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|  | **PRESS RELEASE** |

**Half of inspected bazaars and pawnshops breached law**

*(Final report of 2020)*

***(Prague, 12 February 2021)* During 2020, the Czech Trade Inspection Authority inspected the compliance with law in bazaars, pawnshops, antique shops and auction houses. In total, it carried out 105 inspections and found infringements in more than half of them.**

From 1 June to 30 November 2020, the Czech Trade Inspection Authority inspected the fulfilment of the obligations of operators of bazaars, pawn shops, antiques and auction houses. It focused mainly on compliance with Act No. 253/2008 Coll., on selected measures against legitimisation of proceeds of crime and financing of terrorism, Act No. 247/2006 Coll., on Restrictions of Night Operations of Pawnshops and Other Establishments , and Act No. 634/1992 Coll., on Consumer Protection.

CTIA inspectors carried out a total of 105 inspections and found breaches of legal regulations in 53 cases, which represented 50.5%.

In 3 cases, the CTIA cooperated with the Ministry of Culture and in 2 cases with trade licensing offices within the inspection action.

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| **Inspectorate** | **Number of inspections** | **Inspections with findings** | **Findings in %** |
|
| Středočeský and Prague | 30 | 19 | 63.3% |
| Jihočeský and Vysočina | 6 | 1 | 16.7% |
| Plzeňský and Karlovarský | 24 | 17 | 70.8% |
| Ústecký and Liberecký | 17 | 4 | 23.5% |
| Královéhradecký and Pardubický | 14 | 3 | 21.4% |
| Jihomoravský and Zlínský | 7 | 3 | 42.9% |
| Olomoucký and Moravskoslezský | 7 | 6 | 85.7% |
| **Total** | 105 | 53 | 50.5% |

**Detected flaws**

**Violations of the provisions of Act No. 253/2008** on selected measures against legitimisation of proceeds of crime and financing of terrorism, were detected in 33 cases. Section 7 was violated in 29 cases, where sellers did not comply with the obligation to identify their client. In 4 cases, Section 23 was breached because sellers did not provide training for their employees, who may have encountered suspicious trades within their work activities.

**Violation of Act No. 634/1992 Coll., on Consumer Protection**, was detected in 44 cases, most often:

* in 13 cases, sellers failed their obligation to properly inform consumers about the scope, conditions and method of making a claim, together with details of where the complaint can be made (§ 13);
* in 11 cases, the sellers did not indicate in the proof of the product purchase that it was a used product or a product with a defect (§ 16 para. 3);
* in 10 cases, the seller did not issue, upon consumer‘s request, any proof of purchase of products or provision of services, including required information (§ 16 para. 1);
* in 4 cases, the trader did not sell used or modified products, products with defects or products with limited performance characteristics separately from other products or the seller did not clearly draw the consumer's attention to these characteristics of the products (§ 10 par. 6a);
* in 3 cases, the seller did not inform the consumer about the price of the products and services offered (§ 12)

Violations of other provisions of the Consumer Protection Act were detected to a lesser extent.

**Measures imposed**

During this period, the Czech Trade Inspection Authority lawfully imposed 50 fines in the total amount of CZK 112,000.