9%	20,2%
616/2006 Coll., electromagnetic compatibility	531	490	113	12 9	21,3%	26,3%

*) These are only controls carried out by the TIC, i.e. not search and investigations in the frame of general control

Jihočeský and Vysočina Inspectorate

The Jihočeský and Vysočina Inspectorate of the CTIA carries out its inspection activities on 21.4% of the territory of the Czech Republic. With the given geographical distribution, longer driving distances as well as higher demands on the organization and planning of controls are related to the surveillance exercise.

Within annual inspection actions controlled by the Director General of the CTIA in the area of general inspection in 2013 the priorities were the same as in the previous years: national actions focused on the level of arrangements of consumer credit, inspection of fuel quality and inspection of offering and selling products through the means of distance communication, i.e. through the internet. In comparison with the previous year, stress was increasingly paid to inspection of presentation sales events and related consumer contracts, which was especially with regard to increased attention of the public paid to this type of business. Individually or in cooperation with the Alien Police Department of the Regional Directorate of the Police of the South Bohemian Region inspections were carried out with the aim to protect certain intellectual property rights. After the results were evaluated, it is obvious that the trend of declining activities of marketeers in the South Bohemian border region continues as vendors increasingly move to ordinary stores. CTIA inspections still are limited by the so-called permanent surveillance of the customs authorities at marketplaces that has long-term paralyzed commercial activities in the respective locations.

In terms of findings within non-regulated sphere, especially inspections of the so-called summer touristic season at the most attractive locations of both regions – water damps Lipno and Orlík and the towns of Český Krumlov, Telč, and Hluboká nad Vltavou – were evaluated as the most effective. On the contrary, very low rate of findings was detected during operative inspections focused on consumer discrimination and inspection of conditions concerning sale of tobacco and cigarettes.

Inspectorate's own inspection actions again concerned the exhibition Země živitelka which is traditionally focused not only on agricultural machinery, but also on sales presentations of consumer goods, and where visitors are also offered various services within accompanying programme. With regard to the national significance of the exhibition and the range of services offered, Země živitelka is regularly under surveillance by the inspectorate as well as another exhibition "Hobby 2013" that was organized both in the spring and the autumn.

Inspections in cooperation with other state administration bodies systematically continued only with appropriate trade licensing offices. These inspections can be evaluated as successful in terms of fulfilment of the Government Order on Lowering Administrative Load of Entrepreneurs. Another significant aspect of cooperation is the Advisory and Information Service which contributed to legal literacy of the consumer public. The above mentioned cooperation with the Alien Police Department of the Police of the South Bohemia Region was significant in terms of the number of inspections within inspection actions and investigations of consumers' submissions.

Surveillance over selected products was controlled by the General Inspectorate. Inspection practice proved that in some cases particular legislation was so difficult that it was hard to carry out inspection of products with regard to human resources of the inspectorate. The inspectorate also actively participated in international projects coordinated by the PROSAFE organization, namely in the inspection of terms of sale of ladders and products for children.

Within inspections of toys, CE marking was missing on three products; in other cases products were not equipped with information concerning potential risks for the respective age category or other information obligations were breached. In the area of inspection of general safety of products, only one case of violation of supervised legislation was detected.

No negative facts influenced the operations of the inspectorate in any way during the year. On the contrary, inspection activities further improved thanks to higher level of technical background. The inspectorate's staffing is stable.

Jihočeský a Vysočina Inspectorate

Inspection Action	Number of inspections	Inspections with findings	Findings in %
Inspection of night clubs	14	9	64.3%
Action at exhibition mall of Země živitelka	53	22	41.5%

Plzeňský and Karlovarský Inspectorate

Centrally controlled inspection actions focused on the most serious topics in the area of consumer protection were the priorities of the Plzeňský and Karlovarský Inspectorate. Besides operative inspections, inspectors aimed at local or regional specifics and last but not least investigations based on consumers' submissions.

In the area of general inspection, the inspectorate reached significant results within national action focused on offering, selling and storage of products infringing certain intellectual property rights. The success rate is given by the existence of 11 marketplaces in border regions of both the Pilsen Region and the Karlovy Vary Region where offer of counterfeited goods and imitations of music and film recordings is permanently wide. Within inspections focused on retail network in larger towns and cities it was found out that sale of fakes is specific not only for stall sale, but that it can also be found in ordinary shops, including chain stores or e-shops. Products without fake trade-mark labels that complied with the criteria for humanitarian purposes were handed over to two children's homes.

Inspectors' knowledge gained from monitoring of the market and based on consumers' submissions was used within inspection of offer and sale of certain products in e-shops whose operators violated law when using prohibited unfair commercial practices. They foremost failed to provide consumers with information that are important when making a decision concerning a purchase. Most frequently

the findings concerned deceitful information about withdrawal from the contract or claiming conditions and exercise of liability rights for defects of products.

Use of unfair commercial practices was a frequent finding within inspections of presentation sales events and contracts concluded at these events. Sellers usually invited consumers promising them various gifts or advantages that were subsequently not provided or in order to gain such advantages, it was necessary to conclude a sales contract. Sellers used promises of fictive prizes to make participants sign contracts and there were also cases in which consumers were not provided complete information about terms and conditions of the sales contract.

Another field that requires permanent attention is sale within special offers and seasonal clearance sales. In comparison with the previous year, there was a significant increase concerning cases of infringements of the Act on Consumer Protection. Typical shortcoming was failure to inform consumer about product's price after discount and subsequently damage to the consumer who was sold a product without any price reduction or with lower price reduction than indicated. Inspectors detected such infringements especially at workplaces of chain stores.

Serious shortcomings were detected within inspection of procurement of secondary raw materials. Besides missing prices of procured waste, consumer rights were damaged when procured waste was exchanged and weight was wrongly determined which resulted in detriment amounting to hundreds of Czech crowns.

Failure to provide consumer with important information was discovered within inspections of intermediation or provision of consumer credit. Missing Annual Percentage Rate was a typical shortcoming. Cases of subjects that made such business illegally were forwarded for further investigations to appropriate trade licensing offices.

During the year, the inspectorate also participated in centrally controlled inspection actions concerning safety of selected products. Electric products as well as floor coverings, automobile jacks and equipment of children's playgrounds were inspected at distributors. Inspections of aerosol sprayers and toys were continuously carried out. The highest number of shortcomings was detected concerning toys. Besides toys without proper labelling and Czech instructions for use, risky products that could endanger the health or lives of children were detected in the market network. Cuddly toys, various puzzles or musical instruments contained small parts that were easy to separate and that could cause suffocation of the child in case of inhaling. Other risky products were noncompliant children's scooters that had unacceptable diameter of the front wheel, noncompliant ending of handles and spaces between folding parts. These defects could cause fall of the child from the scooter or hurt fingers due to careless manipulation.

Negative results of continuous inspection activities and numerous consumers' submissions resulted in planning of inspectorate's own inspection actions. Among the most significant was inspection of sale of goods and provision of services during the International Film Festival in Karlovy Vary. Almost half of vendors in the inspected workplaces breached principles of fair sale and failed to provide information about prices of products or services. Inspections of various sport and cultural events, fun

fairs and regional festivals saw similar results. Within inspections during evenings and nights, violations of obligations concerning provision of services were detected in one fourth of workplaces.

Important part of surveillance activities was cooperation with other state administration bodies. The inspectorate regularly cooperated with trade licensing offices within inspections according to agreed rules, and collaboration with the Police of the Czech Republic and the Customs Administration was also systematic concerning search for products that violate certain intellectual property rights. Cooperation with other surveillance authorities stemmed from specifics of individual actions, for example procurement centres of secondary raw materials were inspected together with departments of the environment. Inspections focused on selling jewels were also successful when use of unfair commercial practices was detected. Despite vendors claimed that stones in selected jewels were authentic, expert assessment of such stones, including opinion from the customs technical laboratory of the General Directorate of Customs, proved that jewels were fitted with cheap imitations or synthetic imitations of natural stone.

The inspectorate joined the international inspection action PROSAFE focused on inspection of safety of multi-hinged and telescopic ladders. The total of 15 product types notified in the European alert system RAPEX were detected in the regional retail network, namely in 14 shops.

The products involved for example toys, various electric products and children's bicycles. 12 products were suggested for notification into this database of dangerous products and other products are in preparatory proceedings.

Within the inspections aimed at general safety of products, items that failed appropriate requirements were detected. These especially concerned the so-called novelty lighters whose shape or colours can attract attention of small children. Serious risks were posed by children's bikes equipped with only one braking system. Besides the danger that the child could not be able to stop the bike – which may result in injuries from a collision with a barrier, the products had sharp edges or insufficient protection of chain.

Consistent inspection activity of the Plzeňský and Karlovarský Inspectorate had good results in terms of consumer protection. The public was continuously informed about its inspections and detected shortcomings through both regional and national media during the entire year. Besides inspection activities, the inspectorate also contributed to increasing of consumers' legal literacy. In a regular radio show "We advise you" it helped consumers find their way in the field of their rights and legal regulations applicable within conclusion or termination of a contract and advised how to solve problematic situations. Inspectorate's employees participated in a number of discussions and seminars that mostly related to presentation sales events. The Advisory and Information Service was available to the public in 7 towns and cities of both regions.

Plzeňský and Karlovarský Inspectorate

Inspection action	Number of inspections	Inspections with findings	Findings in %
Taximeters	3	1	33.3%
Film Festival in Karlovy Vary – focus on services and goods)	84	38	45.2%
Afternoon and evening inspections of restaurants, bars and casinos	28	7	25.0%
Society, sport and culture events, festivals, fairs	66	29	43.9%

Ústecký and Liberecký Inspectorate

The major inspectorate's activity stemmed from the Plan of Inspection Activities of the Czech Trade Inspection Authority. Other operative tasks were supplemented by inspectorates' own inspection actions that stemmed from region's needs and knowledge from monitoring of the market and consumers' submissions. Surveillance activity was equally divided between the both regions within the inspectorate's competence. All through the year, increased attention was paid to presentation sales events that are considered one of the most aggressive forms of sale with high rate of social danger. Offering and selling products or services infringing certain intellectual property rights also was under continuous inspection as was the level of sale and services offered via the internet, intermediation and provision of consumer credit, quality of fuels, safety of toys and other products. Products notified in the RAPEX alert system were simultaneously searched for within these inspections. All through the year, the inspectorate resolved numerous consumers' submissions. The public was provided with advisory and information services in 11 centres of the Ústecký and Liberecký Regions where inspectors provided both consumers and entrepreneurs with professional services and legal information concerning the range of inspection competence of the CTIA in selected week days.

Inspectorate's attention is continuously paid to monitoring of fuels quality. Samples of motor fuels are collected in the whole region as determined by the schedule of takings and operatively based on submissions from consumers. When poor quality fuel was detected, its further sale was prohibited. Results of the inspections show that regular monitoring of the market, inspections of fuel samples and subsequent media coverage contributes to businesses' more intensive care for as high quality of sold fuels as possible.

The inspectorate paid extraordinary and increased attention to inspections of presentation sales events. These inspections became one of the major forms of consumer protection and preventive activities especially concerning seniors who are potential participants of such events. A number of discussions and lectures were organized with the aim to increase knowledge of consumer rights and obligations in general, especially concerning sales contracts or withdrawal from the contract. Lecturers stressed that speakers at presentation sales events are professional

workers who manage to manipulate event's participants and make an impression of non-existent advantages, prizes and discounts. They pointed at certain unacceptable forms of pressure forcing consumers to conclude sales contracts and aggressive behaviour of sellers towards participants of presentation sales events. Breaches of the Act on Consumer Protection were detected in 80% of the total number of inspections.

Besides centrally controlled activities the inspectorate carried out its own inspection actions focused on jewels labelled with the trademark Swarovski – there was a suspicion that certain intellectual property rights are violated. In all cases, inspectors detected use of prohibited deceitful commercial practices, namely offering and selling jewels deceitfully branded Swarovski elements.

Inspectors carried out inspection at the Zahrada Čech exhibition mall in Litoměřice in order to check whether buyers are offered products and services in compliance with legal regulations on consumer protection. Most frequent shortcomings were sale of products without obligatory information, incorrect billing, use of uncertified measuring instruments, and failure to allow consumer to check declared weight of sold products or amount of drinks.

Another inspectorate's action was inspection of sale of personal motor vehicles at used cars dealers. Services of an expert in the respective field were used in order to check whether the announced mileage was true or whether the vehicle was crashed or not. The aim of the inspections was to check the truthfulness of information on mileage and technical condition of the vehicle provided to consumers interested in purchasing used personal cars. The above described shortcomings were detected in 2 of 6 inspected workplaces.

A total of 7 types of risky products in 12 workplaces were detected within the alert system RAPEX that enables rapid exchange of information about dangerous non-food products among surveillance authorities of EU Member States with the aim to prevent sale or eliminate use of dangerous products. In all cases, protective measures were imposed and products notified into the system from 2010 to 2012 were withdrawn from the market.

In 2013, the inspectorate participated in the international inspection project PROSAFE, namely inspections of multi-hinged and telescopic ladders. The project would continue in 2014 as well.

Attention was continuously paid to inspection of toys for children under 36 months and from 3 to 14 years of age, including child care products. Inspections at distributors were focused on product labelling with obligatory information and warnings in Czech, CE marking and information about manufacturer or importer, possibly supplier.

Within surveillance of the Act No. 102/2001 Coll. on General Safety of Products, the inspectors focused on products that pose increased rate of risk for certain groups of consumers even if they are used in a usual way. This especially concerned gas lighters and products equipped with laser (pointers or models of guns). The aim of the inspections was to prevent placing these products on the market as they can be

dangerous to users. In three cases, the inspectorate – based on request from Customs Office of the Ústí Region – assessed lighters for smokers and subsequently issued a binding opinion concerning their release into free circulation within the EU.

The inspectorate cooperated with 21 trade licensing offices, namely within scheduled joint inspections planned by the both authorities together. Collaboration with the Czech Telecommunication Office was also beneficial, especially regarding inspections of radio operated toys within which deficiencies were detected repeatedly, namely concerning e.g. toys operated on unauthorized frequency, sale of products without the obligatory CE marking and without the declaration of conformity. Targeted collaboration based on scheduled inspections or consumers' submissions was held with the investigation division of the General Directorate of Customs, the Czech Environmental Inspectorate, hygiene service authorities as well as the Police of the Czech Republic. The collaboration was advantageous for all of the participating authorities.

The inspectorate accomplished the tasks for 2013 to full extent and on appropriate level.

Ústecký and Liberecký Inspectorate

Inspection actions	Number of inspections	Inspections with findings	Findings in %
Swarovski elements	7	7	100.0%
Actions at Zahrada Čech exhibition mall	27	14	51.9%

Královéhradecký and Pardubický Inspectorate

Besides ensuring centrally controlled inspection actions, the Královéhradecký and Pardubický Inspectorate carried out a number of its own actions and operative inspections. It especially paid increased attention to fields and products with high rate of risk, especially danger to the health and safety of persons, property and harm to certain groups of consumers, e.g. children, seniors or vulnerable social groups. Therefore the inspectorate investigated submissions of consumers, inspected presentation sales events and related consumer contracts. Further continuous activities concerned toys, offer of intermediation or provision of consumer credit and related contracts, e-commerce, monitoring of market with fuels, counterfeits, and monitoring of special offers and clearance sales.

Within the inspections of intermediaries and providers of consumer credit, shortcomings were detected in 75.4% of cases, above all concerning advertisements and offers of intermediation or provision of credit. These inspections also showed that some intermediaries offered their services without valid trade license. Another important area was fuels quality concerning which consumer has limited means to protect his interests and where protection of economic interests of the state is also involved. Careful selection of filling stations where individual samples were collected resulted in double the number of findings when compared with national average. Inspections were also aimed at protection of consumers within sale of solid fuels and

showed damages to consumers amounting to hundreds of Czech crowns that stemmed from failures to bill accordingly to the real weight of coal. After floods, the inspectorate checked offered services and sale of goods intended for areas affected by the floods. Violations of applicable legislation were proven in more than a half of these inspections while the most frequent violation was the use of prohibited unfair commercial practices.

10 actions stemming from the needs and special characteristics of the region were carried out according to the inspectorate's own plan of inspection activities – e.g. inspection of touristic area of Eastern Giant Mountains, inspection of customized services, laser devices, construction wood, outdoor furniture, further inspections of restaurants with patios and individual regional actions. Within inspections focused on laser devices, shortcomings were detected in almost 86% of cases because the products were not equipped with safety information and instructions for use in Czech. Failure to provide declared amount of drinks, incorrect billing and failure to inform about prices were the most frequent findings – in 42.2% of cases – within inspections of services provided in mountain resorts.

The inspectorate detected misconduct with the appropriate harmonized standard in labelling of two types of ladders within the international inspection of multi-hinged ladders. It also participated in search for dangerous products within the information alert system RAPEX.

Inspection of selected products placed on the market was especially focused on toys for children under 36 months and toys for children from 3 to 14 years of age as well as electric products and aerosol sprayers. Inspectors detected shortcomings above all in toys that were not equipped with obligatory warnings about the safe way of use in Czech, CE conformity marking, identification information about the manufacturer, importer or distributor. Defects were detected in one third of inspected products within the inspection of aerosol sprayers.

In order to check general safety of products in the market network, samples of the following products were collected: furniture for outdoor use, shoes, a towel horse, and a toothbrush holder. One product – *folding plastic deckchair Rubino Bianco* – was notified into the system ICSMS as a dangerous product. Inspectors also paid attention to dangerous elements of children's clothing, just like cords and drawstrings that pose serious risk of strangulation or surface injury to children. Ban on sale was imposed on detected dangerous products and measure was imposed concerning withdrawal of the products from the market.

Within the inspections, inspectorate cooperated with state authorities as well as other partners - trade licensing offices, hygiene service authorities, Customs Administration, the Police of the Czech Republic, State Agricultural and Food Inspection Authority, State Veterinary Administration, traffic office, SGS Czech Republic, s.r.o., or VŠB–Technical University Ostrava. Joint inspections were carried out foremost based on consumers' submissions or within collection of samples of fuels and solid fuels.

In 2013, the number of consumers' submissions addressed to the Inspectorate increased by 6% when compared with 2012. The highest number of submissions

related to claims, e-commerce, use of unfair commercial practices, incorrect billing, quality of fuels, and presentation sales events.

All through the year, the inspectorate presented its activities in the regional media, at discussions with consumers of various age and social groups – from seniors to students. Regional television studios shot several reports concerning widely discussed problematic topics such as door-step selling, special offers, provision of services within winter or summer touristic season or inspections of Christmas assortment. Regional press published several interviews on current topics.

The inspectorate fulfilled all its tasks in 2013. It found a new effective direction – inspectors actively collect knowledge about problematic fields of the market and after their evaluation appropriate measures are taken. An employee started working on analysis of particular consumers' submissions and considers their potential use for inspection purposes. He also gains knowledge on social networks that open new possibilities of offering goods and services by vendors to consumers, which is a new inspection space for the Czech Trade Inspection Authority.

Královéhradecký and Pardubický Inspectorate

Inspection action	Number of inspections	Inspections with findings	Inspections in %
Eastern Giant Mountains (Š. Mlýn, Pec p. S., Jánské Lázně) – goods and services	64	27	42.2%
Custom made items, services – receipt, informing about prices	38	20	52.6%
Inspection of laser pointers	27	23	85.2%
Inspection of construction wood and wood siding	19	9	47.4%
Fair Potštejnská pout'	9	7	77.8%
Pardubice – Coty of Sport (goods and services)	9	5	55.6%
Sale at restaurants' patios	51	10	19.6%
Outdoor furniture	8	7	87.5%
Level of services at nude beaches	7	1	14.3%
Festival Hradecké slavnosti	9	6	66.7%

Jihomoravský and Zlínský Inspectorate

Besides the plan for 2013, another important source for inspection activities were consumers' submissions, knowledge from inspection activity from previous period as well as inspections with trade licensing offices and other surveillance authorities. The Jihomoravský and Zlínský Inspectorate detected violations of legal regulations in 38.4% of inspections.

Based on commands and consumers' suggestions, inspections of fuel quality were carried out. Samples were collected in compliance with the schedule and handed over to laboratory tests of quality.

Another important part of inspections was monitoring of offering and selling products or provision of services that violate certain intellectual property rights, including e-commerce. Inspections carried out in cooperation with customs office and Alien Police were aimed at marketplaces, especially at Hatě at the border. Inspectors detected much fewer counterfeits at classic shops – these especially concerned toys. In comparison with the previous years, the offer has reduced at marketplaces on the inspectorate's territory, which is caused by frequent monitoring by the CTIA and customs surveillance.

The inspectorate further focused on inspection activity concerning internet shops in general while using results of its own monitoring activities as well as knowledge of consumers from who it received a high number of submissions. Violations of legal regulations, especially incorrect information provided in business terms and conditions were detected in 84% of cases.

Another very successful inspection was carried out in cooperation with the customs technical laboratory of General Directorate of Customs within which sale of false diamonds was proven. The respective stones were declared as "beautiful black natural diamond 7.72 carats, round shape" for 1,100 CZK and subsequently "beautiful black natural diamond; 11.65 carats, pear shaped" for 1,600 CZK. Immediately after the purchase, the "diamonds" were delivered together with certificates on small laminated cards to the customs technical laboratory. Test of material composition showed that it is no natural black diamond, but moissanit (silicon carbide) of synthetic origin. The inspected person acted illegally when it used deceitful commercial practice by providing untruthful information.

Consumer discrimination was proven e.g. at presentation sales events when information about ban of entrance to persons below 18 years of age was stated on invitations to the event. Discriminative information was also provided within an offer of accommodation that discriminated consumers for racial reasons.

High rate of findings – 70.3% – was also detected within inspections of intermediaries and providers of consumer credit.

Surveillance was also focused on provision of services in the period of summer and winter touristic season when typical shortcomings included use of uncertified measuring instruments, failure to provide correct amount or weight, failure to inform about price or incomplete requirements of receipts concerning purchase of products.

High number of violations (almost 81%) was a common feature of inspections at presentation sales events. Inspectors mostly detected use of unfair commercial practices, including aggressive practices. For example information provided in a leaflet failed to correspond with the reality or incomplete information was provided in general terms and conditions of sales contracts. As stated in leaflets, each participant was supposed to receive a present or another bonus, but they did not and in order to receive such a so-called prize it was mostly necessary to buy promoted products.

During the year, inspectors monitored workplaces that offer sale of goods within special offers and seasonal clearance sales. In some cases vendors advertised discounts by tens of per cents but in fact they did not provide any discounts or did not inform consumers about final prices after discount.

As regards regional inspection actions, inspections were carried out at a wine festival, restaurants with patios or Christmas fairs and they also concerned so-called fashion shoes.

The inspectorate also participated in EU surveillance actions concerning multi-hinged and telescopic ladders. Inspectors detected offer and sale of these products in 5 cases, namely in both stationary shops and e-shops. Shortcomings concerned incomplete or inaccurate labelling of ladders and provided information. Serious shortcomings were not detected.

Inspectors also further investigated inspections carried out by other inspectorates within international actions focused on child care products, namely tools for bathing of children. No products notified into the database of dangerous products RAPEX were detected within monitoring of the market in 2013.

Within inspections on general safety of products, expert assessment proved that one product type – swivel chair – did not comply with safety requirements for office chairs in terms of stability and piston destructions. The risk was assessed as serious and, hence, RAPEX form was filled in.

Within inspections concerning products not only compliance with administrative requirements for products, but also factual characteristics of products were supervised. Inspectors found out whether especially toys comply with safety requirements of harmonized technical standards. When it was necessary to carry out special measuring and evaluation, tests were carried out by professional workplaces – e.g. in relation to detection of noncompliant frequency concerning remote controlled toys. In case of clear and obvious defects, inspectors assessed safety of products right on the spot – e.g. small parts in toys.

Inspections focused on selected labelling of spirits and compliance with the Emergency measure stipulated by the Ministry of Health continued individually or in cooperation with the Regional Hygiene Station, Customs Administration, State Agricultural and Food Inspection Authority, and the Police of the Czech Republic.

Cooperation with state administration authorities – Czech Metrology Institute, Czech Environmental Inspectorate, Police of the Czech Republic, Alien Police, customs and

trade licensing offices was on a very good level. Collaboration with the Czech Telecommunication Office was on a high level, too. In the area of product safety, based on a notification from customs office the inspectorate issued a dissenting opinion on release of a parcel into free circulation. The parcel contained lighters without children's safety-catch that were not equipped with accompanying documentation and information necessary for safe use.

In 2013, the inspectorate received 3,375 submissions in writing, including suggestions, information requests and information from consumers. In addition, about 4,700 inquiries were answered within advisory and information service.

Inspectorate's representatives were regular guests to live radio shows Apetit, Dobré ráno and Rádio čas. Reports including comments from authorized staff could be watched on Czech Television, e.g. concerning inspection at the marketplace in Hatě, inspections concerning special offers and seasonal sales, online sale of diamonds, sale of Christmas assortment and regional inspection actions. Further information about inspectorate's activities was published in regional press and other media. Besides media presentation, inspectorate's representatives also significantly participated in preventive activities, namely within lectures aimed at presentation sales events for seniors and at 8th edition of Senior Academy for the school year 2013/2014 that was organized by the unit for prevention of the Statutory City of Brno.

Jihomoravský and Zlínský Inspectorate

Inspection action	Number of inspections	Inspections with findings	Findings in %
Wine festival	25	10	40.0%
Fashion shoes	26	8	30.8%
Brno Reservoir - fireworks	25	1	4.0%
Restaurants with patios – afternoons and evenings	63	24	38.1%
Christmas fairs	61	17	27.9%

Moravskoslezský and Olomoucký Inspectorate

Major inspection activities of the inspectorate as determined by the Plan of Projects of the Czech Trade Inspection Authority for 2013 were supplemented by inspectorate's own actions and operative inspections according to ad hoc situation in the region for which both consumers' submissions and knowledge from inspectorate's own monitoring of the market were used.

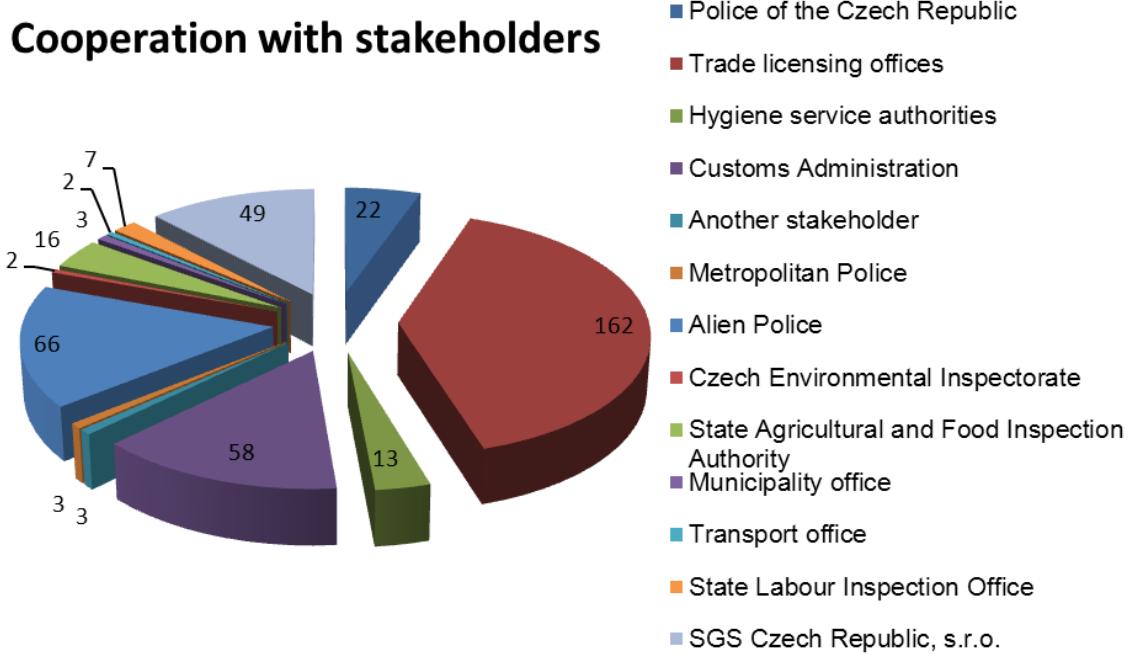
Based on experience from previous years and with regard to high number of submissions from consumers, the inspectorate paid due attention to inspections of e-shops. Within the inspections that in most cases stemmed from consumers' suggestions shortcomings were detected in 80% of cases. Most frequent

shortcomings included insufficient, misleading or missing information for consumers, i.e. prohibited use of unfair commercial practices.

95% of inspections concerning intermediation or provision of consumer credit showed violations of law. Despite numerous problems that were connected with inspectors' efforts to participate in presentation sales events, defects were detected in more than a half of the cases. Flaws concerning protection of certain intellectual property rights were detected mostly in ordinary shops where vendors offered and sold products illegally labelled with less popular trademarks.

As regards inspectorate's own inspection actions, inspection focused on prohibited use of unfair commercial practices within sale of textile products belonged among the most successful. An authorized laboratory assessed declared material composition of 5 collected samples and proved that marking of the clothing did not correspond with the reality. Inspectorate's employees also continuously checked commercial subjects that sell products or provide services at various social or cultural events within the region such as the Days of NATO, Flora Olomouc, music festivals, fairs etc.

The inspectorate also actively participated in international inspection actions, for example continuing projects concerning inspection of ladders or lighters. In case of lighters, shortcomings were detected in more than one third of case. Ladders were mostly not labelled with required information.



No dangerous product notified into the system RAPEX was detected in the market of the region. Within its investigative activities the inspectorate detected selected products – illuminating toys Martian's Fingers that were a part of packaging of food supplement Martians with Prebiotics. Expert assessment showed that the product

failed technical safety requirements for this type of selected products with regard to the fact that its cover can be easily opened without the necessity to use any instrument and that the button batteries were accessible. Furthermore, sharp parts of the toy can injure a child because they brake when very little power is used while pushing on the product. Inspectors detected shortcomings within almost two thirds of inspections of other toys in the retail market network.

Within inspections concerning general safety of products, inspectors especially focused on sale of children's clothing with cords and drawstrings. Shortcomings were detected concerning all 14 inspected commercial subjects.

The inspectorate received a number of suggestions to inspections from the consumer public. Besides investigating these suggestions, inspectors simultaneously answered a number of queries within the advisory and information service. Some of these were answered in writing. Most submissions concerned refused claims concerning purchased products and provided services or claims that were settled but not in favour of the consumer.

In 2013, the inspectorate continued in successful cooperation with other state administration authorities, especially municipality trade licensing offices. The focus of the common inspections was negotiated at common meetings with regional trade licensing offices in Ostrava and Olomouc. Collaboration with the Customs Administration was applied within inspections of sale of products infringing certain intellectual property rights. Cooperation with employees of the Alien Police was very effective within inspections of sale of goods and provision of services on the premises of foreign nationals. Collaboration with the Czech Telecommunication Office was very good especially concerning assistance within ensuring telephone calls on lines charged with a high tariff within inspections of consumer credit.

Inspectorate's representatives actively participated in regular radio broadcasting concerning consumer protection. Inspection results were also presented in regional press and the Czech Television.

Both offices of the inspectorate were in ad hoc touch with local offices of the Consumer Defence Association (SOS) in Ostrava and Olomouc. A CTIA representative, as a member of the Regional Expert Board of the Czech Consumer Association, participated in the board meetings and its activities. In 2013, the inspectorate actively participated in discussions organized by the Consumer Defence Association of Moravia and Silesia for seniors on current topic of consumer rights protection within presentation sales events.

Moravskoslezský and Olomoucký Inspectorate

Inspection action	Number of inspections	Inspections with findings	Findings in %
Bus and railway stations	62	36	58.1%
Goods and services in health care institutions, spas and so forth	41	18	43.9%
Deceitful practices concerning textile products	5	5	100%
Inspection of rentals of clothing, costumes, and wedding dresses	26	16	61.5%
Inspections at pet stores	59	29	49.2%
Services and goods at mountain chalets with difficult access	22	11	50.0%
Services and goods in the area of cycle paths	45	29	64.4%
Sale of musical instrument in e-shops	12	9	75.0%

CONSUMER PROTECTION

General protection

The surveillance activity was focused on issues encountered in the market by Czech consumers and also on spheres monitored by the European Union. The realization of inspections proceeded from the document *Plan of Inspection Activities of the Czech Trade Inspection Authority for 2013*. Special attention was paid to the offer, mediation, and provision of consumer credit, and e-commerce and sale of products and services away from business premises - so-called presentation sales events. The surveillance activity also focused on the sphere of protection of environmental interests of consumers and the state, which was realized by inspections of fuel, packaging, batteries, and accumulators. In order to protect the health of consumers and fiscal interests of the state, inspections also focused on the offer and sale of alcoholic beverages and tobacco products.

Planned surveillance activity was continuously supplemented by projects and inspections which needed to be carried out due to current situations in the market during the year or due to social demand, and which reacted to particular problems of consumers. These extraordinary inspection projects included mainly inspections of services and sales of products in connection with floods, inspection of the offer and sale of used motor vehicles, and the offer and sale of jewellery with gemstones.

The focus of inspections was also significantly influenced by inputs from consumers. Besides the targeted inspections and inspections focused on risky areas, a number of preventative inspections also took place, which monitored selected business activities of commercial subjects.

Consumer credit

The surveillance activity of the Czech Trade Inspection Authority was continuously focused on compliance with binding legal regulations during the offer, mediation, and provision of consumer credit.

319 inspections were carried out within this project. Violation of the Act No. 145/2010 Coll., on Consumer Credit, was discovered in 153 cases, i.e. 48% of all inspections. As in previous years, violation of legal requirements occurred most often in the sphere of advertising which did not fulfil requirements concerning information that the advertisement must provide to consumers. The results from individual inspectorates are stated in the following table. It states the number of inspections, detected violations of legal regulations, and violations of the Act on Consumer Credit.

CTIA inspectorate	Number of inspections	Inspections with findings		Discovered violations in % (credits)
		in total	credits	
Sředočeský and Prague	65	28	25	38.5
Jihočeský and Vysočina	23	16	15	65.2
Plzeňský and Karlovarský	43	35	21	48.8
Ústecký and Liberecký	43	12	9	20.9
Královéhradecký and Pardubický	69	52	26	37.7
Jihomoravský and Zlínský	37	27	26	70.3
Moravskoslezský and Olomoucký	39	37	31	79.5
In total	319	207	153	48.0

An inter-annual comparison with the year 2012 shows an increase in the number of performed inspections as well as an increase in the proportion of detected violations of generally binding legal regulations.

Inspections of consumer credit			
Year	Number of inspections	Inspections with findings (credit)	Discovered violations in %
2009	174	65	37.4
2010	156	71	45.5
2011	290	141	48.6
2012	255	109	42.7
2013	319	153	48.0

Results from previous years showed that consumers' interests were not sufficiently protected by law and, therefore, the amendment of the Act No. 43/2013 Coll., which amended the Act No. 145/2010 Coll., on Consumer Credit, took effect in February 2013. The amendment contained a transposition of the Commission's Directive 2011/90/EU from November 14, 2011, which stipulates additional requirements for

the calculation of the Annual Percentage Rate of Charge (hereinafter APR). The aim was to achieve the best possible predicative capability and comparability of the APR indicator of consumer credits in all countries of the European Union, prevent damage to consumers in the market of consumer credits, and strengthen their protection by prohibiting the use of bills of exchange and cheques for securing consumer credit, prohibiting the offer or procurement of consumer credit through a phone number with higher than usual price, and also to regulate in more detail the relation between consumers and intermediaries of these consumer credits.

The issue of offer, intermediation and provision of consumer credits will further remain under supervision.

E-commerce

As in 2012, the inspection of the offer and sale of products and services offered through the internet was a priority in 2013. Owing to the ever increasing importance of this form of trade, on a national as well as international level, inspections were focused on continuous monitoring of e-commerce development with a view to eliminate cases of undesirable actions by sellers, who harm the rights of consumers and thereby also the trust of consumers in this ever expanding form of concluding consumer contracts. Besides the support of consumers' trust in e-commerce on the national level, thanks to the possibility of cross-border cooperation within the Regulation of the European Parliament and of the Council (EC) No. 2006/2004 from October 27, 2004, on cooperation between national authorities in charge of enforcement of compliance with laws concerning the protection of consumer interests ("regulation regarding the cooperation in the sphere of consumer protection"), the trust of Czech consumers in cross-border trade within the common European market was gradually built. The surveillance authority of the Czech Trade Inspection Authority was not sufficient to effectively address violations of valid consumer legislation within sales realized by subjects from third countries and in trading through social networks.

Results stated in the following table present the number of inspections carried out at operators of e-shops by individual inspectorates as well as the scope of discovered violations:

CTIA inspectorate	Number of inspections	Inspections with findings	Discovered violations in %
Středočeský and Prague	240	202	84.2
Jihočeský and Vysočina	124	69	55.7
Plzeňský and Karlovarský	127	88	69.3
Ústecký and Liberecký	152	120	79.0
Královéhradecký and Pardubický	133	110	82.7
Jihomoravský and Zlínský	228	191	83.8
Moravskoslezský and Olomoucký	292	233	79.8
Total	1,296	1,013	78.2

In 2013, violations of obligations stipulated for sellers by legal regulations again concerned mainly the failure to meet the requirements of the Act No. 634/1992 Coll., on Consumer Protection, in particular the use of some form of unfair commercial

practices, which were discovered in 47.9% of cases of violation of this law. However, the presented results cannot be considered as an entirely objective reflection of the overall situation in trading through the internet in the Czech Republic, since inspections were targeted on sellers at which there was a suspicion of violation of obligations, based on CTIA's own monitoring activity or notifications from consumers. This was also confirmed by results of a special inspection action focused on the offer and sale of silver jewellery in selected e-shops. Out of 17 inspections, violations of generally binding legal regulations were discovered in 16 cases, i.e. 94.1%, out of which violation of the Act on Consumer Protection was discovered in 14 cases. Findings from 12 inspections were handed on to the Assay Office on the grounds of suspicion of violation of the assay law. This specialized inspection project also proved the use of banned unfair business practices, in particular deceitful business practices – the failure to provide or sufficiently provide information concerning the seller, conditions of the concluded contract or exercising rights resulting from the contract.

An inter-annual comparison shows a continuous increase in the number of inspections carried out, while the proportion of discovered violations of generally binding legal regulations has more or less stabilized. This can, however, change in 2014 considering that the Act No. 89/2012 Coll., Civil Code, has come into effect, and it specifies requirements concerning the information obligations during conclusion of consumer distance contracts, hence, it includes sales via the internet.

Inspections of e-commerce			
Year	Number of inspections	Inspections with findings	Discovered violations in %
2009	488	338	69.3
2010	590	412	69.8
2011	1,021	749	73.4
2012	1,206	988	81.9
2013	1,296	1,013	78.2

Thus, it can be assumed that the importance of the Czech Trade Inspection Authority's surveillance activity in this sphere of sale of goods and services will further increase in the future owing to the expected further development of e-commerce.

Presentation sales events

The issue of sales away of business premises, in particular the consumers' problems associated with their participation in presentation sales events, were brought to the attention of the public thanks to the document "Šmejdi" ("Crooks"). The Czech Trade Inspection Authority, aware of the high social risk from consequences of unfair business practices used by sellers towards consumers during presentation sales events and the subsequent unfair offer of closed consumer credits, already pursued this issue intensively well before the above mentioned film attracted the attention of the general public. But in the second half of 2013, inspection workers had to deal with the fact that a large proportion of organizers of presentation sales events had begun to send addressed written invitations to selected seniors or they contacted

them by phone, as a response to the pressure of increased inspections and media attention, which made the direct participation of inspectors in these events and the subsequent realization of an inspection more difficult. Therefore, inspectors used to the maximum possible extent the information acquired from direct participants of these events and in cooperation with them they initiated inspections based on provided documentation and testimonies of injured consumers.

The table below lists the results of inspections carried out within this project by individual inspectorates:

CTIA inspectorate	Number of inspections	Inspections with findings	Discovered violations in%
Středočeský and Prague	131	102	77.9
Jihočeský and Vysočina	29	19	65.5
Plzeňský and Karlovarský	38	24	63.2
Ústecký and Liberecký	66	53	80.3
Královéhradecký and Pardubický	40	22	55.0
Jihomoravský and Zlínský	31	25	80.7
Moravskoslezský and Olomoucký	30	17	56.7
In total	365	262	71.8

Most of the time (in 71.8% of cases), inspections discovered violations of obligations stipulated for sellers by Act No. 634/1992 Coll., on Consumer Protection, mainly the use of banned unfair commercial practices, including aggressive tactics. In most cases, this concerned stating inaccurate or even incorrect information concerning the properties of the offered products, or trips, their price, and conditions under which consumers can buy them, and it also concerned the failure to provide due information on the right to withdraw from a contract. The proved aggressive commercial practices consisted of creating a false impression that a consumer won or would win. There were also specific cases when participation in a presentation sales event was withheld from persons of different nationality or on the grounds of not being of a senior age.

An inter-annual comparison shows a significant increase in the number of realized inspections and a high proportion of discovered deficiencies. This justifies the

continuously high amount of attention that the Czech Trade Inspection Authority has paid to this issue since 2011:

Inspections of presentation sale events			
Year	Number of inspections	Inspections with findings	Discovered violations in %
2009	145	84	57.9
2010	133	63	47.4
2011	241	164	68.1
2012	281	204	72.6
2013	365	262	71.8

Results from the second half of 2013 showed that the situation has improved thanks to the active inspection and sanction policy of the Czech Trade Inspection Authority together with media information campaigns intended for the consumer public. One of the positive results of this pressure is that some of the troublesome companies organizing presentation sales events in our country left the Czech market, and other companies discontinued their activity and went out of business. Further improvement of the situation can also be expected in connection with new legislation regulating sales away of business premises, or thanks to the mandatory reporting of presentation sales events to the Czech Trade Inspection Authority. To maintain the commenced positive trend, the active surveillance activity of the Czech Trade Inspection Authority will continue to be a crucial factor also in the future.

Unfair commercial practices

Offer and retail of products or services infringing certain intellectual property rights

The surveillance of compliance with the prohibition of unfair commercial practices that lie in the offer and sale of products or services violating certain intellectual property rights, as well as storage of such products with the aim to offer them or sell them, is a typical project focused on compliance with a concrete rule of law. Inspections were not limited by the selling method or by the status ranking of industries. The particularity of inspections targeted for the sphere of intellectual property rights lies not only in the problem that they pursue, but also in the intervention into property rights of the inspected subject: after the requirements of law had been met, the surveillance authority secures the fakes and subsequently decides on their forfeiture and liquidation or their donation for humanitarian purposes.

The table below lists the results of the inspections carried out by the individual Czech Trade Inspection Authority's inspectorates, including discovered violations of the prohibition to use unfair commercial practices:

CTIA inspectorate	Number of inspections	Inspections with findings		Discovered violations in% (IPR*)
		in total	IPR*)	
Středočeský and Prague	250	97	44	17.6%
Jihočeský and Vysočina	288	281	16	5.6%
Plzeňský and Karlovarský	732	625	287	39.2%
Ústecký and Liberecký	294	161	93	31.6%
Královéhradecký and Pardubický	70	44	25	35.7%
Jihomoravský and Zlínský	73	68	61	83.6%
Moravskoslezský and Olomoucký	239	168	88	36.8%
Total	1,946	1,444	614	31.6%

*) violation of intellectual property rights

In 2013, compared with 2012, there was an increase in the number of inspections as well as an increase in the number of discovered violations of regulations inspected by the CTIA. There was also an increase in the number of discovered unfair commercial practices (through sale of counterfeits and duplicates in accordance with section 4 or section 5 paragraph 2 of the Act No. 634/1992 Coll., on Consumer Protection).

During the search for products violating some intellectual property rights (i.e. fakes) an entirely new trend was observed – offers in the form of intermediation of trade through public or private groups within social networks. The transaction is subsequently realized on order from a consumer and the product is then delivered to their address directly from third countries. This method of selling fakes is not sufficiently provided for by the existing legislation and it will be dealt with in the next period.

Inspection of retail of products or services infringing certain intellectual property rights					
Year	Number of inspections	Inspections with discovered defects	Inspections with discovered counterfeits	Secured counterfeits in pieces	Value of counterfeits in prices of originals in CZK
2009	1,738	1,233	382	41,804	59,038
2010	1,710	1,213	256	133,833	53,502
2011	2,144	1,732	842	86,417	214,681
2012	1,642	1,260	552	48,958	122,922
2013	1,946	1,444	614	25,486	44,335

Structure of products infringing certain intellectual property rights, which were secured within inspections:

Assortment	Textile and clothing	Footwear	Watches	Audio-video	Other
Number in pieces	10,664	1,352	651	5,233	7,586
Proportion in %	41.8	5.3	2.6	20.5	29.8

As in 2012, inspectorates cooperated with other supervisory authorities in order to achieve maximum efficiency for inspections and preclusion of undesirable practices harming owners of intellectual property rights. The most frequent partners during these inspections were the authorities of the Police of the Czech Republic and the Customs Administration. In 2013, 353 fakes in the total value of CZK 582,718 were secured within joint actions of the CTIA and the Customs Administration.

The Czech Trade Inspection Authority's representatives actively participated in the activity of the Interdepartmental Committee for Combating Illegal Conduct against Intellectual Property Rights. The issue of offer and retail of products infringing certain intellectual property rights further remains a continuously monitored sphere.

Inspection of offer and sale of alcoholic beverages

In 2013, the Czech Trade Inspection Authority again included inspections focused on labelling, offer, and retail of alcoholic beverages into its plan of activity.

Although the Czech Trade Inspection Authority's scope of powers in this sphere is strictly allocated by law, together with other supervisory authorities it participated in inspections with the aim of eliminating the existing public threat to the maximal possible extent, in the shortest possible time.

5,657 inspections were performed and violations of legal regulations were discovered in 1,501 inspections. The most frequently infringed regulation within this project was the Act No. 634/1992 Coll., on Consumer Protection. Violations of the Act No. 307/2013 Coll., on mandatory labelling of spirits, were discovered only in 5 cases. Furthermore, violations of the emergency measure ref. No. MZDR 33888/2012 was discovered in 8 cases. Findings concerning the labelling, registration, and health-compliance of spirits were submitted to respective authorities to be solved within their competence.

Extraordinary inspection projects

Inspection of the offer and sale of jewellery with gemstones

This inspection project was focused on the compliance with obligations concerning the offer and sale of jewellery fitted with gemstones. Attention was paid mainly to the fulfilment of sellers' obligation to provide information on the origin and quality of the gemstones that the jewellery is fitted with and to the compliance with the prohibition to use unfair commercial practices.

Selected inspectorates carried out a total of 13 inspections, and violations of generally binding legal regulations were discovered in 10 cases (i.e. 76.9%). 12 samples of jewellery were collected within this project, out of which 11 did not match the declared information provided by the seller. Other nine samples of jewellery were professionally evaluated outside of this inspection project and five of them did not comply with the information provided by the seller.

Inspection of the offer and retail of second-hand motor vehicles

The primary goal of this project was to verify whether consumers obtain correct and true information during the offer and retail of second-hand personal vehicles, and whether important information which could significantly influence the consumer's decision regarding the purchase of the vehicle is not withheld. 10 inspections were performed in total, and violations of legal regulations were discovered in 9 cases. In total 13 motor vehicles were inspected and insufficiencies in the information concerning their real condition were discovered in 11 of them.

The most frequent violation was the failure to fulfil requirements concerning the provision of information about the product (according to section 9 of Act No. 634/1992 Coll., on Consumer Protection). In most cases, the consumer was not duly informed on the properties of the sold products – e.g. on the actual number of kilometres (the seller declared a lower number of kilometres than the inspection of the vehicle condition indicated, etc.).

Environmental sphere

Batteries and accumulators

According to the law on wastes (76a of Act No. 185/2001 Coll.), the Czech Trade Inspection Authority inspects the fulfilment of obligations concerning the placement of batteries and accumulators on the market or into circulation, their labelling, and arrangement of return collection by the manufacturer and last vendor. All inspectorates participated in inspections performed in 2013 and inspectors inspected in total 376 distributors of portable batteries, accumulators, and button cells.

A positive result of the inspection project focused on portable accumulators and batteries is the fact that no major deficiencies in the fulfilment of obligations concerning the introduction of these products to market or into circulation were discovered. The obligation to provide information on the return collection and separate collection, and the obligation to secure the return collection was violated only by one inspected subject. In this sense, the preventative and informative activity within the surveillance was successful. Systematic inspections, performed since 2010 mainly at distributors of batteries and accumulators, resulted in better professional care by responsible subjects and compliance with obligations stipulated by the law on wastes. In spite of these positives, however, the CTIA's surveillance in this sphere of environmental protection will continue.

Clean air protection

In terms of the Act No. 201/2012 Coll., on Clean Air Protection which specifies surveillance by the Czech Trade Inspection Authority in some spheres, inspections focused mainly on the quality of solid fuels. Samples of coal were collected for inspection in the internal market and the admissible level of pollution was evaluated (according to Regulation No. 415/2012 Coll.). In total, 14 samples of black and brown coal were collected from various plants. Laboratory tests did not find proof of increased specific sulphur content or insufficient heating power in any of these samples. After input from a consumer, some inspections of collected samples of solid fuels were complemented by analysis of granularity parameters. Granularity classification of solid fuels, including admissible deviations, is declared by the manufacturer in their catalogue lists. 11 out of 14 collected samples were inspected for granularity parameters and 8 inspected samples did not meet the requirements. Results from these inspections and analyses of coal samples were handed over to the Ministry of Industry and Trade, Department of Electricity. The year-round preventive surveillance in the sphere of clean air protection will continue owing to the newly set (stricter) requirements of Regulation No. 415/2012 Coll., effective since January 1, 2014, and also owing to other requirements stipulated by the Act on Clean Air Protection.

Packaging

Inspections focused on compliance with obligations stipulated by the Act No. 477/2001 Coll., on Packaging, took place from January until November. All inspectorates participated in inspections concerning the return collection of returnable deposit packaging, and in prevention and compliance with conditions for launch of packaging into the market, and their return collection or repeated use. Inspections concerned sellers, i.e. store chains and other workplaces, as well as subjects which place packaging on the market (manufacturers and importers of packaging). 919 inspections were performed over the year and in 41 cases, i.e. 4.5% of inspections, they discovered violations of obligations stipulated by the law on packaging.

Monitoring of fuel quality

All inspectorates participated in the monitoring of the fuel market and collection of samples (petrol, diesel fuel, diesel fuel blends, LPG, CNG, and Ethanol E85) in order to inspect their quality. The inspections were targeted on compliance with the provision of section 3 par. 1 of the Act No. 311/2006 Coll., on Fuels.

Quality of fuels during 2013

Out of 2,495 samples, 72 samples (i.e. 2.9 %) failed quality requirements of respective technical standards.

Non-conforming samples in %								
Year 2013	petrol	diesel fuel	diesel fuel blend*	FAME *	LPG	CNG*	Ethanol* E85	in total
January 2013	0.0	1.3	0.0	0.0	0.0	0.0	not taken	0.6
February 2013	3.0	3.0	0.0	0.0	0.0	0.0	not taken	2.4
March 2013	4.1	5.0	20.0	0.0	0.0	0.0	0.0	4.5
April 2013	5.7	4.1	22.2	0.0	0.0	0.0	not taken	4.8
May 2013	6.0	0.0	not taken	0.0	0.0	0.0	0.0	2.3
June 2013	2.4	6.3	0.0	0.0	0.0	0.0	not taken	3.8
July 2013	3.5	4.0	0.0	0.0	4.2	0.0	0.0	3.6
August 2013	2.4	3.0	0.0	100.0	0.0	0.0	not taken	2.7
September 2013	2.4	4.8	0.0	0.0	3.3	0.0	0.0	3.3
October 2013	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.5
November 2013	1.2	3.8	20.0	0.0	8.3	0.0	0.0	3.6
December 2013	0.0	2.6	0.0	0.0	18.8	0.0	0.0	3.0
SUMA	2.5	3.2	7.0	4.8	2.3	0.0	0.0	2.9

* Available in the market network in limited amount

A comparison of results from individual months shows that the quality of fuel samples collected and inspected by the Czech Trade Inspection Authority varied during the year. The highest proportion of non-conforming fuel samples was discovered in April (4.8%). The lowest number of unsatisfactory fuel samples (0.5%) was found in October. In other months, the proportion of low-quality samples of inspected fuel ranged between 0.6% and 4.5%.

Petrol: Out of the 906 collected and inspected samples, 23 samples (2.5%) did not meet the quality indicators of the respective technical standard. The most frequently discovered unsatisfactory quality indicators were:

- end point of distillation – 19 samples;
- motor octane number – 12 samples;
- research octane number – 11 samples.

Other unsatisfactory quality indicators were:

- distilled volume at 100°C;
- distilled volume at 150°C;
- vapour pressure;
- content of methanol;
- induction period.

The remaining 883 petrol samples (97.5%) met all the quality indicators of the respective technical standard.

Diesel fuel: 1,144 samples were collected for inspection. 36 samples (3.1%) did not fulfil the quality indicators stipulated by the respective technical standard. The most frequently discovered unsatisfactory quality indicators were:

- flashpoint – 24 samples;
- distillation „95% (V/V) distils by“ – 8 samples.

Other unsatisfactory quality indicators:

- distilled volume at 350°C;
- content of sulphur;
- content of fatty acid methyl esters (FAME).

The remaining 1,107 samples (96.8%) of diesel fuel met all the quality indicators of the respective technical standard.

FAME: Out of 21 collected and inspected samples, only one sample (4.8%) did not meet the quality indicators. The unsatisfactory quality indicator in this case was the content of FAME. The remaining 20 samples of FAME (95.2%) met the quality indicators of the respective technical standard.

Diesel fuel blends/DFB 30: In total 71 samples of this fuel were collected and inspected during the year. Five samples (7.0%) did not meet the quality indicators of the respective technical standard. Unsatisfactory quality indicators were:

- flashpoint – 3 samples;
- content of FAME – 2 samples.

The remaining 66 samples (93%) of diesel fuel blends met all quality indicators of the respective technical standard.

LPG for engines: Out of the total number of 298 LPG samples (i.e. liquid petrol gases), 7 samples (2.3%) did not meet the quality indicators of the respective technical standard. Laboratory tests found the following quality indicators:

- sulphur content – 7 samples;
- motor octane number – one sample.

The remaining 291 samples of LPG for motor elements met all the quality indicators of the respective technical standard.

CNG: In total, 36 samples of compressed natural gas/CNG were collected and inspected. Collected and inspected samples of CNG met all the quality indicators of the respective technical standard.

Ethanol E-85: 19 samples of this motor fuel were collected and inspected. All collected and inspected samples of Ethanol E-85 met all the quality indicators of the respective technical standard.

Bio-fuels in driving fuels: The content of fatty acid methyl esters was inspected in 1,144 samples of diesel fuel throughout the year. Laboratory tests proved the exceedance of the upper admissible limit of bio-components in 1 sample of this fuel in September. The exceedance of the upper admissible limit of bio-components was not discovered in the other 1,143 samples of diesel fuel.

The inspection of ethanol content in petrol did not find an exceedance of the upper admissible limit of bio-components in any of the 609 collected samples of this type of fuel.

Since 2011, in compliance with the Act No. 311/2006 Coll., on Fuels, the Czech Trade Inspection Authority has made public the legitimate decisions concerning imposed fines. In total, 60 fines amounting to 11,813,000 CZK were lawfully imposed for retail of low-quality motor fuels in 2013. Fines for distribution of low-quality fuels discovered in the end of 2013 will be imposed during the first months of 2014. The highest fine – 1.4 million CZK was imposed for repeated sale of bad quality petrol.

Comparison of quality of collected motor fuel samples according to their type (January to December 2012 and 2013)

Type of fuel	Jan - Dec 2012						Jan - Dec 2013					
	collected samples		unsatisfactory samples		satisfactory samples		collected samples		unsatisfactory samples		satisfactory samples	
	number	%	number	% from this type of fuel	number	% from this type of fuel	number	%	number	% from this type of fuel	number	% from this type of fuel
petrol	1,296	40.9	23	1.8	1,273	98.2	906	36.3	23	2.5	883	97.5
diesel fuel	1,441	45.4	58	3.7	1,338	96.0	1,144	45.9	37	3.2	1,107	96.8
diesel fuel blend	55	1.7	10	18.2	45	81.8	71	2.8	5	7.0	66	93.0
FAME	21	0.7	1	4.8	20	95.2	21	0.8	1	4.8	20	95.2
LPG	301	9.5	5	1.7	296	98.3	298	11.9	7	2.3	291	97.7
CNG	39	1.2	0	0.0	39	100	36	1.4	0	0.0	36	100
Ethanol E85	19	0.6	1	5.3	18	94.7	19	0.8	0	0.0	19	100
Total	3,172	100.0	98	3.1	3,074	96.9	2,495	100.0	73	2.9	2,422	97.1

Out of 2,495 samples collected in 2013, 73 samples, i.e. 2.9%, did not meet the quality requirements. In 2012, 3,172 samples were collected, and 94 of them, i.e. 3.1%, did not meet the respective technical standards. A closer analysis of these findings shows that the proportion of low-quality fuels decreased from 3.7% to 3.2% for diesel, from 18.2% to 7.0% for diesel fuel blends, and from 5.3% to 0.0% for Ethanol E-85.

An increase in the proportion of low-quality fuels was observed for petrol – from 1.8% to 2.5%, and in LPG for engines – from 1.7% to 2.3%.

Fuel quality in an inter-annual comparison

Period	Non-conforming samples in %							
	petrol	diesel fuel	diesel fuel blend*	FAME*	LPG	CNG*	Ethanol* E85	Total
2 nd half of 2001	5.7	15.8	42.7	-	-	-	-	13.5
Year 2002	4.0	12.2	27.7	-	-	-	-	9.0
Year 2003	10.4	13.4	20.8	-	12.9	-	-	12.4
Year 2004	6.3	12.3	14.5	-	2.5	-	-	8.6
Year 2005	4.1	7.9	10.3	-	4.3	-	-	6.1
Year 2006	2.4	6.9	17.5	-	2.0	-	-	4.8
Year 2007	3.3	5.4	46.7	-	2.0	-	-	4.6
Year 2008	1.8	8.9	66.7	-	4.0	-	-	5.6
Year 2009	2.5	7.9	40.0	-	1.5	-	-	5.0
Year 2010	5.6	9.6	23.8	25.0	0.5	0.0	65.2	7.9
Year 2011	2.1	6.0	17.7	17.4	0.0	0.0	21.7	4.4
Year 2012	1.8	4.0	18.2	4.8	1.7	0.0	5.3	3.1
Year 2013	2.5	3.2	7.0	4.8	2.3	0.0	0.0	2.9

* The higher proportion of non-conforming samples of these fuels is influenced by the low number of collected samples.

The minimum number of fuel samples required to be collected has been stipulated since June 1, 2010, by regulation No. 133/2010 Coll. Since this date, monitoring of the composition and quality of fuels has been broadened to include motor fuels FAME, CNG, and Ethanol E85. The inter-annual comparison of inspection results shows that the quality of fuels inspected by the Czech Trade Inspection Authority in the market network of the Czech Republic was approximately the same in 2006 – 2009, but significantly declined in 2010.

In 2011, in response to the above mentioned result, the Czech Trade Inspection Authority increased the number of inspections and collected samples of motor fuels to 2,303. 102 samples, i.e. 4.4% from the total number of samples, did not meet quality requirements.

In 2012, the number of collected fuel samples increased to 3,172 samples of motor fuels, out of which 98 samples, i.e. 3.1%, did not meet quality requirements.

In 2013, the Czech Trade Inspection Authority collected and inspected 2,495 samples of motor fuels. 72 samples, i.e. 2.9% did not meet the quality requirements. This is the lowest proportion of unsatisfactory fuels in the entire monitored period since 2001.

The number of negligence deviations decreased, but inspections still find deviations of more serious character, which indicate that there are ingredients added to fuels that significantly impact the quality of motor fuels in undesirable way. These cases represent damage to consumers and the environment, as well as tax evasions.

Overview – results of projects concerning general inspection

Title of inspection project	Number of inspections in total		Inspections with findings		Discovered violations in%	
	2012	2013	2012	2013	2012	2013
Fuels Inspection and monitoring of fuel quality, including the collection of samples	1,791	1,498	92	68	5.1%	4.5%
Intellectual property rights Inspections concerning the offer or sale of products and services violating intellectual property rights (including online shopping)	1,642	1,946	552	614	33.6%	31.6%
Packaging of products Monitoring of occurrence of environmentally non-conforming packaging, and screening of packaging placed on the market or into circulation, including return collection	1,055	919	50	41	4.7%	4.5%
E-commerce Continuous monitoring of development concerning this form of sale	1,206	1,296	988	1,013	81.9%	78.2%
Discrimination Auditing for potential discrimination of consumer groups (mainly based on ethnicity, age, nationality, gender, or handicapped persons according to the Act 634/1992 Coll.)	1,344	1,000	15	15	1.1%	1.5%
Consumer credits Auditing of terms concerning negotiation of consumer credits	255	319	109	153	42.7%	48.0%
Presentation and sales events Auditing for potential violation of legal regulations concerning the sale of goods away of business premises (orientation on deceitful commercial practices)	281	365	204	262	72.6%	71.8%
Summer tourist season Inspection of services in camps in prominent regional tourist areas	1,286	1,546	477	556	37.1%	36.0%
Travel agencies Auditing of activity of travel agencies	274	338	111	124	40.5%	36.7%
Winter tourist season Inspections of provided services, including public alimentation, rentals and ski lifts	442	511	135	141	30.5%	27.6%
Secondary raw material procurement centres Inspection of compliance with legal regulations – informing consumers on prices of procurement and accuracy of measuring devices	332	323	105	121	31.6%	37.5%
Solid fuels Inspection of obligations concerning the sale	118	102	52	47	44.1%	46.1%
Liquid fuels Inspection of weight of sold bottles with bottled gas	13	2	7	1	53.8%	50.0%
Retail of alcoholic drinks	14,513	5,657	110	1,501	0.8%	26.5%
Inspections concerning the offer, sale and storage of tobacco products	2,671	3,363	677	1,240	25.3%	36.9%

SURVEILLANCE OF PRODUCTS

In the sphere of inspection of products implemented to the market, surveillance focused on their safety and the protection of the domestic market further to the development within the common market of the EU, and consumer protection within the application of rules for the free movement of goods and technical requirements for products. Inspections concerned legal and physical entities selling or supplying products and goods to the domestic market, using measures taken to harmonize the system of market surveillance and inspection with the systems of the European Union. In 2013, the Czech Trade Inspection Authority applied effective methods of legislation enforcement using cooperation with other state surveillance authorities and specialized workplaces, including international affiliations. At the same time, it continued in the preparation and use of unified inspection procedures and effective modern methods, technical potential of authorized and accredited persons as well as other capacities.

The inspection of selected products includes not only products meant for consumers but also products meant for operators (technical devices). Therefore, the capacity of technical specialists with a national sphere of activity was concentrated at the Středočeský and Prague Inspectorate. This centralization of product inspection has proven useful in practice, mainly in terms of completing the examination of inspection findings at subjects responsible for placing products on the market and in enforcement of uniform methods during inspections. At the same time, though, the centralization presents higher demands related to the management of the inspection process and logistic arrangement that needs to respect the distribution and number of inspectors within the Czech Republic.

The separation of the technical inspection of selected products (according to the Act No. 22/1997 Coll.) and the inspection of the general safety of products (according to the Act No. 102/2001 Coll.) meant higher demands on the group of specialists that deal with products presenting an increased threat to the legitimate interest of consumers. At the same time, however, it allowed for a more thorough surveillance. The sphere of general safety was left within the supervisory power of all inspectorates, while technically demanding inspections were carried out by specialized technical inspectors that fully pursued a particular sphere of surveillance within specialized inspection projects.

The activity of the Technical Inspection Department was centrally directed from the Středočeský and Prague Inspectorate under a methodical management by workers of the central inspectorate from the section TMOS. The performance of inspection was governed by the Plan of Inspection Projects for 2013 published on the CTIA website. Individual projects concerned very specialized projects intended for inspectors-specialists (TID) as well as projects where inspectors of individual inspectorates performed initial searches of selected products in the market and inspection of their accompanying documents. In the case of a discovered violation of legal regulations during the placement of products to the market, they identified the store chain and specific persons responsible for placement of the product on the market. The case was subsequently handed over to TID specialists to be resolved by responsible persons. All inspection projects were evaluated with a final report.

The surveillance of toys was detached from the sphere of competence of the Technical Department. This was done due to the necessity of enabling faster intervention by inspectors into the market in the case of an occurrence of a dangerous product designated for children as a particularly vulnerable consumer group. This measure has proven useful in practice – it has increased the degree of protection for this market segment.

The verification of respective measuring devices continued together with the Czech Metrology Institute through inspections of non-automatic scales and fuel dispensing pumps. The importance of these inspections concerns not only the protection of consumers' interests – it also impacts the maintenance of equal conditions for entrepreneurs in the market. Inspection projects showed that close cooperation with the authorized entity, i.e. Czech Metrology Institute, provides a grasp of the condition of measuring devices in the Czech market.

PRODUCT INSPECTIONS OUTSIDE OF TID

Name of inspection action	Number of inspections in total	Inspections with findings	Discovered violations in%
Children's scooters	90	45	50.0%
Toys firmly connected with food	36	12	33.3%
Decorative wallpapers	82	19	23.2%
Products designated for children	86	44	51.2%
Play features at children's playgrounds	119	30	25.2%

**) specialized inspections of the TID are stated in the activity evaluation of the Středočeský and Prague Inspectorate*

Inspection of toys

As in previous years, CTIA workers pursued increased inspection of the offer and retail of toys in the domestic market of the Czech Republic.

1,176 subjects offering an assortment of toys were inspected, and violations of regulations in force were discovered in 629 cases (53.5%). In total, 548 fines amounting to 3,184,000 CZK were lawfully imposed within this year-long inspection project, although not all discovered shortcomings concerned only the offer and retail of toys.

A targeted inspection concerned children's scooters. In these toys and other toy-sport equipment, inspections repeatedly found not only shortcomings in the labelling or instructions and mandatory information concerning these products, but also construction defects that present a serious risk of injury and endanger the safety of child users.

The attention was also focused on other toys intended for especially vulnerable users – children younger than three years. In this assortment of toys, inspectors repeatedly encountered a circumvention of stricter requirements that are imposed by technical regulations on products intended for the youngest users. The manufacturer or

importer labels the toy with information or pictogram that the product is not intended for children younger than three years, even though the toy's appearance or style fits a product for the youngest children, for example, softly stuffed plush toys or pulling toys.

Inspections also repeatedly discovered the offer and retail of anonymous toys, i.e. without identifying information regarding the manufacturer, importer or distributor. In many cases, the toys did not have the CE conformity mark which arouses a justified suspicion concerning the due assessment of conformity of the offered toys with requirements stipulated in the respective statutory order and, therefore, also its safety. Distributors often violate the requirement to duly inform the final user on reasons for which the toy is not suitable for the given age category of children. They assume that a pictogram or verbal notice "unsuitable for children up to three years" is sufficient information for users, and they underestimate the necessity to duly and in full extent provide customers with all information and safety warnings provided in a foreign language by their manufacturer.

Inspections in the last year also showed repeated offer and retail of toys violating intellectual property rights. Inspections carried out in cooperation with the Czech Telecommunication Office discovered remote-inspected toys that work on non-permitted frequencies.

In total, 41 samples of various types of products were collected to verify safety criteria concerning particular toys. 24 samples did not meet the stipulated requirements concerning safety, 9 toys did meet the requirements, and 8 products are being analysed. Based on discovered results, 20 toys were reported into the RAPEX system because of a suspicion of serious risk and danger to the safety of children.

CTIA inspectorate	Number of inspections		Inspections with findings		Discovered violations in %	
	2012	2013	2012	2013	2012	2013
Středočeský and Prague	163	152	37	61	22.7%	40.1%
Jihočeský and Vysočina	171	81	45	18	26.3%	22.2%
Plzeňský and Karlovarský	256	273	117	201	45.7%	73.6%
Ústecký and Liberecký	214	236	60	128	28.0%	54.2%
Královéhradecký and Pardubický	155	126	51	69	32.9%	54.8%
Jihomoravský and Zlínský	94	150	54	45	57.4%	30.0%
Moravskoslezský and Olomoucký	182	158	127	107	69.8%	67.7%
Total	1,235	1,176	491	629	39.8%	53.5%

Collection of samples and their analysis

In total, 271 types of products, besides fuels, were collected in the monitored period. From this number of samples collected in the trade network, 52 selected products did not meet respective basic requirements (i.e. requirements defined by the Act No. 22/1997 Coll., on Technical Requirements for Products, and by regulatory statutes concerning individual commodities). 102 unselected products did not meet standards of general safety (according to the Act No. 102/2001 Coll.). The fulfilment of legislative requirements for products and their accompanying documents was evaluated by notified persons/ accredited testing rooms and in some cases also by internal procedures of the Czech Trade Inspection Authority.

The collections of inspection samples were focused mainly on products from third countries. In terms of product groups, this concerned mainly toys, low voltage electrical equipment, machinery, construction products, pressure equipment and other small consumer products.

Collection of samples of selected products (according to Act No. 22/1997 Coll.)

Commodity	Number of samples (types)	Satisfactory samples	Non-conforming samples	Still in laboratory tests	In-process internally
Electro	32	2	16	-	14
El. lawnmowers*	3	3	-	-	-
Toys	41	9	24	-	8
Personal protective equipment	3	1	1	1	-
Medical devices	15	-	-	15	-
Other	8	1	3	-	4
Construction products	16	5	8	-	3
Total	118	21	52	16	29

* inspected samples (of products) tested in accredited laboratories outside of the Czech Republic within international inspection projects (PROSAFE, ADCO)

Collection of samples of unselected products (according to the Act No. 102/2001 Coll.)

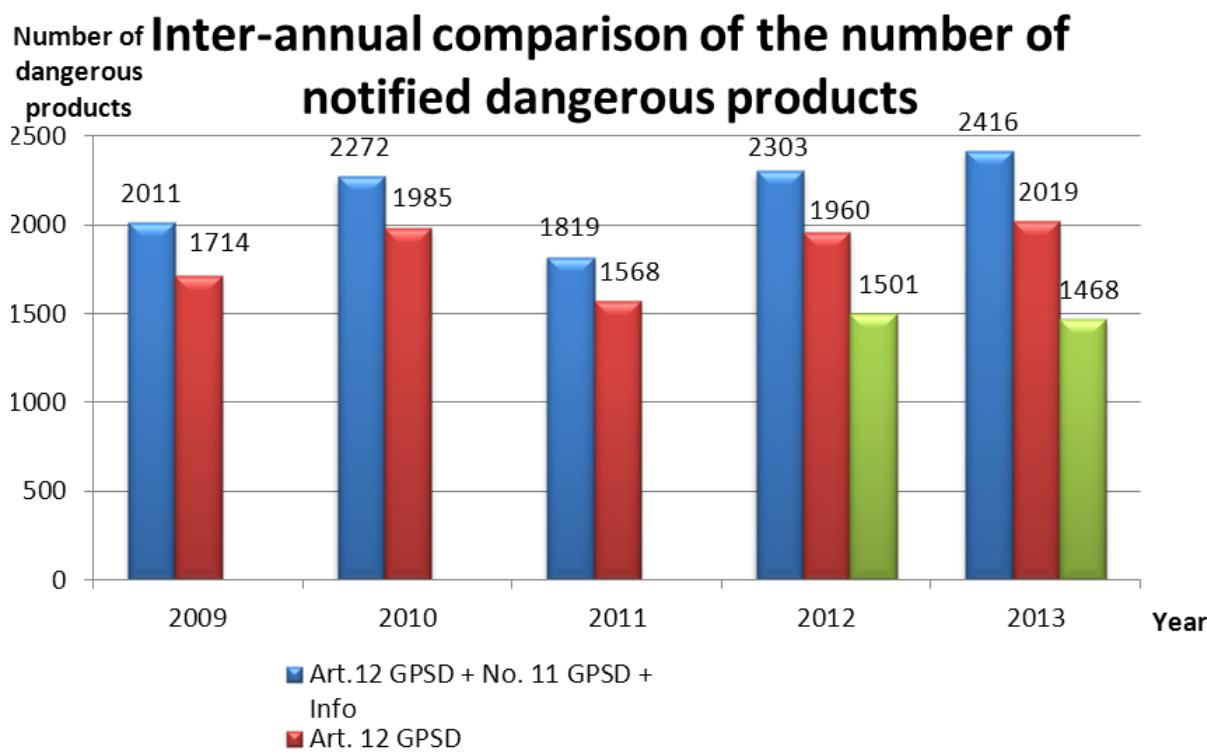
Commodity	Number of samples (types)	Satisfactory samples	Non-conforming samples	Still in laboratory tests	In-process internally
Environment + coal	14	5	8	1	-
Jewellery	21	4	16	-	1
Footwear	2	-	-	1	1
Furniture	8	2	6	-	-
Textile	19	-	17	-	2
Lighters	32	-	32	-	-
Other	36	1	9	-	26
Cars	8	1	7	-	-
Children's bicycles	3	-	-	-	3
Strollers	5	-	5	-	-
Small tubs*	5	3	2	-	-
In total	153	16	102	2	33

* inspected samples (of products) tested in accredited laboratories outside of the Czech Republic within international inspection projects (PROSAFE, ADCO)

RAPEX (Rapid Alert System)

The CTIA started working with the European system for rapid exchange of information on dangerous products - RAPEX (Rapid Alert System) - when the Czech Republic joined the European Union. This occurred via the national contact place for non-food products - the Ministry of Industry and Trade. Participation of all member states in the system is continuously evaluated by the General Product Safety Directive Committee of the European Commission, and experience gained from the system's operation serves as grounds for further modifications of European legislation.

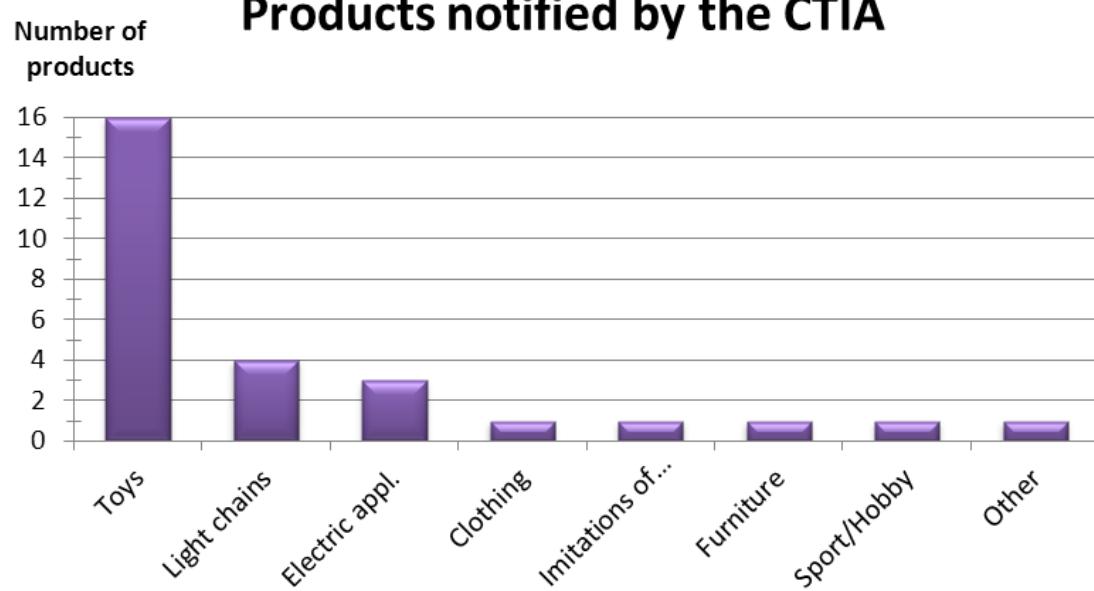
In 2013, there was a small growth in the number of dangerous products reported by EU member states into the RAPEX system. The growth occurred in spite of the weaker period in the beginning of the year, when in the 1st quarter there were statistically fewer products reported than in 2012.



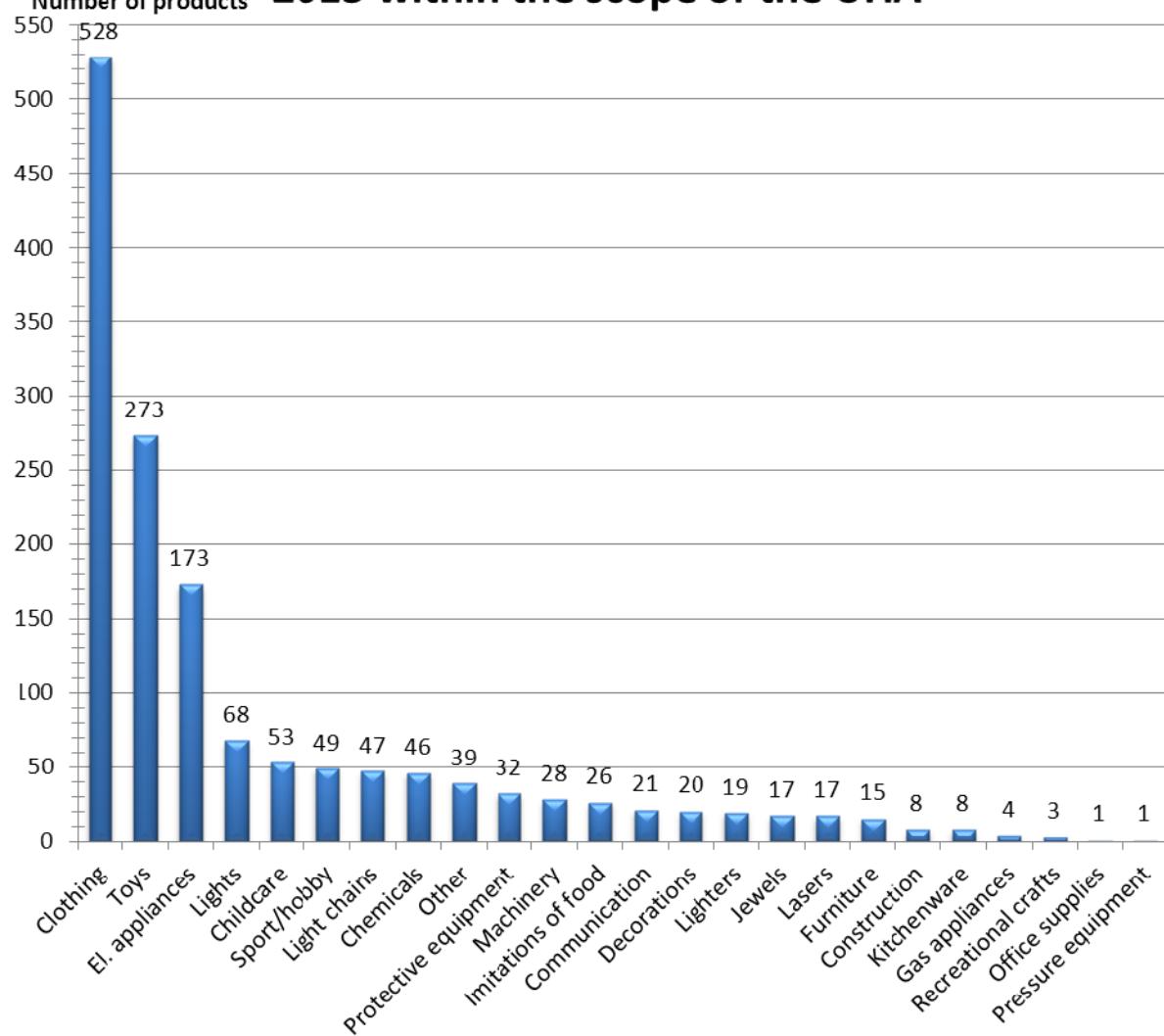
The European Commission issued in total 2,416 notifications of dangerous products, out of which 2,019 notifications were notifications according to article 12 of the General Product Safety Directive (GPSD) – serious risk. The Czech Trade Inspection Authority analysed all issued notifications within its surveillance power – out of the total number of 2,019 notifications according to article 12 of GPSD, 1,468 notifications were addressed to the CTIA by the contact point. (Notifications which for various reasons did not meet all criteria for issuing according to article 12 - serious risk - were issued in the category of article 11 of GPSD - moderate risk or INFO - for information).

The Czech Trade Inspection Authority participated in notifications of dangerous products according to article 12 of GPSD with 28 notifications, which is 3.5 times more than in 2012, and it issued 10 INFO notifications. In the assessed period, the Czech Trade Inspection Authority received 10 notifications concerning a manufacturer's voluntary measure. These notifications were performed in compliance with the article 5.3 of GPSD.

Products notified by the CTIA



Individual categories of notified products of 2013 within the scope of the CTIA



INTERNATIONAL COOPERATION

Groups for administrative cooperation

ADCO ATEX - environment with explosion risk

The meeting of the working group ADCO ATEX – environment with explosion risk - was divided into two parts. The first part was an excursion into the production plant of the company MSD Wicklow during which the participants were familiarised in detail with zones whose parameters are a limiting factor for categorization under the directive ATEX. Before the excursion, there was a short presentation concerning the orientation of the production with an emphasis on its safety and securement of risk-free production. The second part concerned individual contributions of member states. The Swedish party introduced a notification based on article 7 of the ATEX directive. A defect on a product with a risk of potential electrostatic discharge was classified according to Scandinavian codes as group 3, i.e. serious risk.

ADCO EMC - electromagnetic compatibility

The CTIA participated in the international campaign “switch-mode power supplies for notebooks” under the ADCO EMC working group. The chairperson made a detailed report regarding the completed fifth surveillance campaign concerning these products. Collected samples came mainly from China or Taiwan. The report described in detail aspects expressing the absolute as well as percentage dissonances of tested products and other important data. Out of 136 tested products, only 32 samples, i.e. 23.5%, were satisfactory. Only 92 products were labelled with the CE conformity mark, out of which 50% were satisfactory. The group discussed specific technical matters – the current state of the EMC directive, a package concerning the product safety and market surveillance, and the free trade zone in the Mediterranean Sea area.

ADCO TOYS – safety of toys

The CTIA has participated in the ADCO – TOYS working group on a long-term basis. The working group participants were informed on the progress of work within the normalization and on the current stage of preparation of individual parts of the EN 71 series technical standard, which is supposed to be harmonized with the directive on safety of toys. The working group also discussed individual member states' inquiries regarding toys that imitate food and also trampolines. The discussion also concerned the upcoming *Guidance No. 7* – leading document for assessment of water toys and other products that are classified as toys, but this classification is problematic to justify. The Commission representatives provided information concerning the ongoing standardization. The leading document “*Guidance Document*”, focused on assessment of water toys, was discussed repeatedly.

ADCO PPE - personal protective equipment

The ADCO PPE workshop discussed the matter of safety boots, the upcoming Package for Market Surveillance, the EN 795 standard for anchorage devices, self-rescuing device “SavOx”, the categorization of dry clothing providing complete

insulation from the environment, the standard EN 1621-4 for airbags, and the experience of member states with the ICSMS database. Further discussions concerned the interpretation of the Directive for PPE in the case of abseil devices, protective clothing for firemen, and the assessment of the testing method of anti-perforation of insoles according to the standard EN ISO 20344.

ADCO MACHINERY - machinery

The meeting of the ADCO group for machinery discussed the issue of missing warnings in user manuals in the case of high-pressure cleaners, the revision of the standard for wood-splitting machines, the necessity to process safety requirements for telescopic cutting heads on tractors, and similar machines. Participants were informed on the upcoming "Guide for Market Surveillance" in the sphere of machinery. Further discussion concerned the issue of mechanical gates and their minimal coverage and securement against injuries of children.

ADCO CPD – construction products

The meeting participants were familiarized with the current draft version of the provision concerning market surveillance – MRS and CPSR. In connection with the effective date of this provision, sections concerning market surveillance (article 56 – 59) will be rescinded. This change will project into the CPR revision. The Commission was interested in whether market surveillance authorities had already identified a case where a manufacturer placed a product on the market through simplified procedures or specific technical documentation. The Commission representative noted that a construction product itself cannot be subjected to risk analysis, if it is a product whose mandatory characteristics were verified through procedures stipulated in harmonized technical specifications before its placement on the market.

ADCO PED – pressure equipment

A Commission representative had a presentation at the meeting regarding the upcoming proposals of the package of legislative regulations for product safety and market surveillance, which consists of two parts – consumer products safety and market surveillance, and directives concerning the New Approach. The German party presented its activity since 2008 concerning containers that are an integral part of compressor units. An inspection discovered insufficient welds, and products from several Chinese manufacturers were put into the ICSMS system. The French delegation presented a common working material created by the German, Norwegian and French delegate that concerned the correct practice for product surveillance falling within the PED and SPVD directives.

ADCO GAD – gas appliances

The Commission representative stated that the revision of the GAD directive is still open to proposals. The Dutch representative, the working group chairman at the same time, presented results from the nationwide inspection of portable cookers. The reason for this extensive inspection was several documented injuries. 19 models of cookers were collected during this inspection and tests of fuel leaks are currently taking place. So far, performed inspections have found an exceedance of allowed

temperature – temperature higher than 500 °C - in test samples. A visual inspection discovered missing CE marking in two samples as well as missing documentation.

Working group COEN – medical devices

At this meeting, *Dalli's Plan* of a common project was updated, and *Vigilance Teleconferences* (telephone conferences among representatives of member states regarding undesirable events that concern medical devices; Czech Republic participates through the State Institute for Drug Inspection) were introduced together with the project of surveillance of the market with dental fillings and bone fillings. The meeting also presented the unfit use of CE marking on products for general laboratory use (e.g. on pipettes or pipettes tips) and the Manual for Marking of Devices Using Phthalates. Further discussions concerned the operating instructions for cleaning and resterilization of reusable sterile MD, magnetotherapy System VNS (*Vagus Nerve Stimulation*) and other.

WELMEC WG5 – surveillance in European metrology

In the WELMEC WG5 meeting, representatives of surveillance authorities discussed national plans, surveillance results and implicit priorities in the field of application of directives MID and NAWI. An initiation of common surveillance activities in the sphere of heat meters, electrometers, and NAWI scales in the industry was arranged. A CTIA representative suggested ways of financing these projects and asked the working group for a reaction to the DG ENTER appeal, through which the financing would be possible. If the financial resources from EU funds are successfully obtained, the project will be initiated in the next year and the CTIA will realize it in cooperation with the Czech Metrology Institute and Czech Office for Standards, Metrology and Testing.

International surveillance projects

PROSAFE general meeting – Working group for enhancement of market surveillance

The year 2013 was very important for the Czech Trade Inspection Authority, since in autumn it hosted the 2nd international workshop and general meeting of PROSAFE in Prague. The general meeting assessed PROSAFE activity during the last period, evaluated current and completed projects, and it stipulated a further strategy for European surveillance in light of the upcoming new legislative package, mainly the proposal of provisions concerning market surveillance. The workshop introduced future priorities for surveillance and proposed new topics of common surveillance projects, mainly JA2013 and JA2014, and a further development of horizontal activities in light of the EMARS II project. The meeting also presented examples of risk assessment concerning “borderline” products and also cooperation with customs authorities. The organization and securement of this autumn meeting was well

regarded by its participants, and the election of CTIA representative into PROSAFE managing board was significant.

Surveillance project „Ladders”

This project is supposed to practically use newly designed procedures for verification of safety of jointed and telescopic ladders, which is supposed to help in the amendment of the EN 131 standard section which concerns jointed ladders, and also help with elaboration and subsequent approval of the European standard section which concerns telescopic ladders. The aim of the amendment is that the requirements of the standard correspond to the current requirements for safety. The safety of approximately 21 models of ladders – telescopic, jointed or combined – will be tested. Different options for testing were also discussed, i.e. what types of tests will be included in the test programme, so that they encompass as well as possible all safety indicators for the stipulated types of ladders. This project is also supposed to research and test safety parameters that are not yet covered by existing parts of the European standard, which in the future will contribute to an increase in the safety of these products sold in the EU market.

Surveillance project “Lawnmowers”

The binding numbers of different types of lawnmowers that were subjected to partial tests in an accredited laboratory were stipulated as follows: 7 robotic lawnmowers, 4 manual battery powered lawnmowers, 7 manual electric lawnmowers, and 7 manual motor-powered lawnmowers. The CTIA performed an inspection and collection of three manual electric lawnmowers and secured their analyses in a testing laboratory. Tests were performed according to European harmonized standards, based on the type of lawnmower. Most findings concerned flaws of administrative character. Two lawnmowers did not comply with technical requirements within electromagnetic compatibility (EMC). In seven lawnmowers, inspections discovered a failure to comply with basic requirements of the machinery directive (MD). Tests according to the directive for low-voltage electric devices (LVD) did not discover any deficiencies. The group of products without any findings included lawnmowers collected in the Czech market.

Surveillance project “Battery chargers”

The inspection project “Battery chargers” was initiated due to the significant risk of fire and electrical shock for this product group. Within this project, the Czech Trade Inspection Authority inspected 54 types of products in total. 10 types of battery chargers were sent for tests to the British laboratory *Bureau Veritas Consumer Products Services UK Ltd.*: 5 tested types met the technical requirements, 2 types were completely unsatisfactory, and in 3 cases it was not possible to unequivocally prove the violation of the technical requirements. Therefore, a risk analysis will be performed at the second quintuple of samples and respective measures will be imposed based on its results. A number of authorities and organizations such as CEN-CENELEC, TAXUD, *Digital Europe* and others joined this project. An “atlas” of battery chargers was created and a manual for inspection activity was elaborated for the needs of custom authorities. A final report will be presented to the European Commission in the beginning of 2014.

International surveillance project focused on improving cooperation among Chinese surveillance authorities and surveillance authorities of EU member states – “JA China”

This project is in its second phase that aims to radically change the safety of consumer products imported to the European Union from China. The first phase included mutual visits of representatives of surveillance authorities and expert teams in China and Europe, and the signing of a number of documents concerning mutual understanding, cooperation, and initiation of a common surveillance pilot project focused on toys as one of the most important risk groups of products, exchange of information, etc. During this phase, set regimes of information exchange, conformity assessment, and mutual acknowledgement will be practically verified. The project is grant-aided by the European Union and the application of its results on other product sectors is expected in further stages.

International surveillance project “Childcare products I”

The project stipulated the total number and types of model products that were collected for tests from the market network. Also, further completion of processed *checklists* for bathing aids (chaises and underlays) and *checklists* for inspected seats (bathing rings) was approved. The meeting also discussed risk analyses for all collected products with identified shortcomings connected with their safety. A unanimous proceeding of member states during surveillance was required so that the assessment of the seriousness of flaws and measures of the internal market for the same discovered flaws do not differ. The final meeting, which concluded the project, assessed the project results and proposed a procedure for informing the public on achieved results, discussed information for normalization authorities on possible propositions concerning the amendment of existing standards or for the preparation of a new European regulation for products facilitating bathing of small children. A meeting concerning children chairs familiarized the participants with results of the tender concerning the choice of a suitable testing laboratory, and it approved the conditions of sampling for the following international surveillance project “Childcare products II”.

International surveillance project “Childcare products II”

The continuation of the international surveillance project “Childcare products II” is focused on high chairs for children, and inspection events as well as educational events are planned within this project. The aim is to verify the situation in the market and gain information on whether the valid technical standard for high chairs for children contains all important criteria for the assessment of the safety of these products according to the GPSD directive. The foreseen scope of the project and the time plan of the project's individual phases were specified during the meeting. The meeting also introduced the current list of childcare products, on which individual member states and concerned consumer organizations want to focus their attention in the future – checking their safety and compliance with existing as well as new upcoming standards. The project's participants were familiarized with statistical data concerning injuries of children which happened in connection with the use of high chairs, as well as with statistics processed according to information published on

children's chairs in the RAPEX database with identified failure to comply with requirements of the GPSD European directive.

International surveillance project “JA 2011”

This international project was in its final phase in 2013. Within this project, the Czech Trade Inspection Authority participated in the three above described product inspections (battery chargers, lawnmowers, and products intended for children – mainly strollers and products intended for bathing of children). Besides these activities, CTIA workers also participated in the activities *E-learning* (EL), *Risk Assessment* (RA), and *Home Authority Principle* (HAP). This project enabled the testing of a number of products that originated from the all-European market, and the produced procedures, results, and conclusions will be an important part of future surveillance activities leading to an increase in product safety in the given sectors within the national market as well as in the European market.

Surveillance project “JA 2012”

This international surveillance project was initiated in the beginning of 2013, and the CTIA participated in this project through the product activities Ladders II, Products Intended for Children – High Chairs, and other horizontal activities including HAP, RA, EL, and CIMS. In the case of the EL activity, the CTIA exerted pressure on changing the plan and creating a multilingual version of this SW. A visitation of the Review Team on the CTIA's ground took place within this project in October. Its suggestions brought some interesting views on the structure and selected activities of the Czech Trade Inspection Authority. The project continues in 2014.

Surveillance project “JA 2013”

In 2013, the Czech Trade Inspection Authority participated in the preparation of the joint surveillance project JA 2013, subsidized by the European Commission. Within this project, the CTIA will participate in the inspection of toys, products intended for children – minicars with pedals, scooters, beds and other, detectors of CO, and sectional activities such as the *Home Authority Principle*, *e-learning*, and risk assessment. Attention will also focus on the issue of *On-Line Sales*. The project will be officially initiated in February 2014.

Working groups of the European Commission and other

IMP-MSG meeting – market surveillance group

In 2013, the IMP-MSG working group, a market surveillance advisory body of the European Commission, mainly pursued assessment of the effectiveness of using the New Legislation Framework (NLF), and it evaluated the reports of national surveillance plans. The subgroup RATF (*Risk Assessment Task Force*) presented the result of work on the methodical material concerning the assessment of risks of products falling within NLF. Furthermore, the group pursued the upcoming provision concerning market surveillance, GPSD revision, and updating of the “Blue Guide”

document. The participation of the CTIA in this advisory body has a principal importance for shaping the future strategy of market surveillance and, therefore, also the strategy of the CTIA.

Meeting of the Expert group for IMP with focus on ICSMS

The second meeting of this expert group concerned solely the ICSMS database and its implementation according to Regulation 765/2008. It presented the plan of system administration change from the part of the main administrator of LUBW and AISBL to EC since November 2013. Participants of the meeting discussed the current state of using the system in the medium-term, and its further perspectives in individual member states. They had an opportunity to express their opinion, mainly in response to questions regarding the quality of joint principles in using the database. They chose three spheres of the system preferential development (relation to national databases, harmonization of the language regime, and categorization of products of the database to individual EC directives and regulations), and they received information on the state of implementation and use of the ICSMS database in the Czech Republic and in the Czech Trade Inspection Authority.

Meeting of the working group for the risk assessment project

This meeting presented the methodology for risk assessment, and discussions also concerned the *Delphi* method and its possible use for risk assessment. The working group initiated risk assessment of a particular case by means of the Delhi method, and it pursued risk assessment of products included into the projects JA 2012 (high chairs for children, children's clothing with cords and drawstrings, CO detectors, and smoke detectors), JA 2011 (bath tubs for children, strollers), and inspections of products in the category of electric tools. Resolved risk assessments for these products act as model risk assessments for the CTIA. The CTIA representative presented and discussed their risk assessment concerning warning vests.

Rapex Contact Point meeting

Participants of the meeting were familiarized with the functioning of the RAPEX system in 2012 in the form of statistical evaluation. The meeting discussed technical IT problems in the system and unclear reactions to some notifications (discussion among the notifying state, reacting state, and the Commission). The current information from adaptations concerning technical procedures in the CLP Regulation (description of labelling, packaging) was presented. The meeting also discussed the issue of toys that contain magnets.

Trainings and workshops

Workshop on the topic “Techniques of market surveillance” (Lebanon)

A CTIA representative participated in the workshop “Techniques of market surveillance” on invitation from the TAIEX (Technical Assistance Information Exchange) department of the European Commission. The aim of the workshop was to provide current information and the exchange of experience from practice among representatives of various surveillance authorities of EU member states. The CTIA

had presentations on the topic of general introduction into the concept of market surveillance and conformity assessment in non-food products.

Benefit of international business trips

The benefit of international business trips is essential for the activity of the Czech Trade Inspection Authority – it participates in a number of European working groups for market surveillance, and its experts participated in numerous international activities in 2013. It continuously cooperated with European surveillance authorities and other authorities (PROSAFE, IMP-MSG, DG TAXUD, etc.), it actively contributed to the RAPEX alert system and to the information system of surveillance authorities – ICSMS (Information and Communication System for Market Surveillance). Through its activity and participation in international surveillance projects, the Czech Trade Inspection Authority strives to obtain and effectively apply financial resources from the European Union intended for market surveillance, and to fulfil its obligations given by European legislation.

Participation of CTIA workers in ADCO groups (Administrative Cooperation Working Group):

LVD – low-voltage devices

RTTE – radio and telecommunications terminal equipment

TOYS – toys

RCD – recreational craft

CPD/CPR – construction products

MACHINERY – machinery

PED – pressure equipment

PPE – personal protective equipment

EMC – for the sphere of electromagnetic compatibility

NAWI and MID – for metrology WELMEC WG5

COEN – for the sphere of medical devices

The aim of this international cooperation has been mainly to remove legislative technical barriers to the placement of products on the EU single market, and to achieve more effective surveillance including closer cooperation among individual member states. Expert workers participated in regular meetings and interactively cooperated on-line in the system CIRCABC*. In an ever increasing scope, the CTIA participates in the ICSMS system – through entering more data and accepting investigations into particular cases from other surveillance authorities from abroad.

As in past years, the CTIA actively participated in selected European surveillance projects. In particular, these concerned grant projects co-financed by the European Commission with a focus on ladders, reflective clothing and accessories, battery chargers, lawnmowers, and product groups intended for children – i.e. products whose common use can result in accidents and damage to the health of consumers. The “best practice” was further improved within these surveillance projects - international cooperation of surveillance authorities, cooperation with customs authorities in the given sector, and communication with representatives of industrial associations as well as other interested parties was strengthened. Results of these projects were significant for further surveillance activity of the CTIA not only on the

national level, but also within the international context, and they influenced European standardization. They also contributed to a verification of a way forward during the enforcement of EU law against Chinese authorities responsible for product assessment and, thus, to increasing the safety of products imported from China. Within the above mentioned international projects, CTIA workers also participate in work on sectional activities – e.g. in the working group for risk assessment of products (Risk Assessment), in the working group for improvement of communication between surveillance and industry (*Home Authority Principle*), in the working group for creating e-learning modules for training workers in surveillance as well as industry (*E-learning*), and in the working group for mutual comparison and improvement of activities of European surveillance authorities (*Continuous Improvement in Market Surveillance*). In October 2013, a visitation of the international CIMS Review Team on the CTIA's grounds took place within the last mentioned activity, and its recommendations will be taken into account by the CTIA administration in the formation of further strategy.

A very important international event organised by the Czech Trade Inspection Authority in 2013 was the 2nd international workshop for market surveillance and the PROSAFE general meeting which took place in Prague on November 11 – 13, with participation of representatives of European surveillance authorities, European Commission representatives, DG TAXUD, PROSAFE, EFTA, and other organizations. Conclusions from this meeting will fundamentally influence the further conception and direction of market surveillance in Europe. An important fact is that a representative of CTIA was elected into the PROSAFE managing board at this meeting.

The participation of CTIA representatives in meetings abroad contributed to successful implementation of binding European rules stipulated in “*acquis communautaire*” and, thus, also to the protection of the rightful interests of consumers – their safety, health, belongings, environment, and other rightful interests. These activities had a positive response in the international forum, and they contributed to a successful presentation of the Czech market surveillance authority within the EU.

In the long-term perspective, an important part of the Czech Trade Inspection Authority's international activities is the participation in the IMP-MSG (*Internal Market for Products – Market Surveillance Group*) advisory authority of the European Commission and participation in the preparation of future strategies for European surveillance, i.e. preparation of new European legislation, mainly the revision of the GPSD directive, proposal of a new provision for market surveillance, and the use of this legislation in preparation of the conception and future strategy of the CTIA.

***) Abbreviations – explanation**

ADCO	Administrative Cooperation Working Group
PROSAFE	Product Safety Enforcement Forum
SOGS-MSG	Working Group for Standardization and Conformity Assessment – Market Surveillance Group
COEN WELMEC WG5	Compliance and Enforcement Group Working group 5 – Metrological Supervision
ICSMS	Information and communication system of surveillance authorities in EU
Guidelines – DG TAXUD	Instructions for inspection of import in the sphere of product safety and compliance with regulations
NAWI/MID	Non-automatic weighing instruments
NLF	New Legislation Framework
EMARS	Working group for enhancement of surveillance level
DG ENTERPRISE	Direktorate-General for Enterprise and Industry
DG SANCO	Direktorate-General for Health and Consumers
DG TAXUD	Direktorate-General for Taxation and Customs Union
GPSD	General Product Safety Directive
CENELEC	European Committee for Electrotechnical Standardization
CIRCABC	Portal for cooperation with partners of European institutions – Communication and information system of European institutions partners
CPD/CPR	Construction Products Directive/Construction Products Regulation

INSPECTION ACTIVITY – statistics for 2012 and 2013

Balance of inspections in other selected spheres

Inspected sphere	Number of inspections in total		Inspections with findings		Discovered violations in %	
	2012	2013	2012	2013	2012	2013
Public alimentation	4,279	3,550	1,140	1 383	26.6%	39.0%
Labelling of footwear	3,134	2,604	1,541	1 466	49.2%	56.3%
Christmas assortment	921	861	214	216	23.2%	25.1%
All Souls' Day goods	166	137	62	66	37.3%	48.2%
Chain stores, supermarkets and hypermarkets	5,453	3,854	1,224	1,179	22.4%	30.6%
Products interchangeable with food	226	181	74	53	32.7%	29.3%
Sale of furniture – information obligations	57	42	20	27	35.1%	64.3%
Children's clothing – cords and drawstrings	48	61	31	33	64.6%	54.1%
Farmers markets	68	55	24	19	35.3%	34.5%
Fairs and other social events	401	407	120	165	29.9%	40.5%
Accommodation services	127	106	27	31	21.3%	29.2%
Taxi services	207	92	75	41	36.2%	44.6%
Specialized inspections at importers	151	147	63	70	41.7%	47.6%
Specialized inspections at manufacturers	585	513	212	202	36.2%	39.4%

Number of performed inspections and number of inspections with discovered violations

CTIA inspectorate	Number of inspections in total		Inspections with findings		Discovered violations in %	
	2012	2013	2012	2013	2012	2013
Středočeský and Prague	7,255	6,012	1,874	1,750	25.8%	29.1%
Jihočeský and Vysočina	7,245	5,507	2,093	2,033	28.9%	36.9%
Plzeňský and Karlovarský	7,723	5,187	2,281	2,079	29.5%	40.1%
Ústecký and Liberecký	6,775	5,569	1,724	1,784	25.4%	32.0%
Královéhradecký and Pardubický	5,908	3,895	1,468	1,328	24.8%	34.1%
Jihomoravský and Zlínský	6,856	5,244	2,180	2,013	31.8%	38.4%
Moravskoslezský and Olomoucký	6,903	5,885	2,276	2,239	33.0%	38.0%
In total	48,665	37,299	13,896	13,226	28.6%	35.5%

Overview of imposed sanctions

CTIA inspectorate	Imposed sanctions in total			
	number		amount in CZK	
	2012	2013	2012	2013
Středočeský and Prague	1,693	1,224	33,779,500	25,837,000
Jihočeský and Vysočina	2,037	1,949	4,895,500	8,728,500
Plzeňský and Karlovarský	2,237	1,467	10,187,000	20,192,500
Ústecký and Liberecký	1,571	1,678	11,347,800	15,686,900
Královéhradecký and Pardubický	1,320	1,289	4,732,500	8,167,000
Jihomoravský and Zlínský	1,913	1,825	8,205,500	14,938,800
Moravskoslezský and Olomoucký	2,230	2,177	7,689,500	11,849,500
Total	13,001	11,609	80,837,300	105,400,200

Sanctions imposed in administrative procedures and imposed fines

CTIA inspectorate	Sanctions in administrative procedures				Imposed fines			
	number		amount in CZK		number		amount in CZK	
	2012	2013	2012	2013	2012	2013	2012	2013
Středočeský and Prague	1,614	1,186	33,721,000	25,805,500	79	38	58,500	31,500
Jihočeský and Vysočina	1,560	1,622	4,509,000	8,467,000	477	327	386,500	261,500
Plzeňský and Karlovarský	1,967	1,364	9,999,000	20,115,500	270	103	188,000	77,000
Ústecký and Liberecký	1,326	1,439	11,161,300	15,494,000	245	239	186,500	192,900
Královéhradecký and Pardubický	1,195	1,226	4,648,500	8,102,000	125	63	84,000	65,000
Jihomoravský and Zlínský	1,664	1,706	7,953,500	14,821,500	249	119	252,000	117,300
Moravskoslezský and Olomoucký	1,852	1,834	7,297,500	11,492,000	378	343	392,000	357,500
Total	11,178	10,377	79,289,800	104,297,500	1,823	1,232	1,547,500	1,102,700

Overview of inspections and discovered breaches according to particular laws

Act No.	Title of the act	Number of inspections in total		Inspections with findings	
		2012	2013	2012	2013
64/1986 Coll.	the Czech Trade Inspection Authority Act	12,286	11,186	2,245	1,630
634/1992 Coll.	the Consumer Protection Act	34,119	29,552	9,968	10,049
22/1997 Coll.	on Technical Requirements for Products (outside of Rapex)	5,791	6,198	1,398	1,499
102/2001 Coll.	on General Safety of Products (outside of Rapex)	2,999	3,142	207	197
311/2006 Coll.	on Fuels	1,791	1,501	92	61
145/2010 Coll. (321/2001 Coll.)	on Certain Conditions for the Conclusion of Consumer Credit	255	319	109	153
353/2003 Coll.	on Excise Duties	4,440	3,890	97	37
379/2005 Coll.	on Measures for Protection from Harm Caused by Tobacco Products, Alcohol, and Other Addictive Substances	378	286	2	15
477/2001 Coll.	the Act on Packaging	1,055	919	50	41
455/1991 Coll.	the Trade Licensing Act	371	214	41	60
185/2001 Coll.	on Wastes	631	930	6	13
253/2008 Coll.	on Selected Measures against Legitimisation of Proceeds of Crime	32	18	2	8

Act No.	Title of the act	Number of inspections in total		Inspections with findings	
		2012	2013	2012	2013
159/1999 Coll.	on Certain Conditions of Business Activities in the Field of Tourism	260	319	19	7
RAPEX	search inspections concerning products listed in the Rapex system	11,333	7,937	30	19

Interdepartmental cooperation of CTIA and General Directorate of Customs (Customs Administration)

CTIA inspectorate	Number of inspections with GDC		Number of inspections with GDC 2013
	2012	2013	
Středočeský and Prague	27	25	
Jihočeský and Vysočina	31	11	
Plzeňský and Karlovarský	177	62	
Ústecký and Liberecký	110	20	
Královéhradecký and Pardubický	69	36	
Jihomoravský and Zlínský	50	32	
Moravskoslezský and Olomoucký	56	58	
Total	520	244	

Comparison of the number and value of confiscated goods infringing certain intellectual property rights based on estimated original price in 2007 – 2013 within inspections carried out in cooperation with GDC

Monitored period	Number of inspections with detected counterfeits	Number of detected counterfeits in pieces	Value of detected counterfeits in CZK
2007 – 2 nd half	71	18,915	20,830,520
2008	73	7,622	8,503,570
2009	66	5,444	11,798,490
2010	28	91,102	10,580,820
2011	123	30,311	53,725,438
2012	65	6,229	11,173,303
2013	28	353	582,718

Cooperation within the MIT department

Czech Metrology Institute – joint inspections

CTIA inspectorate	Number of inspections	Inspections with findings	Inspection findings in %
Středočeský and Prague	0	0	0.0%
Jihočeský and Vysočina	0	0	0.0%
Plzeňský and Karlovarský	0	0	0.0%
Ústecký and Liberecký	6	1	16.7%
Královéhradecký and Pardubický	0	0	0.0%
Jihomoravský and Zlínský	0	0	0.0%
Moravskoslezský and Olomoucký	0	0	0.0%
Total	6	1	16.7%

Cooperation with trade licensing offices

CTIA inspectorate	Number of inspections with TLO	Number of inspections with discovered violations of legal regulations within the competence of the CTIA
Středočeský and Prague	804	163
Jihočeský and Vysočina	211	85
Plzeňský and Karlovarský	352	66
Ústecký and Liberecký	262	101
Královéhradecký and Pardubický	170	60
Jihomoravský and Zlínský	521	148
Moravskoslezský and Olomoucký	162	86
Total	2,482	709

Comparison of joint inspection activity of the CTIA + TLO in 2009 – 2013

Monitored period	2009	2010	2011	2012	2013
Number of joint inspections	3,192	3,075	2,913	2,751	2,482

Overview of cooperation with other authorities according to the number of performed inspections

State authority	Number of inspections 2012	Number of inspections 2013
Trade licensing offices	2751	2482
Alien Police Service	284	125
Police of the Czech Republic	296	446
Metropolitan police	31	47
General Directorate of Customs	520	244
Municipal offices	7	13
Fire Rescue Service	30	70
Public Health Protection Authorities/ hygienists	100	78
Assay Office	3	2
Czech Metrology Institute	22	6
Czech Telecommunication Office	75	64
Czech Environmental Inspectorate	60	25
Czech Agriculture and Food Inspection Authority	81	63
Czech Proof House for Firearms and Ammunition	8	0
Brown Coal Research Institute	5	7
State Labour Inspection Office	10	11

Inspections based on consumer notifications

CTIA inspectorate	Number of inspections in total		Inspections with findings		Discovered violations in in %	
	2012	2013	2012	2013	2012	2013
Středočeský and Prague	1,728	1,846	686	795	39.7%	43.1%
Jihočeský and Vysočina	314	504	168	290	53.5%	57.5%
Plzeňský and Karlovarský	466	557	216	322	46.4%	57.8%
Ústecký and Liberecký	741	880	364	490	49.1%	55.7%
Královéhradecký and Pardubický	520	703	253	359	48.7%	51.1%
Jihomoravský and Zlínský	1,111	1,056	634	656	57.1%	62.1%
Moravskoslezský and Olomoucký	1,067	965	470	563	44.0%	58.3%
Total	5,947	6,511	2,791	3,475	46.9%	53.4%

Consumer submissions

CTIA inspectorate	Number of received notifications		Notifications solved within individual CTIA inspectorates		Number of notifications forwarded to other inspectorates	
	2012	2013	2012	2013	2012	2013
General Inspectorate Prague	4,436	3,397	2,688	1,514	1,748	1,883
Středočeský and Prague	7,996	8,372	7,809	8,154	187	218
Jihočeský and Vysočina	1,470	1,482	1,367	1,374	103	108
Plzeňský and Karlovarský	1,376	1,378	1,296	1,279	80	99
Ústecký and Liberecký	2,174	2,308	2,004	2,077	170	231
Královéhradecký and Pardubický	1,705	1,799	1,581	1,668	124	131
Jihomoravský and Zlínský	3,509	3,375	3,329	3,116	180	259
Moravskoslezský and Olomoucký	3,179	3,539	3,042	3,323	137	216
Total	25,845	25,650	23,116	22,505	2,729	3,145

Consumer notifications according to their most significant subject

Subject of notification	Number	
	2012	2013
The issue of complaints	5,731	5,966
E-commerce	4,889	5,033
Other – unspecified	2,942	2,926
Food	2,248	1,762
Unfair commercial practices (deceptive and aggressive practices, fraudulent behaviour)	2,027	2,975
Fairness of sale (billing, weight, amount)	1,663	1,691
Defective products that caused damage	1,553	811
Invoicing	1,297	1,366
Services (outside of public alimentation, taxi services and travel agencies)	929	2,413
Public alimentation	972	778
Quality of fuels	717	555
Information obligations	690	904
Presentation sales events	402	584
Safety of products	340	400
Supply of gas and electricity	238	172
Travel agencies	237	226
Internet auctions	210	153
Violation of industrial property and intellectual property	196	250
Unauthorized trading	123	95
Failure to inform about price	118	167
Consumer credit	107	343
Discrimination, double pricing	84	73

Subject of notification	Number	
	2012	2013
Recovery of debts	83	167
Act No. 379/2005 Coll. (offer of toys simulating alcohol or tobacco products)	77	47
Labelling of tobacco products	63	75
Taxi services	42	32
Packaging (Act No. 477/2001 Coll.)	18	61
Timesharing	4	2
All submissions in general (even those not specified here)	23,116	22,505
Out of which: Notice, request, inquiry	12,596	12,807
Suggestions and complaints	10,520	9,298
Out of which: Substantiated and partially substantiated (well-grounded)	2,155	2,613
Suggestions with a different finding – outside of the scope of the notification subject)	804	906
Proportion of substantiated suggestions and complaints (not including notices, requests, inquiries)	v %	
Proportion of substantiated and partially substantiated suggestions within all notifications	20.3%	28.1%
Failure to inform about price (breach of article 12 Act No. 634/1992	18.3%	18.5%
Presentation sales events	28.0%	30.7%
Unfair commercial practices	23.4%	20.8%
Public alimentation	22.3%	26.3%
E-commerce	27.9%	16.5%

Information requests according to Act No. 106/1999 Coll., on Free Access to Information

Overview of the received information requests (comparison between 2011 and 2012):

CTIA inspectorates	Number of filed information requests		Number of issued decisions on rejecting the request		Number of filed appeals against decisions		Transcription of relevant parts of each court resolution	Results of proceedings concerning sanctions for non-compliance with the applicable law	Number of complaints filed according to section 16a	
Year	2012	2013	2012	2013	2012	2013	2012/2013	2012/2013	2012	2013
General Inspectorate	19	50	5	15	3	4	was not issued	no proceedings against CTIA	0	2
Středočeský and Prague	6	13	1	2	0	0	was not issued	no proceedings against CTIA	1	0
Jihočeský and Vysočina	1	7	0	0	0	0	-	-	0	0
Plzeňský and Karlovarský	2	2	0	0	0	0	-	-	0	0
Ústecký and Liberecký	0	4	0	0	0	0	-	-	0	0
Královéhradecký and Pardubický	2	2	0	0	0	0	-	-	0	0
Jihomoravský and Zlínský	9	17	0	1	0	0	was not issued	no proceedings against CTIA	0	0
Moravskoslezský and Olomoucký	5	8	1	2	0	0	was not issued	no proceedings against CTIA	0	0
TOTAL	44	103	7	20	3	4	was not issued	no proceedings against CTIA	1	2

Complaints

Overview of complaints according to the statute of section 175 of the Administrative Procedure Code filed against the procedure of an administrative body; resolved by the General Inspectorate:

CTIA Inspectorate	Substantiated complaint		Partially substantiated complaint		Unsubstantiated complaint	Total
	2012/2013	2012/2013	2012/2013	2012/2013		
General Inspectorate	0 / 0		0 / 1		2 / 3	2 / 4
Středočeský and Prague	1 / 1		1 / 0		10 / 8	12 / 9
Jihočeský and Vysočina	0 / 0		0 / 1		1 / 1	1 / 2
Plzeňský and Karlovarský	0 / 0		0 / 2		0 / 4	0 / 6
Ústecký and Liberecký	0 / 2		0 / 1		3 / 1	3 / 4
Královéhradecký and Pardubický	0 / 0		0 / 1		2 / 1	2 / 2
Jihomoravský and Zlínský	0 / 0		0 / 0		1 / 2	1 / 2
Moravskoslezský and Olomoucký	0 / 0		0 / 1		5 / 5	5 / 6
Total	1 / 3		1 / 7		24 / 25	26 / 35

Overview of complaints according to the statute of section 175 of the Administrative Procedure Code filed against the procedure of an administrative body and resolved by directors of individual inspectorates in 2012 and 2013

CTIA Inspectorate	Substantiated complaint	Partially substantiated complaint	Unsubstantiated complaint	Total
	2012/2013	2012/2013	2012/2013	2012/2013
Sředočeský and Prague	2 / 3	2 / 2	24 / 34	28 / 39
Jihočeský and Vysočina	0 / 0	0 / 1	23 / 24	23 / 25
Plzeňský and Karlovarský	0 / 0	1 / 1	9 / 6	10 / 7
Ústecký and Liberecký	1 / 1	0 / 0	3 / 10	4 / 11
Královéhradecký and Pardubický	2 / 0	2 / 2	6 / 6	10 / 8
Jihomoravský and Zlínský	0 / 0	0 / 0	11 / 7	11 / 7
Moravskoslezský and Olomoucký	0 / 1	0 / 3	10 / 13	10 / 17
Total	5 / 5	5 / 9	86 / 100	96 / 114

ANTICORRUPTION PROGRAMME

Submissions received through the CTIA anticorruption line in 2010 - 2013

year	e-mail	green line*	box of satisfaction
2010	32	60	10
2011	69	67	0
2012	34	0	0
2013	28	0	0

*The Green Line was terminated in 2012 due to technical reasons

Spheres of submissions received through the CTIA anticorruption line in 2010-2013

year	inquiry	notice	suggestion for inspection	complaint	request
2010	72	12	11	2	5
2011	66	1	69	0	0
2012	0	0	30	4	0
2013	2	0	23	3	0

FINANCIAL RESOURCES MANAGEMENT

Information on income

Income for 2013 was set at 32,815 thousand CZK. During the year, this amount was increased by 12,000 thousand CZK via the budgetary corrective action No. 4 as of November 6, 2013, to the final amount of 44,815 thousand CZK. This amount was exceeded by 25,584.52 thousand CZK - i.e. 157.09% - and the total income then amounted to 70,399.52 thousand CZK. Compared to 2012, there was an increase of 12,062.79 thousand CZK in income.

The most significant part of the income budget was from received sanction payments for fines imposed in administrative procedures, in the form of orders given on the spot as well as orders and decisions given within administrative proceedings (conducted at inspectorates). Received fines amounted to 57,438.55 thousand CZK. Compared to 2012, there was an increase of 15,661.90 thousand CZK.

Another significant part of the income budget was income received as compensation for proceeding expenses pursuant to the statute of section 79 par. 8 of the Administrative Procedure Code, amounting to 8,936.79 thousand CZK which presents a decrease by 732.42 thousand CZK comparing to 2012.

Obtained compensations for invoiced expenses of analyses concerning samples of products, which did not comply with the required quality or safety requirements, or products which advertised incorrect or untrue information, amounted to 1,288.40 thousand CZK. Compensations for destroyed counterfeits were received in the amount of 106.34 thousand CZK. Additional remunerations for expenses during previous years, which could not be used for compensation of costs, amounted to 132.17 thousand CZK.

Income from the sale of other long-term tangible property in the amount of 163 thousand CZK was obtained through the sale of 4 passenger vehicles and computer technology.

The remaining income, amounting to 61.84 thousand CZK, consisted of low sums for received securities, interest on late payments, compensations for damages caused by employees, other income not stated elsewhere, and unidentified income.

In total 1,618.49 thousand CZK was transferred from the reserve fund. These financial re-sources were used to settle the expenses resulting from involvement of the CTIA in EU grants, and for the operation of the European Consumer Centre.

Detailed information on income is stated in the table section of this chapter (Appendix No. 1).

Information on expenses

The approved expense budget for 2013 was set to the amount of 270,810 thousand CZK, the modified budget amounted to 279,736.47 thousand CZK. 271,885.13 thousand CZK, i.e. 97.19% of the modified budget was used. The final budget amounted to 282,287.26 CZK. Out of this, spending on material expenses amounted to 70,897.50 thousand CZK, and investment expenditure amounted to 8,975.43 thousand CZK.

Compared to the previous year, the monitored year showed a decrease in actual expenses by 10,957.08 thousand CZK (the actual use in 2012 was 282,842.21 thousand CZK).

In 2013, the CTIA's reserve fund received 1,618,492 CZK, and 1,618,492 CZK was used to cover expenses connected with the activity of ECC and for grants paid from resources of the European Union. The closing balance as of December 31, 2013, amounted to 465,377.67 CZK.

The most significant material expenses in 2013 were payments for analyses of collected fuel samples, amounting to 29,562.26 thousand CZK. 1,167.34 thousand CZK was paid for analyses of other samples. A significant part of expenses amounting to 2,966.95 thousand CZK resulted from

the 2nd phase of reconstruction of heating in the building of the General Inspectorate at Štěpánská 15. Another part of expenses was the purchase of material (office supplies, toners, sample books, cleaning agents, etc.), in the total amount of 2,412.13 thousand CZK, and expenses for voice services, data services and VPN, which amounted to 2,724.24 thousand CZK in total. Among other expenses, the purchase of small long-term tangible assets amounted to 1,206.46 thousand CZK. Expenses spent on postage amounted to 502.08 thousand CZK, and expenses spent on training and education services (languages and professional) amounted to 695.28 thousand CZK.

In total 7,860.70 thousand CZK was spent on the operation and maintenance of premises (energy, water, services, repairs, without rent), and 471.04 thousand CZK was paid for rent (for office premises in Olomouc and parking places for company vehicles within the entire Czech Republic). In total 2,016.81 thousand CZK was spent on fuelling for company vehicles, and 4,265.13 thousand CZK was spent on domestic and foreign travel expenses (among others in connection with the CTIA's participation in the activity of EU authorities). Expenses associated with consulting and legal services, concerning mainly the representation in difficult labour-law disputes and disputes regarding leases, decreased compared to the previous year, to the total amount of 187.41 thousand CZK. In total 947.04 thousand CZK was spent on software (regular payment within the concluded contract Enterprise Agreement for licenses from Microsoft).

Investment resources in the total amount of 1,627.04 thousand CZK were used within the sub-programme 122014 "Development and Renovation of Material-Technical Base" for the purchase of 4 Škoda Octavia passenger vehicles. The purchase of Bit9 software in the amount of 3,063.03 thousand CZK used within the sub-programme 122011 "Obtainment and Operation of ICT Management System of MIT" contributed to an improvement of the CTIA's security through protection against malicious software in users' end stations, and it blocks all unauthorized software that is not approved. Further investment resources amounting to 3,530.78 thousand CZK, derived from the same sub-programme, were spent on the development of the inspection database system Mercurius. The creation of a thin client of this software resulted in a decrease in demands on the capacity of the CTIA's internal network and data from inspections can be entered from all work stations, which had not been possible before. A so-called mobile client was also created for this software, for acceleration and simplification of inspection workers' work in the field and, thus, for increasing their productivity. More information is stated in the table "Expenses in 2012" (Appendix No. 2).

Additional income

The CTIA carries out inspection activities and imposes as well as collects sanctions in administrative procedures. Receivables accrued based on sanctions imposed by the CTIA are enforced by customs authorities. In 2013, a special state budget revenue account was credited with the total amount of 57,462,750 thousand CZK, which consisted of fines imposed in administrative procedures.

Besides fines imposed in administrative procedures, including fines imposed right at the inspection location, inspected physical entities were also imposed with fixed penalties – mainly for violation of respective provisions of the Act No. 64/1986 Coll., the Czech Trade Inspection Act. In 2013, accounts of respective customs authorities were credited with the total sum of 1,063,700 CZK. Further details are stated in the table „Income – special revenue account“ (Appendix No. 3).

Information on assets

As of December 31, 2013, the total assets of the Czech Trade Inspection Authority included in the accounting record and expressed in numbers were 448,917.28 thousand CZK. The largest part is represented by buildings, with a total value of 327,775.81 thousand CZK, followed by individual movables and sets of movables (transportation vehicles, servers, telephone switchboard units, etc.) in the total amount of 42,569.91 thousand CZK. Further details are stated in the table "CTIA assets as of December 31, 2013" (Appendix No. 4).

Suc	Item	Auc	Description	Modified budget	Annual fulfilment	% fulfilment
222	1361		tax revenue	0.00	29,200.00	
222	2111	1	income for provided information	0.00	3 458.00	
222	2111		income from provided services and products	0.00	3 458.00	
222	2132	0	income from real estate rentals	560,000.00	568,944.56	101.60
222	2132		in total item: 2132	560,000.00	568,944.56	101.60
222	2141	0	income from interest	0.00	0.00	
222	2141		income from interest	0.00	0.00	
222	21		income from own activities and transfers of surplus of organizations with a direct relation	560,000.00	572,402.56	102.21
222	2212	0	accepted sanction payments – fines in administrative procedure	37,335,000.00	57,433,550.00	153.83
222	2212	1	accepted sanction payments – fines in administrative procedure	0.00	5 000.00	
222	2212		sanction payments received from other subjects	37,335,000.00	57,438,550.00	153.85
222	22		accepted sanction payments and transfers drawbacks	37,335,000.00	57,438,550.00	153.85
222	2310	0	income from the sale of non-investment assets	0.00	0.00	
222	2310		income from the sale of short-term and long-term assets	0.00	0.00	
222	2322	0	received indemnities	0.00	3,960.43	
222	2322		received indemnities	0.00	3,960.43	
222	2324	0	received non-capital contributions and compensation payments – previous years	0.00	132,168.00	
222	2324	1	received non-capital contributions and compensation payments – refunds for analyses	640,000.00	1,288,401.16	201.31
222	2324	2	received non-capital contributions and compensation payments – management expense compensations - section 79 par. 8. Act No. 500/2004 Coll.	6,280,000.00	8,936,790.00	142.31
222	2324	3	received non-capital contributions and compensation payments – damaged goods, stocked goods	0.00	106,342.00	
222	2324	4	received non-capital contributions and compensation payments – damages	0.00	8,614.00	
222	2324	5	received non-capital contributions and compensation payments – invoicing of sample purchase	0.00	733.00	
222	2324		received non-capital contributions and compensation payments	6,920,000.00	10,473,048.16	151.34
222	2328	0	non-identified income	0.00	0.00	
222	2328	1	non-identified income - account 3754	0.00	0.00	
222	2328		non-identified income	0.00	0.00	
222	2329	0	other unclassified non-taxable income - securities	0.00	31,586.00	
222	2329	1	other unclassified non-taxable income – interest on late payments, court fees	0.00	15,455.74	
222	2329	4	other unclassified non-taxable income – not stated anywhere else	0.00	14,801.00	
222	2329		other unclassified non-taxable income	0.00	61,842.74	
222	23		income from the sale of non-capital assets and other non-taxable income	6,920,000.00	10,538,851.33	152.30
222	3113	1	income from the sale of other long-term tangible assets	0.00	163,000.00	
222	3113		income from the sale of other long-term tangible assets	0.00	163,000.00	
222	31		capital income	0.00	163,000.00	
222	4132	0	transfers from other own funds - (cz-6015)	0.00	39 022.00	
222	4132		transfers from other own funds	0.00	39 022.00	
222	4135	0	transfers from the state organizational sector funds	0.00	1 618 492.00	
222	4135		transfers from the OSS reserve funds	0.00	1 618 492.00	
222	41		non-investment received transfers	0.00	1 657 514.00	
In total				44,815,000.00	70,399,517.89	157.09

Expenses in 2013

Appendix No. 2

as of December 31, 2013	modified budget [CZK]	final budget [CZK]	overall utilization of budget [CZK]	utilization [%]
Common expenses				
501-2 Employee salaries and other payments for performed work	147 304 348,00	148 486 845,00	148 378 680,00	99,93
from which 5011 Employee salaries	146 227 348,00	147 315 605,00	147 314 630,00	100,00
5021 Other personal expenses	1 077 000,00	1 171 240,00	1 064 050,00	90,85
5024 Compensation payments	0,00	0,00	0,00	0,00
502 subtotal	1 077 000,00	1 171 240,00	1 064 050,00	90,85
5051 Refund of wages	1 982 000,00	2 482 000,00	2 358 513,00	95,02
503 Mandatory insurance payments paid by the employer	50 757 818,00	51 193 813,00	51 135 398,00	99,89
from which 5031 Social security insurance payments	37 321 837,00	37 642 424,00	37 587 132,00	99,85
5032 Health insurance payments	13 435 981,00	13 551 389,00	13 548 266,00	99,98
513 – Material purchase	4 019 361,67	4 019 361,67	4 019 361,67	100,00
from which 5132 Protective equipment	11 884,00	11 884,00	11 884,00	100,00
5136 Book, teaching aids and press	388 887,60	388 887,60	388 887,60	100,00
5137 Small long-term tangible assets	1 206 458,65	1 206 458,65	1 206 458,65	100,00
5139 Purchase of material not listed elsewhere	2 412 131,42	2 412 131,42	2 412 131,42	100,00
514 – Interest and other financial expenses -5142 realized exchange-rate losses	827 429,94	1 154 431,94	744 678,94	64,51
515 – Purchase of water, fuel and energy	4 352 033,16	4 352 033,16	4 352 033,16	100,00
from which 5151 Water	300 003,53	300 003,53	300 003,53	100,00
5152 Steam	956 992,01	956 992,01	956 992,01	100,00
5153 Gas	557 654,48	557 654,48	557 654,48	100,00
5154 Electric energy	520 569,40	520 569,40	520 569,40	100,00
5156 Fuels and lubricants	2 016 813,74	2 016 813,74	2 016 813,74	100,00
5157 Hot water				
516 – Purchase of services	47 616 481,89	47 616 481,89	44 914 223,89	94,32
from which 5161 Postal services	502 077,00	502 077,00	502 077,00	100,00
5162 Telecommunication services and radio communication services	2 724 246,45	2 724 246,45	2 724 246,45	100,00
5163 Services of financial institutions	654 700,43	654 700,43	654 700,43	100,00
5164 Rental fees	471 040,70	471 040,70	471 040,70	100,00
5166 Consulting, advisory and legal services	187 414,00	187 414,00	187 414,00	100,00
5167 Educational and training services	695 276,45	695 276,45	695 276,45	100,00
5168 Data processing services			0,00	
5169 Purchase of services not listed elsewhere (alimentation, printing)	42 381 726,86	42 381 726,86	39 679 468,86	93,62
517 – Other purchases	18 879 729,99	18 879 729,99	12 000 329,64	63,56
from which 5171 Repairs and maintenance	13 230 719,72	13 230 719,72	6 356 144,76	48,04
5172 Software equipment	947 044,80	947 044,80	947 044,80	100,00
5173 Travel expenses (domestic and abroad)	4 265 135,52	4 265 135,52	4 265 135,52	100,00
5175 Food and refreshments	402 000,00	402 000,00	397 174,61	98,80
5176 Conference participation fees	34 829,85	34 829,85	34 829,85	100,00
5179 Other unclassified purchases	0,00	0,00	0,00	0,00
518 – Paid deposits	0,00	0,00	0,00	0,00
from which 5181 Deposits provided to inner organizational units	0,00	0,00	0,00	0,00
5182 Deposits provided to own treasury	0,00	0,00	0,00	0,00
5189 Deposits provided for VISA card	0,00	0,00	0,00	0,00

as of December 31, 2013	modified budget [CZK]	final budget [CZK]	overall utilization of budget [CZK]	utilization [%]
519 – Expenses associated with non-investment purchases	1,094,927.35	1,200,227.35	1,088,323.95	90.68
from which 5191 Paid sanction fees	30,000.00	30,000.00	30,000.00	100.00
5192 Provided non-investment contributions and compensation	379,000.00	484,300.00	372,396.30	76.89
5194 Material gifts	0.00	0.00	0.00	0.00
5195 Payment for not employing persons with especially serious health handicaps				
5199 Expenses associated with unclassified non-investment purchases	685,927.35	685,927.35	685,927.35	100.00
534 – Non-investment transfers deposited into own funds	1,482,304.00	1,482,304.00	1,473,553.00	99.41
from which 5342 Non-investment transfers FKSP	1,482,304.00	1,482,304.00	1,473,553.00	99.41
5344 Non-investment transfers deposited to own reserve funds				
5345 Non-investment transfers deposited to own budget accounts				
5346 Transfers deposited into reserve fund				
536 – Tax payments, fees, sanction payments	82,500.00	82,500.00	82,500.00	100.00
from which 5361 Purchase of applicable revenue stamps			0.00	
5362 Tax and other fee payments	82,500.00	82,500.00	82,500.00	100.00
5363 Sanctions and penalty payments to other budgets	0.00	0.00	0.00	0.00
542 – Compensations paid to the population	1,337,536.00	1,337,536.00	1,337,536.00	100.00
from which 5424 Compensations of wages for the period of sickness	1,337,536.00	1,337,536.00	1,337,536.00	100.00
5909 Other non-investment expenses			0.00	
Common expenses in total	279,736,470.00	282,287,264.00	271,885,131.25	96.32
from which material expenses	80,192,000.00	81,124,302.00	70,897,500.25	87.39
Capital expenses				
611-Purchase of intangible investment property	7,348,887.00	7,348,887.00	7,348,388.85	99.99
612 – Purchase of tangible investment property	1,714,113.00	1,714,113.00	1,627,040.00	94.92
from which 6121 Buildings, halls, construction sites	0.00	0.00	0.00	0.00
6122 Machines, devices and equipment	0.00	0.00	0.00	0.00
6123 Transportation vehicles	1,627,040.00	1,627,040.00	1,627,040.00	100.00
6125 Computer technology	87,073.00	87,073.00	0.00	0.00
6126 Project documentation	0.00	0.00	0.00	0.00
6130 Land	0.00	0.00	0.00	0.00
6361 Transfer to reserve fund	0.00	0.00	0.00	0.00
Investment expenses sub-programme 122011	7,435,960.00	7,435,960.00	7,348,388.85	98.82
sub-programme 122014	1,627,040.00	1,627,040.00	1,627,040.00	100.00
Investment expenses in total	9,063,000.00	9,063,000.00	8,975,428.85	99.03
Expenses in total	288,799,470.00	291,350,264.00	280,860,560.10	96.40

Income – special revenue account

Appendix No. 3

A	B	C	D	E	F	G	H
Act number	2013		paid		transferred to		in total
	enforceability	in receivables	in total	receivables in 2012	CU/subject	19	account 3754
311/2006	11,783,000	11,793,000	8,100,200	2,520,000	421,000		7,679,200
102/2001	1,357,000	1,399,000	986,000	80,000	6,500	6,000	973,500
22/1997	6,308,000	6,517,000	5,662,100	1,108,600	597,000	15,000	5,050,100
634/1992	66,152,500	68,896,500	34,997,410	5,699,000	1,352,210	79,000	33,566,200
145/2010	2,643,000	2,849,000	1,312,000	46,800	162,000	5,000	1,145,000
552/1991	3,868,000	4,200,000	186,200	35,000	67,400	1,000	117,800
353/2003	926,000	926,000	537,800	80,000			537,800
64/1986	2,088,500	2,218,500	498,350	73,000	111,200	15,500	371,650
477/2001	97,000	101,000	83,000	4,000	2,000		81,000
247/2006	10,000	10,000	7,000				7,000
500/2004	10,000	10,000	0				0
253/2008	10,000	10,000	8,000				8,000
379/2005	10,000	10,000	10,000				10,000
orders at the location	7,886,300	7,886,300	7,886,300	0	0	0	7,886,300
administrative charges	29,200	29,200	29,200				29,200
IN TOTAL	103,178,500	106,855,500	60,303,560	9,656,400	2,719,310	121,500	57,462,750

Legend:

B – The sum of imposed fines according to individual applicable laws executable in 2013

C – The total of registered fines in receivables

D – Fines paid in 2013 (executable in 2013 or earlier)

E – The total sum from the D column - fines paid from receivables registered in 2012

F – Fines returned to companies

G – Sums transferred over to item No. 19 (proceeding expenses sent by mistake to the fines collection account)

H - Total of all sums that remained in the balance of the CTIA for 2013 (after the subtraction of the transfers in accordance with F and G)

CTIA assets as of December 31, 2013

Appendix No. 4

Type of asset	in thousand CZK
Software over 60 thousand CZK	20,490.09
Software up to 60 thousand CZK	7,539.03
Land	7,903.61
Art	130.51
Buildings – 6 buildings and 3 garages	327,095.81
Individual movable assets and sets of items	42,569.91
Small long-term tangible assets up to 40 thousand CZK	28,305.39
Other long-term assets kept on accounts of balance sheet	14,882.93
Incomplete long-term tangible assets	0.00
In total	448,917.28

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