

2021 ANNUAL REPORT



Czech Trade Inspection Authority
Prague 2022



The year 2021 was a year in which our entire society was coping with the impact of the ongoing pandemic of the COVID-19 disease. Measures taken to prevent the spread of this disease had an impact on the functioning of the Czech Trade Inspection Authority, on both its inspection activities and the operation of the Authority.

As in 2020, some types of inspections could not be carried out to the foreseen extent and, on the contrary, inspection activity was expanded where the current situation

required it. This was in particular in the area of personal protective equipment, namely respirators. Together with other surveillance authorities and the Police of the Czech Republic, we also monitored whether there were any breaches of anti-epidemic measures relating to sales in shops and provision of services.

All our inspectorates continued the surveillance of products in the market, not only by inspecting administrative requirements (such as marking and labelling and the accompanying documentation), but also in many cases by taking samples for subsequent testing in testing facilities. The most common samples were respirators, toys, electrical equipment and solid fuels. 156 of the 292 samples taken were found to be non-compliant by the deadline of this annual report. It is therefore clear that this type of inspection must continue to receive close attention in order to eliminate the risks associated with the use of these products.

Unlike in 2020, there was no need to reduce the inspection of filling stations. It was confirmed that the quality of fuel at Czech filling stations has been good for a long time and consumers do not have to worry about filling up with petrol, diesel and other fuels.

Last year, within the so-called general inspection, we focused, for example, on the inspection of internet sales, the ban on the sale of counterfeit products, the inspection of unfair commercial practices, proper informing consumers about prices and correct billing. In addition to inspections based on the centrally organised market surveillance programme, the inspectorates also carried out their own inspections based on monitoring of the situation in individual regions and on suggestions from the public.

Nor should we forget the ever-increasing cooperation with the surveillance authorities of other EU Member States. This cooperation usually takes place on a longer-term basis, while involvement in it places increased demands on both the professional and linguistic skills of the CTIA's staff.

As in previous years, we cooperated with consumer rights organisations and representatives of professional and business associations. This cooperation contributes to higher consumer protection and also increases awareness of the rights and obligations of vendors.

With regard to our consumer education activities, these were unfortunately adversely affected by the restrictions stemming from the anti-epidemic measures and could not be carried out to the extent

we would have liked. Nevertheless, we were able to hold several lectures for seniors and high school students on topics such as safe shopping on the internet and misinformation in the online space. The European Consumer Centre has also been involved in a number of them. Our cooperation with the University of Pardubice deserves special attention and appreciation, for example through internships for 2nd and 3rd year students at some of the inspectorates.

In the first half of 2021, the offices of the General Inspectorate and the Středočeský and Prague Inspectorate were relocated within Prague to commercial premises, with further moves to state-owned buildings expected in the coming year. This has been a very challenging period from an operational point of view and I would like to thank everyone involved in the smooth running of the moving, for ensuring all the necessary arrangements. At the same time, I would also like to thank for their understanding to all those who have been and will continue to be affected by these moves. The positive news is that there has been no disruption to the inspection activities, and other activities of both offices are being safeguarded to ensure that all our obligations towards the consumer and business community are met.

I would like to thank all the staff of the Czech Trade Inspection Authority for the work they have done, for their cooperation and for their patience when facing problems brought by the last year. I would also like to thank the representatives of all institutions and organisations with whom we cooperated in 2021.

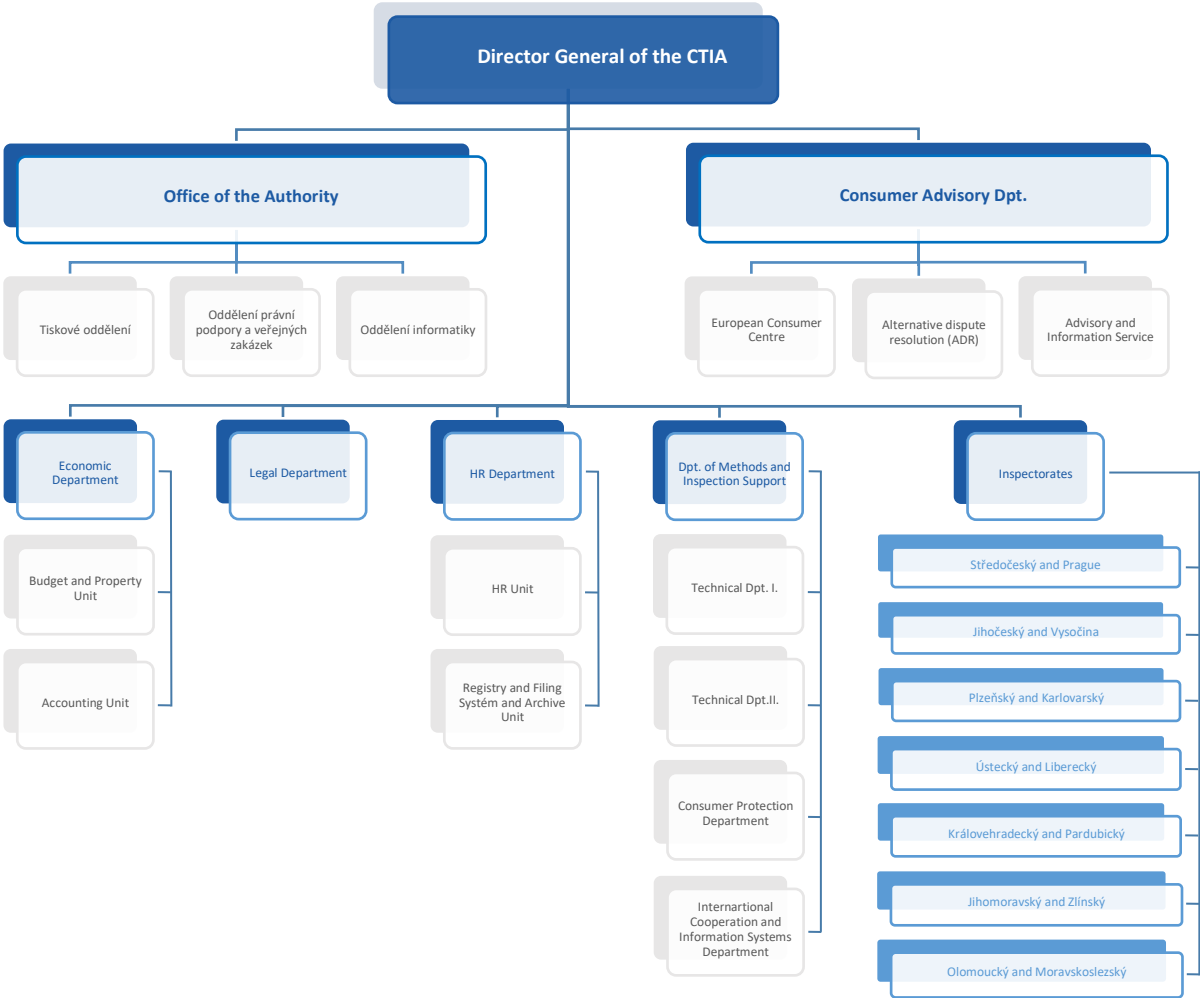
Finally, I would especially like to express my thanks Mr. Mojmír Bezecný, who decided to retire as the Director General of the CTIA last year, for everything he has done for the Authority. In the 35 years he has worked for it in various capacities, and I wish him good health and success in his next stage of life.

Vlastimil Turza
Acting Director General of the Czech Trade Inspection Authority

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| | | |
|-----|--|--|
| 1. | BASIC INFORMATION | 8 |
| 2. | CZECH TRADE INSPECTION AUTHORITY IN 2021 | 13 |
| 3. | PRODUCT SURVEILLANCE | 19 |
| 4. | GENERAL INSPECTION | Chyba! Záložka není definována. |
| 5. | INSPECTION ACTIVITIES OF INSPECTORATES | 53 |
| 6. | INTERNATIONAL COOPERATION | 61 |
| 7. | CONSUMER COUNSELLING DEPARTMENT | 67 |
| 8. | LEGAL DEPARTMENT | 71 |
| 9. | PUBLIC RELATIONS | 73 |
| 10. | HUMAN RESOURCES MANAGEMENT | 81 |
| 11. | FINANCIAL RESOURCES MANAGEMENT | 84 |
| | CONTACTS | Chyba! Záložka není definována. |

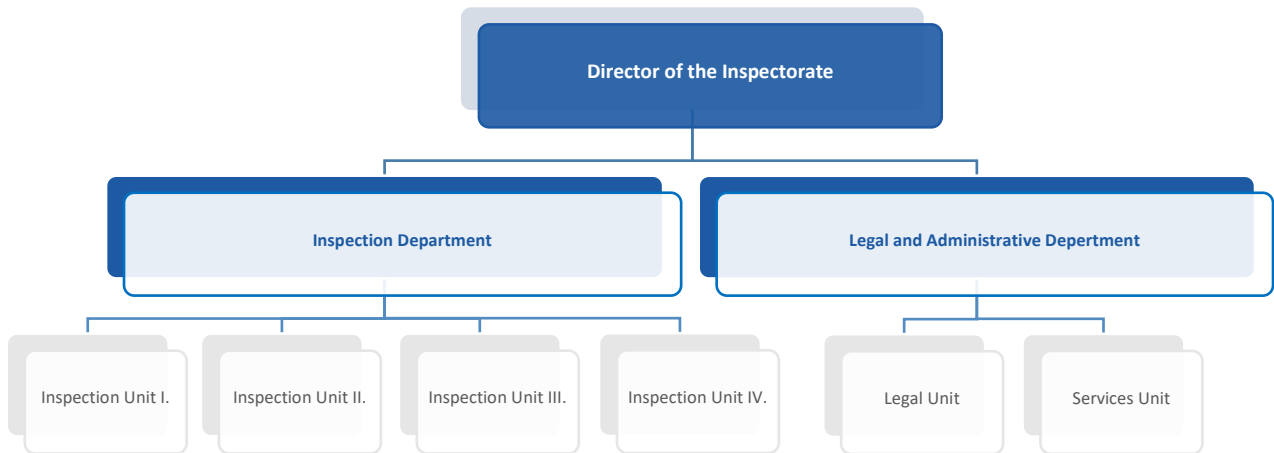
ORGANIZATIONAL STRUCTURE OF THE CTIA GENERAL INSPECTORATE



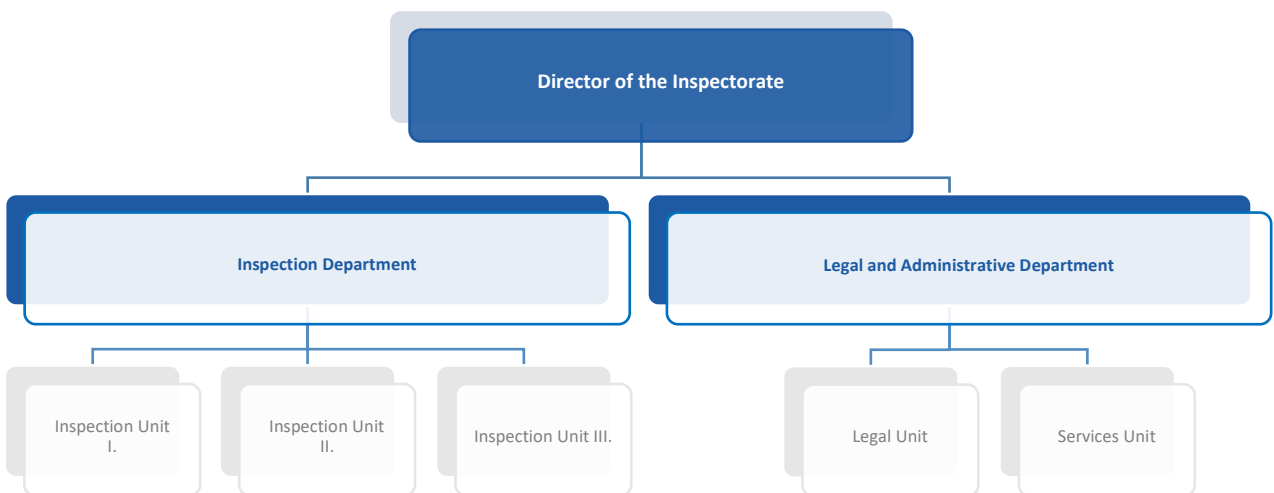
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ORGANIZATIONAL STRUCTURE OF INSPECTORATE

Středočeský and Prague



ORGANIZATIONAL STRUCTURE OF INSPECTORATE



1. BASIC INFORMATION

1.1 Mission and objectives

The vision of the Czech Trade Inspection Authority is to be an open market surveillance body supporting the development of the internal EU market, consumer rights protection as well as legitimate interest of commercial entities in the market.

The mission of the Czech Trade Inspection Authority is to ensure the consumer rights protection as well as legitimate interests of the society when products are marketed and services provided. Participating in creating equal conditions for commercial entities placing products in the market. Leading a dialog with all involved parties is a way to contribute to the development and the culture of the market.

The developed strategy of the Czech Trade Inspection Authority identified the following 5 fields that significantly influence its activities:

- Protection of the rights and legally protected of consumers as well as other entities in the market; support of the single market development;
- Advice, assistance and help to consumers
- Other surveillance bodies and state administration authorities on both national and international level
- Reputation of the Authority
- Optimization of the Authority.

CTIA defined the following individual objectives through which it means to achieve fulfilment of its vision:

- Ensuring balanced and objective market surveillance;
- Legislative proposals, legal changes and legal methodological support leading to the effective performance of supervisory activities;
- Development of consumer advisory service, out-of-court variants of consumer dispute resolution within the CTIA and strengthening the enforcement of consumer rights;
- Ensuring effective cooperation with stakeholders on the national level;
- Ensuring effective cooperation with stakeholders on the international, specifically European level;
- Effective management of finances and assets
- Development of information and communication technologies
- Improving the external and internal communication; development of awareness-raising activities
- Effective human resources management
- Company culture – employer as a brand
- Optimization of the internal structure of the Authority
- Development of changes management system.

The Czech Trade Inspection Authority elaborated the document “Strategy of the Czech Trade Inspection Authority 2021 to 2025” in order to fulfil its mission and vision, which is a follow-up of the “Strategy of the Czech Trade Inspection Authority 2017 to 2021.

1.2 Extent of activities and surveillance scope

The Czech Trade Inspection Authority is a state administration body subordinated to the Ministry of Industry and Trade. It was established as the successor of the former State Trade Inspection Authority in the Act No. 64/1986 Coll. It is composed of the General Inspectorate and subordinated inspectorates based in seven regional cities.

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 pursuant to the Act on the Czech Trade Inspection Authority or another special legal regulation if the Act on the Czech Trade Inspection Authority or any other special legal regulation set so.

The CTIA discovers flaws and their causes concerning inspected persons. It requires the removal of detected flaws and suggests measures for their removal if the Act on the Czech Trade Inspection Authority or any other regulation governs so. It analyses samples of products or arranges their analyses in order to inspect whether they comply with the requirements of legal regulation as well as declarations displayed especially in declaration or commercial notice. Based on legal regulations, it imposes sanctions or other measures, including measures consisting of restriction of the free movement of goods in the internal market. The CTIA also generalizes the knowledge gained within the execution of inspections and publishes the inspection results with the aim to prevent breaches of legal regulations.

The Czech Trade Inspection Authority cooperates with state administration bodies and participates in the creation and comments to legal regulations on Consumer Protection, technical regulations and rules for products placement in the market. Together with other surveillance authorities, it participates in preparations and execution of inspections, their evaluation and publishing of inspection results. The Czech Trade Inspection Authority also issues binding opinions on letting products into free circulation in cases when there is a suspicion that a product is not safe or marked in compliance with legal regulations.

As regards international cooperation, the Czech Trade Inspection Authority is involved in a number of horizontal activities and together with surveillance authorities of other EU Member States it actively cooperates on the preparation and execution of international inspection actions. It also cooperates within the EU structures that deal with consumer rights protection and placing products in the market and putting them into operation.

A part of the activities of the Czech Trade Inspection Authority is also the cooperation with associations dealing with consumer rights protection and representatives of both professional and business associations. The Czech Trade Inspection Authority also participates in education of consumers and raising their literacy in this area.

The Czech Trade Inspection Authority is a body of alternative dispute resolution (ADR) in the sense of the Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC (Directive on consumer ADR).

The European Consumer Centre, integrated in the structure of the Czech Trade Inspection Authority, provides information to consumers about their rights when shopping in other countries of the European Union. Its employees actively assisted in resolution of especially problematic cases of the enforcement of consumer rights concerning sellers of goods and services providers from other EU Member States and in the prevention in this field.

Surveillance of the compliance with legal regulations in the field of consumer protection and free movement of goods in the internal market of the European Union are the major parts of the inspection activities of the Czech Trade Inspection Authority. The range of the activities and surveillance competencies of the Czech Trade Inspection Authority are defined foremost by the following acts:

- Act No. 64/1986 Coll., the Czech Trade Inspection Act
- 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. 90/2016 Coll. on conformity assessment of selected products when made available in the market
- Act No. 102/2001 Coll., on General Safety of Products
- Act No. 477/2001 Coll., on Packaging
- Act No. 201/2012 Coll., on Clean Air Protection
- Act No. 353/2003 Coll., on Excise Duties
- Act No. 253/2008 Coll., on selected measures against legitimisation of proceeds of crime
- Act No. 65/2017 Coll., on Health Protection from Harmful Effects of Drugs
- Act No. 247/2006 Coll., on Restrictions of Night Operations of Pawnshops and Other Establishments
- Act No. 206/2015 Coll., on Pyrotechnics
- Act No. 307/2013 Coll., on Compulsory Labelling of Spirits
- Act No. 226/2013 Coll., on placing timber and timber products in the market
- Act No. 223/2016 Coll., on Retail and Wholesale Opening Hours
- Act No. 259/2014 Coll., on the explosives precursors and amending Act No. 634/2004 Coll., on administrative fees, as amended
- Act No. 370/2017 Coll., on Payments
- Act No. 189/1999 Coll., on Emergency Oil Supplies and the Resolution of Oil Emergency
- Act No. 56/2001 Coll., on conditions for operating vehicles on roads
- Act No. 255/2012 Coll. on Inspection (Inspection Code)
- Act No. 500/2004 Coll., Administrative Procedure Code
- Act No. 250/2016 Coll., on liability for petty offences and proceedings relating thereto
- Act No. 542/2020 Sb., on End-of-Life Products

- Act No. 73/2012 Sb., on substances that deplete the ozone layer and fluorinated greenhouse gases
- Regulation (EU) 2016/425 of the European Parliament and of the Council on personal protective equipment and repealing Council Directive 89/686/EEC
- Regulation (EU) 2016/426 of the European Parliament and of the Council on appliances burning gaseous fuels
- Regulation (EU) No. 1007/2011 of the European Parliament and of the Council on textile fibre names and related labelling and marking of the fibre composition of textile products
- Regulation (EU) No. 305/2011 of the European Parliament and of the Council laying down harmonised conditions for the marketing of construction products, repealing Directive 89/106/EEA
- Regulation (EU) 2017/2394 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No. 2006/2004
- Regulation (EU) 2019/1148 of the European Parliament and of the Council of 20 June 2019 in the marketing and use of explosives precursors, amending Regulation (EC) No 1907/2006 and repealing Regulation (EU) No 98/2013
- Regulation (EU) No. 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products in the market
- Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC (Regulation on online dispute resolution)
- Regulation (EU) No. 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions
- Regulation (EU) No. 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No. 924/2009
- Regulation (EU) No. 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No. 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC
- Regulation (EU) 2018/644 of the European Parliament and of the council on cross-border parcel delivery services
- Regulation (EU) 2019/515 of the European Parliament and of the Council on the mutual recognition of goods lawfully marketed in another Member State and repealing Regulation (EC) No. 764/2008
- 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 No. 339/93 (EEA)
- Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011

- Regulation (EC) No 1523/2007 of the European Parliament and of the Council of 11 December 2007 banning the placing in the market and the import to, or export from, the Community of cat and dog fur, and products containing such fur
- Regulation (EC) No 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel
- Decision No. 768/2008/EC of the European Parliament and of the Council of 9 July 2008 on a common framework for the marketing of products, and repealing Council Decision 93/465/EEC

2. CZECH TRADE INSPECTION AUTHORITY IN 2021

In 2021, as in 2020, the performance of market surveillance was significantly affected by the pandemic situation caused by the spread of the COVID-19 disease. Measures to prevent the spread of the SARS CoV-2 coronavirus and the associated COVID-19 disease had an impact on the functioning of the Czech Trade Inspection Authority as an authority and as a market surveillance body. For a certain period of time, the Czech Trade Inspection Authority restricted certain activities assessed as epidemiologically risky for both the Czech Trade Inspection Authority staff and the staff of the inspected operators. The anti-epidemiological measures also affected operators carrying out activities subject to the supervision of the Czech Trade Inspection Authority. This has been reflected in the market mainly in the form of restrictions or temporary bans on certain forms of trade as well as provision of certain services. However, the pandemic situation also affected consumers directly, for example by restricting access to certain services, which was conditional on proof of vaccination, a negative test for the presence of the antigen or the SARS-CoV-2 virus itself. As a consequence of these anti-epidemiological measures, standard surveillance was reduced or partially replaced by modified surveillance and other activities aimed at supporting the anti-epidemiological measures taken and preventing the spread of COVID-19.

The scope and focus of the Czech Trade Inspection Authority's inspection activities in 2021 largely followed on from the inspection activities in 2020 and adapted to the development of the epidemiological situation related to the spread of COVID-19. This was mainly reflected in the fact that the implementation of the market surveillance programme was adapted to the current anti-epidemiological measures based on the experience of 2020. Within market surveillance, particular attention was paid to the supply and sale of personal protective equipment, specifically personal respiratory protective equipment. Within this surveillance, the Czech Trade Inspection Authority monitored and verified the conformity assessment process of these products with the requirements of the applicable harmonisation legislation for products for which it allowed their placing in the market in accordance with European Commission Recommendation No.2020/403 on conformity assessment and market surveillance procedures within the context of the COVID-19 threat. In view of the development of the personal protective equipment market, where the shortage of personal protective equipment was already bridged in 2021, the Czech Trade Inspection Authority informed economic operators in the second quarter of 2021 that it would no longer accept exemptions for the supply of these products to the market from the second half of 2021 and continued intensive surveillance. Similarly to 2020, the Czech Trade Inspection Authority redirected part of its enforcement capacity to monitoring compliance with measures to prevent the spread of COVID-19.

Despite the fact that the internal market was affected by the pandemic situation and the constraints associated with preventing the spread of COVID-19, it was necessary to maintain an appropriate level of surveillance. With the exception of the aforementioned area of personal protective equipment, but also of products directly related to the prevention of the spread of COVID-19, the market surveillance programme of inspection actions aimed at the product safety and compliance with the requirements of harmonisation legislation when placing products on the European Union (EU) market. The market surveillance programme for 2021 also included inspection actions aimed at protecting the rights and legally protected interests of consumers. These inspections targeted both current market 'problems' and monitoring market areas and forms of trade where rapid developments and/or major changes are taking place. In 2021, as in 2020, this was mainly trade carried out by means of distance communication, or internet trade. Issues of fiscal and environmental interests of society and the state were also reflected in the market surveillance programme. The market surveillance programme also

included inspection actions with a European or international element, mainly aimed at the surveillance of the marketing of products.

Regional inspection actions were carried out at the level of individual inspectorates, focusing on local issues.

The issue of dealing with complaints from consumers and other market operators was not left aside, and, as in previous years, received particular attention.

Providing information and advice to consumers, either through the website or by answering specific questions, is an essential part of the activities of the Czech Trade Inspection Authority. In 2021, the Czech Trade Inspection Authority continued to pay attention to this activity, providing a permanent advisory service and informing the public about the results of market surveillance.

In 2021, the Czech Trade Inspection Authority carried out a total of 18,295 inspections, of which 7,631, i.e. 41.7%, were with deficiencies. Based on the mandate of Act No. 634/1992 Coll., on Consumer Protection, 16,876 inspections were carried out and deficiencies were found in 5,859 of them, i.e. 34.7%. Based on the mandate of Act No 22/1997 Coll., on Technical Requirements for Products, the Czech Trade Inspection Authority carried out 3,456 inspections, during which deficiencies were found in 597 cases, i.e. 17.3%. Based on the mandate of Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, the Czech Trade Inspection Authority carried out 2,460 inspections and deficiencies were detected in 1,255 cases, i.e. 51%. During 1,217 inspections, compliance with Act No. 102/2001 Coll., on General Product Safety, was verified and deficiencies were detected in 21 cases, i.e. 1.7%. In 2021, a total of 6,291 fines came into force, with a total value of CZK 80,511,100. Only completed inspections were included in the final figures.

Overview of inspections and detected breaches according to selected laws

| Act No. | Name | Number of inspections | Inspections with findings | In % |
|--------------|---|-----------------------|---------------------------|------|
| 634/1992 Sb. | on Consumer Protection | 16,876 | 5,859 | 34.7 |
| 477/2001 Sb. | on Packaging | 5,732 | 172 | 3.0 |
| 65/2017 Sb. | on the Protection of Public Health from Harmful Effects of Drugs | 4,848 | 258 | 5.3 |
| 22/1997 Sb. | on Technical Requirements for Products | 3,456 | 597 | 17.3 |
| 353/2003 Sb. | on Excise Duties | 3,146 | 13 | 0.4 |
| 90/2016 Sb. | on conformity assessment of selected products when made available in the market | 2,460 | 1,255 | 51.0 |
| 311/2006 Sb. | on Fuels | 1,473 | 20 | 1.4 |
| 102/2001 Sb. | on General Safety of Products | 1,217 | 21 | 1.7 |
| 255/2012 Sb. | on Inspection | 944 | 287 | 30.4 |
| Safety Gate | Search for products notified in the Safety Gate | 824 | 0 | 0.0 |
| 206/2015 Sb. | on Pyrotechnics | 206 | 54 | 26.2 |

| | | | | |
|--------------|---|-----|----|------|
| 223/2016 Sb. | on Retail and Wholesale Opening Hours | 171 | 3 | 1.8 |
| 542/2020 Sb. | on End-of-Life Products | 166 | 21 | 12.7 |
| 253/2008 Sb. | on selected measures against legitimisation of proceeds of crime | 117 | 32 | 27.4 |
| 201/2012 Sb. | on Clean Air Protection | 70 | 1 | 1.4 |
| 247/2006 Sb. | on Restrictions of Night Operations of Pawnshops and Other Establishments | 41 | 0 | 0.0 |
| 259/2014 Sb. | on the Explosives Precursors | 18 | 0 | 0.0 |
| 370/2017 Sb. | on Payments | 10 | 0 | 0.0 |

Overview of inspections in selected areas

| Inspected area * | Number of inspections | Inspections with findings | Detected findings in % |
|--|-----------------------|---------------------------|------------------------|
| Sale prices | 9,425 | 3,780 | 40.1 |
| Measuring instruments (out of public alimentation) | 6,173 | 2,111 | 34.2 |
| Information obligations – general | 4,473 | 1,691 | 37.8 |
| Discounts | 2,580 | 944 | 36.6 |
| Marking and labelling of footwear and textile | 2,164 | 977 | 45.1 |
| Public alimentation | 432 | 130 | 30.1 |
| Christmas and Easter range | 404 | 116 | 28.7 |
| Summer touristic season | 231 | 84 | 36.4 |
| Services (except for above-mentioned) | 230 | 118 | 51.3 |
| Fairs, markets and other social events | 198 | 130 | 65.7 |
| Gardening and florists | 138 | 48 | 34.8 |
| Social and cultural events | 95 | 30 | 31.6 |
| Car shops | 49 | 21 | 42.9 |

**) Individual inspections and their results can be involved in the results of several inspections at once*

Inspectorates – overview of inspections and detected infringements

| CTIA Inspectorate | Number of inspections | Inspections with findings | Detected findings in % |
|--------------------------|-----------------------|---------------------------|------------------------|
| Středočeský and Prague | 1,920 | 903 | 47.0 |
| Jihočeský and Vysočina | 2,702 | 893 | 33.0 |
| Plzeňský and Karlovarský | 3,304 | 1,291 | 39.1 |
| Ústecký and Liberecký | 1,980 | 851 | 43.0 |

| | | | |
|--------------------------------|---------------|--------------|-------------|
| Královéhradecký and Pardubický | 2,963 | 895 | 30.2 |
| Jihomoravský and Zlínský | 2,401 | 1,152 | 48.0 |
| Olomoucký and Moravskoslezský | 3,025 | 1,646 | 54.4 |
| Total | 18,295 | 7,631 | 41.7 |

Imposed sanctions in total

| CTIA Inspectorate | Imposed fines in total | |
|--------------------------------|------------------------|-------------------|
| | Number | Amount in CZK |
| Středočeský and Prague | 555 | 12,664,700 |
| Jihočeský and Vysočina | 748 | 6,728,500 |
| Plzeňský and Karlovarský | 1,136 | 19,008,500 |
| Ústecký and Liberecký | 721 | 7,208,500 |
| Královéhradecký and Pardubický | 930 | 13,129,000 |
| Jihomoravský and Zlínský | 1,012 | 15,199,000 |
| Olomoucký and Moravskoslezský | 1,189 | 6,572,900 |
| Total | 6,291 | 80,511,100 |

In 2021, similarly to 2020, the cooperation of the Czech Trade Inspection Authority with other state administration bodies was affected by the pandemic situation related to the spread of the COVID-19 disease. In the area of market surveillance, this meant that the number of cooperation activities was practically at the same level as in 2020. In 2021, cooperation with other state administration bodies or local authorities was used in 481 cases. In terms of the number of jointly implemented inspections, the most frequent cooperation in 2021 was with the Police of the Czech Republic and trade licensing authorities.

Representatives of the Czech Trade Inspection Authority served on advisory bodies and working groups composed of representatives of individual surveillance authorities or representatives of individual ministries. The Czech Trade Inspection Authority staff were permanent members of a number of commissions dealing with the issue of marketing of products, such as the Committee for Technical Barriers to Trade, the Committee for Conformity Assessment, the Interdepartmental committee for combating illegal conduct - infringements of intellectual property rights, etc. This cooperation included participation of the Czech Trade Inspection Authority in the Quality Council of the Czech Republic and professional section "quality infrastructure" as well as the managing committee of the programme Czech Quality whose major task is to support the sale of quality products and provision of quality services.

Cooperation with other bodies according to the number of inspections

| State authority | Number of inspections |
|--|-----------------------|
| Police of the Czech Republic | 190 |
| Trade licensing offices | 167 |
| Public health protection authorities / hygienist | 55 |
| Customs Administration | 32 |

| | |
|---|----|
| Fire Rescue Service | 16 |
| Municipality Police | 8 |
| Czech Telecommunication Office | 4 |
| Czech Environmental Inspectorate | 4 |
| Municipality offices | 3 |
| Ministry of Culture | 1 |
| The body of social and legal protection of children | 1 |

Trade licensing offices – number of inspections

| CTIA Inspectorate | Number of joint inspections | Inspections with findings within the surveillance scope of the Czech Trade Inspection Authority |
|--------------------------------|-----------------------------|---|
| Středočeský and Prague | 34 | 17 |
| Jihočeský and Vysočina | 21 | 9 |
| Plzeňský and Karlovarský | 25 | 2 |
| Ústecký and Liberecký | 41 | 15 |
| Královéhradecký and Pardubický | 0 | 0 |
| Jihomoravský and Zlínský | 38 | 6 |
| Olomoucký and Moravskoslezský | 8 | 6 |
| Total | 167 | 55 |

Overview of inspection activities of the CTIA and trade licensing offices from 2011 to 2021

| Monitored periods | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|------|
| Number of joint inspections | 2,913 | 2,751 | 2,482 | 1,402 | 1,524 | 1,351 | 1,160 | 1,068 | 997 | 328 | 167 |

In 2021, the Czech Trade Inspection Authority received a total of 10,252 submissions to inspection. Of this number, 1,363 complaints were assessed as justified or partially justified. A total of 2,724 inspections were carried out in direct connection with the complaints, which is approximately 14.9% of the total number of inspections carried out. Breaches of legislation (irrespective of the subject of the complaint) were found in 1,755 inspections, representing 64.4% of all inspections carried out based on the complaints.

Consumer submissions according to major topics

| Submission topic | Number |
|---|--------|
| Activities of e-shops | 4,082 |
| Unfair commercial practices, aggressive and deceitful practices | 1,631 |
| Non-delivery of goods and related issues | 1,498 |
| Claims | 1,461 |

| | |
|---|-------|
| Contracts | 585 |
| Invoicing | 548 |
| Prices and tariffs | 364 |
| Delivery of non-compliant goods/service | 323 |
| Product safety | 276 |
| Information obligations | 270 |
| Public alimentation | 249 |
| Withdrawal | 244 |
| Food | 243 |
| Customer services | 205 |
| Defective products that caused damages | 125 |
| Breaches of industrial and intellectual property rights | 93 |
| Sale of alcoholic beverages and tobacco products to juveniles | 69 |
| Changes of prices | 64 |
| Other | 1,834 |

3. PRODUCT SURVEILLANCE

The Czech Trade Inspection Authority dealt with the protection of the internal market of the Czech Republic in relation to the current trends in the development of the European Union consumer policy and consumer protection within the application of the applicable legal legislation governing the free movement of goods and technical requirements for products. Surveillance of economic operators was carried out in accordance with the measures taken to necessarily align the system and process of state market surveillance with the inspection systems and processes applied in the European Union under the Community law.

In 2021, the planned inspection activities of the Czech Trade Inspection Authority were still affected by the pandemic caused by the spread of the disease COVID-19. The focus was still on surveillance in areas directly related to the pandemic situation. This was mainly in the area of personal protective equipment - respiratory protection. In 2021, the Czech Trade Inspection Authority inspected the safety of products placed in the market in terms of their compliance with the requirements of special legal regulations, and in some cases, through external expert bodies, it also inspected the product characteristics declared by the manufacturer. In its inspection activities, it focused in particular on eliminating the risks associated with the use of products. In its surveillance activities, the Czech Trade Inspection Authority made use of cooperation with other applicable supervisory authorities and specialised expert bodies, including international entities. When verifying the technical requirements for the products under surveillance, the Czech Trade Inspection Authority cooperated with notified, authorised and accredited bodies, which provided analyses of samples taken from products and provided expert information within their competence.

In the case of surveillance of the placing of products on the single market and their subsequent distribution, the Czech Trade Inspection Authority applied in particular the applicable provisions of Act No. 102/2001 Coll., on General Product Safety, Act No. 22/1997 Coll., on Technical Requirements for Products, and Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market. The inspections carried out pursuant to Act No. 102/2001 Coll. concerned non-selected products for which general safety was assessed. These are mainly products for which no requirements are laid down by special legislation. Inspections pursuant to Acts No. 22/1997 Coll. and No. 90/2016 Coll. concerned selected products. The specific requirements for selected products are set out in the applicable Government Orders or directly applicable European Union legislation.

Most of the inspection actions included in the market surveillance programme for 2021 were carried out by all inspectorates of the Czech Trade Inspection Authority. During these inspections, CTIA officers inspected the compliance with the requirements for placing products in the market, including inspection of technical documentation, accompanying documentation of products and their labelling. For selected products, including products from the planned inspection actions, they verified by testing with accredited bodies the characteristics declared by the manufacturer. They identified the sub-links of the distribution chain and subsequently specified the persons responsible for placing the products in the market. Where deficiencies were found in the persons responsible, they demonstrated breaches of applicable legislation.

Through the Department of Methods and Inspection Support of the General Inspectorate of the Czech Trade Inspection Authority, the investigation of importers, authorised representatives and manufacturers based in other Member States of the European Union was forwarded to the responsible surveillance authorities of the Member State concerned.

The Technical Unit of the Inspection Methodology and Support Department provided methodological guidance to the inspectors of the Czech Trade Inspection Authority for all national inspection actions aimed at product inspection.

All inspection projects that started in 2021 have been or will be concluded with an evaluation final report. The results of the inspections have been or will be communicated to the general public through press releases. In cases where formal deficiencies were found, the inspectors of the Czech Trade Inspection Authority imposed measures to remedy them. In cases where a product was found to pose a risk, they imposed a protective measure, which was a withdrawal of products from the market, a ban on their placing in the market, putting into service or distribution. Subsequently, these products were reported to the Safety Gate National Contact Point.

In addition to the foreseen inspection actions, complaints from the consumers as well as the business community about specific products from both the harmonised and non-harmonised spheres were investigated. One complaint concerning Baofeng radios, submitted by the ADCO RED group, resulted in a targeted inspection action for four inspectorates. Information on the outcome of the investigation was sent electronically to the ADCO RED group, which drew attention to the administrative shortcomings of these radios available in the EU market. Among the products repeatedly inspected were toys (i.e. products intended for a very vulnerable group of users), which have been the subject of increased attention on an ongoing basis.

Results of joint national inspection activities included in the market surveillance plan in 2021

| Inspection action | Number of inspections | Inspections with findings | Ratio of detected flaws |
|---|-----------------------|---------------------------|-------------------------|
| Toys intended for children under 14 years | 712 | 376 | 52.8 |
| Personal respiratory protective equipment | 1,340 | 1,005 | 75.0 |
| Pressure cookers for home use * | 28 | 22 | 78.6 |
| Toys and battery models ** | 54 | 20 | 37.0 |
| Whipping machines for home use | 14 | 7 | 50.0 |
| AdBlue from filling stations | 57 | 6 | 10.5 |
| AC power supplies for laptops | 26 | 19 | 73.1 |
| 5 GHz outdoor units for direct mounting to MIMO antennas ** | 18 | 9 | 50.0 |
| Manual scissor and mobile hydraulic jacks | 35 | 14 | 40.0 |
| Kitchen kneaders | 22 | 6 | 27.3 |
| Life jackets | 7 | 4 | 57.1 |
| Chains for lifting purposes | 13 | 8 | 61.5 |
| Flue pipes | 22 | 13 | 59.1 |
| Plastic dowels | 25 | 5 | 20.0 |
| Inflatable play equipment | 19 | 8 | 42.1 |
| Gas grills ** | 16 | 5 | 31.3 |
| Placing of timber to the market | 43 | 8 | 18.6 |
| Wireless headphones | 25 | 15 | 60.0 |

**) inspection action started in 2020 and finished in 2021*

****) inspection action in the phase of elaboration with possible further investigation at other economic operators*

3.1 National inspection actions

Toys intended for children up to 14 years of age - given that this is a product range intended for the most vulnerable group of consumers, i.e. children, the Czech Trade Inspection Authority considers toy safety inspection to be one of the priorities of its inspection activities. A total of 712 inspections were carried out in 2021. The total number of inspections and other data presented above include inspections from the inspection action "Toys and battery models", which are detailed in a separate passage. Breaches of legislation were found in 376 inspections. Breaches of the requirements of Act No. 22/1997 Coll., on Technical Requirements for Products, and Government Order No. 86/2011 Coll., on technical requirements for toys were found in 279 inspections. Within the above-mentioned inspections, 1,869 toy models were inspected and 814 models were found to be deficient. As in previous years, most of the deficiencies found related to non-compliance with the administrative requirements of the applicable regulations on toys when they are placed in the market. These included mainly insufficient identification of the persons responsible for placing the toys in the market, deficiencies in the labelling of the toys inspected, or the finding that the products offered for sale did not contain information for consumers, or that this information was not provided in the Czech language. Some of the above-mentioned defects, or their accumulation, occurred in about 44% of the toys inspected. The inspection of toys in the Czech market was also carried out based on the international cooperation of surveillance authorities "CASP 2021", where the Czech Trade Inspection Authority took part in an inspection action aimed at the safety requirements for toys offered to Czech consumers on the websites of commercial entities, which in most cases are based outside the EU. These inspections are still in the development phase. Further information on this inspection action is provided in the following chapter. A total of 59 different models of toys were taken from the market to inspect whether their mechanical, physical or chemical characteristics comply with the requirements of the applicable legislation. 19 models of toys were taken based on complaints from consumers as well as the Czech Trade Inspection Authority's own suspicions that the inspected toys do not comply with the legitimate safety requirements. Of this number, a total of 12 toy models failed to comply with the safety requirements of the applicable Government Order in one or more indicators, 6 models complied and 1 product is under assessment. Other 23 models of electrical toys were taken to see whether they meet the requirements of the requirements of the Government Order No 481/2021 Coll. on the restriction of the use of certain hazardous substances in electrical and electronic equipment. Of these recalled products, 20 models did not comply with the requirements of the legal provisions. 17 toy models were recalled for the above-mentioned international event "CASP 2021" (7 assessed as non-compliant and 10 in progress, see below). Also in 2021, toys in the market were found to contain excessive amounts of undesirable chemicals or toys with available button batteries, as well as toys intended for the youngest children under the age of three that contain or release small parts that can be inhaled or swallowed by children during mechanical testing. Because of the identified deficiencies, 10 toy models were reported to the European alert system for dangerous non-food products Safety Gate during the year due to the risk to children's health (of which 3 toy models were from the CASP 2020 inspection action "Nitrosamines in toys").

Inspections of toys according to individual inspectorates

| CTIA Inspectorate | Number of inspections | Inspections with findings | Ratio of detected breaches |
|--------------------------------|-----------------------|---------------------------|----------------------------|
| Středočeský and Prague | 58 | 29 | 50.0 |
| Jihočeský and Vysočina | 165 | 68 | 41.2 |
| Plzeňský and Karlovarský | 335 | 216 | 64.5 |
| Ústecký and Liberecký | 62 | 21 | 33.9 |
| Královéhradecký and Pardubický | 20 | 6 | 30.0 |
| Jihomoravský and Zlínský | 49 | 28 | 57.1 |
| Olomoucký and Moravskoslezský | 23 | 8 | 34.8 |
| Total | 712 | 376 | 52.8 |

Respiratory protective equipment - The inspection action included in the market surveillance programme for 2021 was a follow-up to the emergency inspections carried out in 2020, which were triggered by the global pandemic related to the spread of the COVID-19 disease and a sharply increased demand for personal respiratory protective equipment ("respirator"), as the emergency measures taken both in the Czech Republic and other countries made it mandatory to protect the respiratory organs by wearing such personal protective equipment. The inspection verified whether the products were supplied to the market in accordance with the requirements of Regulation (EU) 2016/425 of the European Parliament and of the Council on personal protective equipment (hereinafter "PPE Regulation") and Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, and Commission Recommendation (EU) 2020/403 on conformity assessment and market surveillance procedures within the context of the COVID-19 threat. Breaches of legislation were found in 1,005 cases. Of these findings, 921 inspections involved breaches of the PPE Regulation. A great emphasis was put on this inspection action and therefore a total of 2,125 products were inspected. Due to the pandemic situation and the emergency measures taken, respirators also entered the Czech (and EU) market outside the regular distribution channels and were sold at various points of sale, regardless of the range of goods normally offered at other times. Respirators from the same manufacturer could then be sold in different packages and under different labels. This and other circumstances led to some products being inspected more than once at different operators. Of the total number of products checked, 1,425 products were found to be in breach of the PPE Regulation. In 733 cases, deficiencies in the instructions and consumer information were found, of which in 458 cases the instructions and consumer information were not provided in the Czech language. In 564 cases, the instructions and consumer information were not included at all. Furthermore, in 270 cases, shortcomings were found in the mandatory affixing of the CE marking. The inspections also showed whether the products offered were marked and labelled according to the requirements of the PPE Regulation. It was found that in 291 cases the product was incorrectly labelled with the type or model, in 361 cases the manufacturer's identification was missing or incorrectly indicated, and in 597 cases the importer's identification was missing or incorrectly indicated. The inspection activity also revealed that in 653 cases the respirators were not accompanied by the EU Declaration of Conformity or, alternatively, a link to the internet address where this declaration can be accessed. For some respirators there was an accumulation of several of the above-mentioned administrative deficiencies. Within the inspection action, 74 product samples were taken. 19 identified product samples were sent to the testing laboratory. Of these samples, a total of 17 product samples did not comply with the

requirements of EN 149:2002+A1:2009 Article 7.9.1 Total permeation, or Article 7.9.2 Filter material permeation, or Article 7.16 Respiratory resistance. Verification of the specified requirements continues for 1 sample product. In addition, 55 product samples were subjected to an internal assessment to determine the compliance with the labelling and marking requirements. Based on the deficiencies found during the inspections of respirators, the Czech Trade Inspection Authority imposed 602 bans on the distribution of respirators, within which 972,036 products were banned, with a total value of CZK 20,000,824.96.

In 2021, the Czech Trade Inspection Authority cooperated intensively with the authorities carrying out external border inspections (Customs Administration) to prevent substandard respiratory PPE from entering the market. As part of this cooperation, the Czech Trade Inspection issued 90 binding opinions on the import of respiratory PPE in the market; in 79 cases the opinion was negative. The volume of products that were not released for free circulation amounted to approximately 24,600,000 units.

Pressure cookers for domestic use - the inspection action associated with sampling was initiated in 2020 and focused on pressure cookers for domestic use without integrated heating equipment, which are selected products according to Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, and according to Government Order No. 219/2016 Coll., on conformity assessment of pressure equipment when made available in the market. The inspection of the products focused on the mandatory marking and labelling of the products, the accompanying documentation and the implementation of the conformity assessment in accordance with the established procedure. A total of 28 inspections were carried out, of which 22 were detected. 19 products were inspected, 16 of which were found to be in breach of the legislation. 7 samples were taken for laboratory tests to inspect selected prescribed characteristics of the products. Laboratory tests showed deficiencies affecting the safety of their use in 4 of them, namely in the functioning of the safety and inspection device and in the safety opening test. Based on the risk assessment, 2 products will be proposed for notification to the Safety Gate database. Protective measures were imposed on the inspected persons in a total of 3 cases.

Battery toys and models - battery toys are selected products according to Act No. 22/1997 Coll., on Technical Requirements for Products, Government Order No. 86/2011 Coll., on Technical Requirements for Toys and Government Order No. 481/2012 Coll., on the restriction of the use of certain hazardous substances in electrical and electronic equipment, and are also selected products according to Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, and Government Order No. 117/2016 Coll., on the assessment of conformity of stated products from the point of view of the electromagnetic compatibility when delivered to the market. Within the inspection action, the selected products were subjected to an orientation measurement using a VANTA spectrometer in the electrical components of the products (e.g. solder joints) for the presence and concentration of hazardous substances listed in Government Order No. 481/2012 Coll. In the case of excessive results, a sample of the product was taken and the concentration of the hazardous substance was inspected in a testing room. As of the date of the annual report, 54 inspections were carried out, during which 23 product samples were taken based on indicative spectrometer measurements, of which 21 samples were submitted for laboratory testing. Two samples have not yet been evaluated. 20 samples were confirmed by the testing laboratory to have excessive lead or cadmium levels. The samples are now being assessed for compliance with the other requirements, and subsequently the results of the tests will be communicated to the inspected persons and appropriate restrictive measures will be applied to the non-compliant products. The inspection action has not yet been completed.

Whipped cream makers for household use - these are pressure equipment that are selected products according to Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, and according to Government Order No. 219/2016 Coll., on conformity assessment of pressure equipment when made available in the market. The legislation has specific requirements for the conformity assessment process, which is governed by, among other things, good technical practice. The inspection of the products focused on the marking and labelling, accompanying documentation and the implementation of the conformity assessment according to the established procedure. A total of 14 inspections were carried out, of which 7 were found. Breaches of legislation were found in 7 of the products, most of which showed cumulative deficiencies in marking. In particular, information on the manufacturer, product identification (batch, serial number, etc.), bottle volume and the maximum number of disposable cartridges (bombs) to be used in the production of cream were missing. In one case, the instructions for use were also with shortcomings.

AdBlue from filling station fuel racks - the inspection focused on the quality characteristics of the nitrogen oxide (NO_x) reducing agent, aqueous urea solution (AUS 32), which is required for the operation of selective catalytic reduction NO_x converters in diesel vehicles. The inspection also focused on the compliance with the obligations set out in Act No 634/1992 Coll., on Consumer Protection and on the inspection of marking and labelling of these products, whereby the containers for the distribution of AUS 32 must be labelled in accordance with the requirements of the standard ISO 22241-1 Diesel engines - NO_x reduction agent - Aqueous urea solution (AUS 32) - Part 1: Quality requirements. The inspected entities were physical and legal persons selling the products in question in the Czech market. A total of 57 inspections were carried out in the market network with the above-mentioned focus within the inspection action on the sale of Aqueous Urea Solution (AUS 32). A total of 73 products were inspected during these inspections. Of the 57 inspections, 14 were carried out with the participation of the staff of an accredited testing laboratory, which took 14 samples offered directly from dispensers at filling stations. The samples of AdBlue liquid taken and tested by the accredited testing laboratory complied with all the parameters tested. During the inspections carried out by the Czech Trade Inspection Authority staff, breaches of legal regulations were detected in 6 inspections. The infringement of the above-mentioned legal regulation consisted in one case in the use of a volumetric measuring device without valid official verification, namely at the distribution pump of the dispenser when selling AdBlue, and in the other case there was no Czech text concerning the minimum durability (lifetime) of the product, only foreign language text was available. In addition, a breach of Act 477/2001 Coll., on Packaging and on amendments to certain acts was found. In all cases the marking and labelling of the products was in accordance with the requirements of the above-mentioned standard.

Power chargers for laptops - the inspection action focused on compliance with the requirements of Act No. 22/1997 Coll., on Technical Requirements for Products, Government Order No. 426/2016 Coll., on the assessment of conformity of radio equipment when delivered to the market, Government Order No. 117/2016 Coll., on the assessment of conformity of stated products from the point of view of the electromagnetic compatibility when delivered to the market, Government Order No. 118/2016 Coll., on the assessment of conformity of electrical equipment designed for use within certain voltage limits when delivered to the market, and the Government Order No. 481/2012 Coll., on the restriction of the use of certain hazardous substances in electrical and electronic equipment, and No. 90/2016 Coll., on conformity assessment of selected products when made available in the market. The inspections were aimed at the safety of these products as well as vendors' compliance with administrative requirements when placing them in the market. 26 inspections were carried out within the inspection action, and deficiencies were detected in 19 of them. A total of 27 products were

inspected. 7 products were selected for testing and all were found to be non-compliant. However, the deficiencies found were not serious enough to recall the products from the market and from consumers. Within the scope of the Czech Trade Inspection Authority, appropriate measures were imposed on the responsible economic operators to remedy the identified deficiencies.

5 GHz outdoor units intended for direct mounting to MIMO antennas - the aim of the action was to inspect whether outdoor units for the 5 GHz band supplied to the Czech market meet the technical requirements set out in Government Order No. 426/2016 Coll., on the assessment of conformity of radio equipment when delivered to the market, , Government Order No. 117/2016 Coll., on the assessment of conformity of stated products from the point of view of the electromagnetic compatibility when delivered to the market, Government Order No. 118/2016 Coll., on the assessment of conformity of electrical equipment designed for use within certain voltage limits when delivered to the market, and the Government Order No. 481/2012 Coll. on the restriction of the use of certain hazardous substances in electrical and electronic equipment and Acts No. 22/1997 Coll., on Technical Requirements for Products and No. 90/2016 Coll., on conformity assessment of selected products when made available in the market. So far, 18 inspections have been carried out within the action, of which 9 inspections revealed breaches of the legislation. A total of 18 products were inspected. 7 products were taken for testing to inspect whether the products placed in the market in the Czech Republic meet the requirements of the general authorisation of the Czech Telecommunications Office (hereinafter referred to as the CTO), in particular, whether it is possible to select any country from the offer during the initial user setup of the product and whether it is possible to change the output power setting of the device in the applicable configuration in such a way that the CTO general authorisation and the applicable standard could be breached. At present, the results of testing of 5 products are known. It was found that the devices allow the user to make changes to the product settings, which may result in non-compliance with the requirements of the CTO general authorisation, and it can therefore be concluded that, according to the Radio Equipment Directive 2014/53/EU of the European Parliament and of the Council the harmonisation of the laws of the Member States relating to the making available in the market of radio equipment (or Government Order No. 426/2016 Coll.), the product does not meet the requirements for the efficient and effective use of the radio spectrum with the avoidance of harmful interference and electromagnetic interference. Subsequently, the products will be assessed in terms of compliance with the formal requirements and appropriate restrictive and punitive measures will be applied to non-compliant products in the surveillance scope of the Czech Trade Inspection Authority.

Manual scissor lifts and movable jacks - the inspection action focused on manual scissor lifts and mobile hydraulic lifts. Manual hoists are selected products according to Act No. 22/1997 Coll., on Technical Requirements for Products and Government Order No. 176/2008 Coll., on Technical Requirements for Machinery. The inspection of the products focused on the mandatory marking of the products, accompanying documentation and the implementation of the conformity assessment according to the established procedure, including the inspection of the technical documentation of the product. A total of 35 inspections were carried out on 26 products. Deficiencies were found in a total of 14 inspections. Within the scope of the action, 7 product samples were taken to mechanical tests according to the harmonised standard EN 1494+A1:2010 - Mobile or movable jacks and associated lifting equipment. A total of 6 samples failed the tests, as they were destroyed during the tests. For 1 non-compliant sample, a decision was made to take a protective action consisting of withdrawal of the product from the market and the product was reported to the Safety Gate system. Other formal deficiencies were found during the inspections, which related to insufficient labelling of the products,

the products were not accompanied by instructions for use or EC Declaration of Conformity, or these documents did not have the required elements or were not provided in the Czech language.

Kitchen kneaders - the inspection action focused on compliance with the requirements of Act No. 22/1997 Coll., on Technical Requirements for Products, Act No. 90/2016 Coll., conformity assessment of selected products when made available in the market, Government Order No. 117/2016 Coll., on the assessment of conformity of selected products when delivered to the market, Government Order No. 118/2016 Coll., on the assessment of conformity of electrical equipment designed for use within certain voltage limits when delivered to the market, and Government Order No. 481/2012 Coll., on the restriction of the use of certain hazardous substances in electrical and electronic equipment. The inspections were aimed at the safety of these products and the compliance with administrative requirements when placing them in the market. Within the inspection action, 22 inspections of economic operators were carried out and deficiencies were found in 6 of them. A total of 23 products were inspected and administrative shortcomings were detected in 6 of them. Seven products were sampled for testing and only one product was found to be non-compliant. However, the deficiencies found were not so serious to impose an immediate withdrawal of the product from the market or from consumers. Within the surveillance scope of the Czech Trade Inspection Authority, appropriate measures were imposed on the responsible economic operators to remedy the identified deficiencies.

Life jackets - the aim of the inspection action was to inspect whether these products meet the requirements for marine equipment pursuant to Act No. 90/2016 Coll., on conformity assessment of selected products when made available in the market, and Government Order No. 345/2016 Coll., on marine equipment, which incorporates the applicable European Union regulation (Directive 2014/90/EU of the European Parliament and of the Council on marine equipment and repealing Council Directive 96/98/EC), or the requirements of Regulation (EU) 2016/425 of the European Parliament and of the Council on personal protective equipment. It was therefore a combined inspection action on marine equipment and personal protective equipment. The inspection action included 7 inspections, during which 6 distributors were checked. 8 types of products were checked, of which 4 were found to have formal deficiencies (e.g. missing instructions, mandatory marking, EU Declaration of Conformity, manufacturer identification, etc.). In total, 4 inspections revealed breaches of legislation. One product (missing CE marking) was subject to an appropriate restrictive measure. Life jackets, which are selected products for conformity assessment according to Government Order No. 345/2016 Coll., are rarely available in the Czech Republic (due to the fact that it is a landlocked country), as only one product falling under this Regulation was found and inspected during the action.

Lifting chains - sampling focused on short link chains of strength class 8 that are designed and manufactured by the manufacturer for lifting purposes as a component or accessory for lifting. Chains for lifting purposes are selected products according to Act No. 22/1997 Coll. on Technical Requirements for Products and marketed as machinery within the meaning of Government Order No. 176/2008 Coll. on Technical Requirements for Machinery. The inspection of the products focused on the mandatory product marking and labelling, accompanying documentation and the performance of conformity assessment according to the established procedure, including the inspection of the technical documentation of the product. In total, 13 inspections were carried out and 14 products were inspected. Deficiencies were found in a total of 8 inspections. In the course of the action, 7 product samples were taken for static tensile tests according to the harmonised standard EN 818-1+A1 - Short link chains for lifting purposes - Safety - Part 1: General conditions of acceptance, and the applicable standard EN 818-2+A1 - Short link chains for lifting purposes - Safety - Part 2: Medium tolerance chains for chain slings - Grade 8. All samples passed this test. Only formal deficiencies were found during the inspections, which concerned insufficient labelling of the products, the products were not

accompanied by instructions for use or an EC Declaration of Conformity, or these documents did not contain the required information or such information were not presented in the Czech language.

Smoke flues - the aim of the inspection was to inspect whether these products, which are offered in the Czech market network, meet the technical requirements set out in Regulation No 305/2011 of the European Parliament and of the Council laying down harmonised conditions for the marketing of construction products, Act No 22/1997 Coll., on Technical Requirements for Products and harmonised standard EN 1856-2:2009 Chimneys - Requirements for metal chimneys - Part 2: Metal inserts and flues. Within the inspection action, 22 inspections were carried out, during which 36 types of products were inspected. Of these inspected products, 22 products were found to be in breach of the applicable regulations. Formal deficiencies were found, e.g. missing mandatory marking and labelling, intended use of the product, etc.). In order to inspect the properties of the products according to selected articles of EN 1856-2:2009, 7 samples of products were taken and tested for gas tightness and resistance to thermal shock. During the laboratory tests, it was found that all samples met the tested parameters. During the inspection action, breaches of legal regulations were found in 13 inspections.

Plastic dowels - the subject of the inspection action was to inspect whether plastic anchors/ dowels for concrete and masonry meet the technical requirements set out in Act No. 22/1997 Coll., on Technical Requirements for Products and Government Order No. 163/2002 Coll., laying down technical requirements for selected construction products. Within this inspection action, 25 inspections were carried out and 26 types of products were checked. Breaches of legal regulations were detected in 5 inspections. The inspection action focused on inspecting the marking and labelling of products and, in case of products imported to the Czech Republic or manufactured in the Czech Republic, also on inspecting the Declaration of Conformity and its prescribed particulars. Out of 26 products inspected, 6 products were found to be in breach of the legal regulations. For these products, formal deficiencies were detected, consisting in irregularities in the marking and labelling of the products (the method of use/application of the product was missing or incorrectly stated) or in the absence of the marking and labelling of the product by its manufacturer or importer.

Inflatable play equipment - means of public amusement - the subject of the inspection was inflatable play equipment intended for children up to 14 years of age. These products are selected products according to Government Order No. 173/1997 Coll., establishing selected products for conformity assessment and according to Act No. 22/1997 Coll., on Technical Requirements for Products. A total of 19 inspections were carried out within the action, of which 1 inspection has not been completed. In 8 inspections, breaches of legal regulations were detected. 1 importer and 4 distributors were inspected. The other inspected persons acted as operators. Within the inspection action, 33 products were inspected. Deficiencies in labelling were found in 3 products operated. For 2 products the requirements for product labelling were not observed and for 1 product graphic symbols indicating a safe method of use were not placed at the entrance to the equipment. The deficiencies were remedied during the inspections. Following the findings, 1 importer was found to be in breach of Article 13(2) of Act No 22/1997 Coll. when placing the product in the market. Further deficiencies were again found in the products in operation, in total 7 products. Of these, 6 products were not accessible to the public for the electrical installation of the equipment. The operators were ordered to take measures to remedy the deficiencies pursuant to Article 18(2)(b) of Act No 22/1997 Coll. The deficiencies were remedied during the inspections. At the same time, 1 product lacked an annual inspection, but the operator subsequently provided the annual inspection document. For 1 product, a clear space around the establishment was not respected. This product was banned under Article 7(1)(a) of Act No 64/1986 Coll., on the Czech Trade Inspection Authority, until remedies were made. The identified deficiency was qualified as a breach of Section 3(1)(b) of Act No 634/1992 Coll., on

Consumer Protection, which requires the provision of services in the required or approved quality if this results from special regulations, and will be dealt with in administrative proceedings. Further deficiencies were found in the distributor who issued the Declaration of Conformity for 4 products which did not meet the requirements of Section 6 of Government Order No. 173/1997 Coll. The products were delivered to the market by the distributor with a document (Declaration of Conformity) which was in breach of Section 13 of Act No. 22/1997 Coll. The breach of the Act is being dealt with in administrative proceedings.

Gas grills - the sampling associated inspection action was focused on gas grills, which are selected products according to Regulation 2016/426 of the European Parliament and of the Council on appliances burning gaseous fuels and according to Act No. 90/2016 Coll., on the assessment of conformity of selected products when making them available in the market. The inspection of the products focused on the mandatory labelling of the products, the accompanying documentation and the implementation of the conformity assessment of the determined procedure. So far, 16 inspections have been carried out, with deficiencies detected in 5 products. 7 products have been taken for laboratory tests to see the compliance with the requirements for operational safety, within the scope of combustion testing, resistance to air flow and resistance to overheating. 6 products met the requirements. The inspection action is not yet completed as the individual inspectorates carry out an overall assessment of the individual products and further actions to complete the inspections in the follow-up of the tests results

Placing timber in the market - The Czech Trade Inspection Authority carries out inspections of timber and timber products traders within the scope of its competence laid down by Act No. 226/2013 Coll., on the placing of timber and timber products in the market. The inspections focused on the compliance with the obligations set out in Article 5 of Regulation (EU) No 995/2010 of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products in the market, specifically on the compliance with the obligation to trace operators who supplied timber and timber products to traders. The inspection also focused on the requirements of Act No 634/1992 Coll., on Consumer Protection. During the action, 43 inspections were carried out. Breaches of Act No 634/1992 Coll., on Consumer Protection, were found in 8 cases, with the most frequent being breaches of the seller's obligation to properly inform the consumer about the price of the products sold. No breaches of Article 5 of Regulation (EU) No 995/2010 of the European Parliament and of the Council were found. During the inspection operation, information on operators placing timber in the market was traced. This information was forwarded to the Forest Management Institute for possible use in planning inspections on operators.

Wireless headphones - the aim of the inspection action was to inspect whether wireless headphones supplied to the market meet the technical requirements set out in Government Order No. 426/2016 Coll., on conformity assessment of radio equipment, Government Order No. 481/2012 Coll., on restriction of the use of certain hazardous substances in electrical and electronic equipment, or Government Order No. 118/2016 Coll., No. 117/2016 Coll., on the conformity assessment of electrical equipment intended for use within certain voltage limits when placed in the market, Government Decree No. 117/2016 Coll., on the conformity assessment of products with regard to electromagnetic compatibility when placed in the market, and Acts No. 22/1997 Coll., on Technical Requirements for Products and No. 90/2016 Coll., on the conformity assessment of selected products when placed in the market. 25 inspections were carried out and 25 products were inspected. Of the total number of inspections, 15 were with detected deficiencies, in particular in the accompanying documentation, the absence of the EU Declaration of Conformity, in the marking and labelling of products, and also the required CE marking was not affixed on products, although it was possible due to the nature of the

product. A total of 4 measures were imposed, consisting of the prohibition to supply the product to the market for the time necessary for necessary findings and 1 measure consisting of the prohibition on the placing in the market, distribution including the purchase, supply, sale and use of the products until remedy is made.

3.2 International inspection actions

International inspection action CASP 2020

In 2021, the internationally coordinated inspection actions in the CASP 2020 project were completed. The Czech Trade Inspection Authority participated in three of the seven international inspection actions. The inspection activities took place for the most part in 2020 and were completed and evaluated in 2021.

Nitrosamines in toys - the aim of the international inspection action was to verify, by means of laboratory testing, the presence of prohibited nitrosamines and N-nitrosatable substances, which are associated with carcinogens and may therefore pose a serious health risk, in products intended for children, in accordance with the requirements of Directive 2009/48/EC of the European Parliament and of the Council on the safety of toys. The action involved 12 surveillance authorities from 11 EU Member States and a total of 220 products were sampled. 35 products, i.e. 16% of the products, exceeded the permitted limit of the substances tested in the chemical tests. 76% of the products did not comply with the mandatory labelling and accompanying documentation requirements. In the Czech market in 2020, 20 products of three types were sampled: squeeze toys made of elastomeric materials, balloons and finger paints. Two models of balloons and one model of finger paints failed tests for undesirable substances that pose a particular risk to consumers. Appropriate restrictive measures were applied to these products and reported to the Safety Gate alert system.

Small Kitchen Heating Appliances - International inspection action focused on compliance with the requirements of Directive 2014/30/EU of the European Parliament and of the Council on the harmonisation of the laws of the Member States relating to electromagnetic compatibility, Directive 2014/35/EU of the European Parliament and of the Council on the harmonisation of the laws of the Member States relating to the making available in the market of electrical equipment designed for use within certain voltage limits, and Directive 2011/65/EU of the European Parliament and of the Council on the restriction of the use of certain hazardous substances in electrical and electronic equipment. The subject of the inspections were small kitchen heating appliances - fryers, mini-fryers, contact grills/sandwich makers, toasters. The international inspection action involved 10 surveillance authorities from 9 EU Member States, which sampled a total of 89 products. Laboratory tests subsequently showed that 10 products may pose a serious risk to consumers. Within the Czech Republic, 20 inspections were carried out during 2020, and 9 types of products were sampled for testing (2 types of fryers, 3 types of mini ovens, 2 types of sandwich makers, 2 types of toasters). Based on the tests carried out, 7 products were found to be non-compliant and restrictive measures were applied.

CASP Corona 2020 - The COVID-19 pandemic in early 2020 resulted in a huge increase in demand for certain types of personal protective equipment, much of which was met by supplies from third

countries. For the necessary period of time, it was possible to supply these products to the market under Commission Recommendation (EU) 2020/403 of 13 March 2020 on conformity assessment and market surveillance procedures within the context of the COVID-19 threat. In the second half of 2020, the European Commission initiated an extraordinary international inspection action focusing on products used to combat the disease, in which the Czech Trade Inspection Authority was involved within the scope of inspections of the compliance of respiratory protective equipment with the requirements of Regulation (EU) 2016/425 of the European Parliament and of the Council on personal protective equipment. The action involved 32 surveillance authorities from 23 EU Member States and the European Free Trade Association (EFTA). In the respiratory protective equipment category, a total of 74 product types were sampled and subjected to laboratory testing. 85% of the products labelled FFP2, 75% of the products labelled FFP3 and 95% of the products labelled KN95 failed to meet the selected parameters of the standard EN 149+A1. All 3 samples taken by the Czech Trade Inspection Authority at the end of 2020 did not comply with the requirements and appropriate protective measures were taken against them. Due to the workload of the testing laboratories, the original schedule of this international inspection action was postponed to the first half of 2021.

International inspection action CASP 2021

In a follow-up project to previous years, the Czech Trade Inspection Authority participates in three of the five international inspection actions.

Toys from third country websites - the international inspection action focuses on the increasing volume of products supplied to the EU single market outside the standard distribution chain, mostly through direct purchases on the internet, specifically on the websites of operators based outside the EU. The aim of the action is to check to what extent the products supplied through this route meet the requirements of the EU product safety legislation, specifically toys intended for smallest children, as well as the way in which the products are offered, inspecting for possible unfair commercial practices and subsequently how the suppliers of these products proceed to implement any corrective measures, using the competences of the surveillance authorities set out in Regulation (EU) 2019/1020 of the European Parliament and of the Council. 7 supervisory authorities from 6 EU Member States are participating in the international inspection action. The Czech Trade Inspection Authority took a total of 17 toy models during 3 inspections of three different e-shops, which were subjected to laboratory testing for selected parameters of mechanical and chemical properties in accordance with standards EN 71-1 - Safety of toys - Mechanical and physical properties, EN 71-3 - Safety of toys - Migration of certain elements, and Regulation (EC) No. 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). The inspections also covered the requirements for product marking and labelling and accompanying documentation. The results of the tests were known at the very end of 2021. As of the date of the annual report, 7 toy models were assessed as non-compliant with the requirements and 10 models were in progress. The final evaluation of the results of the action in an international context will take place in the first half of 2022.

Child care articles - reclined cradles and baby swings - the international inspection action is aimed at verifying whether products in this category, for the infants, meet the general product safety requirements of Directive 2001/95/EC of the European Parliament and of the Council on general product safety. The characteristics of the products will be verified by laboratory testing on selected parameters according to EN 12790:2009 Child use and care articles - Reclined cradles, and EN

16232:2013+A1:2018 Child use and care products - Infant swings. The Czech Trade Inspection Authority (CTI) carried out 10 inspections during the international inspection action, during which samples of 10 product models (5 models of reclined cradles and 5 models of swings) were taken for laboratory testing. At the date of the annual report, the results were being evaluated. Appropriate protective measures will be taken against products that fail to meet the requirements of the applicable legislation. The evaluation of the results of the international action will take place in the first half of 2022.

Personal Protective Equipment - helmets for pedal cyclists - The aim of the international inspection action is to inspect whether the products, helmets intended for adult and child cyclists, meet the requirements of Regulation (EU) 2016/425 of the European Parliament and of the Council on personal protective equipment. The technical parameters will be inspected by qualified persons according to EN 1078:2012+A1:2012 Helmets for pedal cyclists and for users of skateboards and roller skates, and EN 1080:2013: Impact protection helmets for young children. The Czech Trade Inspection Authority carried out 37 inspections and took samples of 10 product models (5 models of helmets for adults and 5 models of helmets for children) for laboratory testing. 6 helmet models met the requirements and 4 models were assessed as non-compliant.

International inspection activity of administrative cooperation groups of the European Commission ADCO

During the year, the CTIA participated in several international inspection actions of the Administrative Cooperation Group for Gas Appliances (ADCO GA), both as a stand-alone inspection action and as part of the wider European Commission's JAHARP 2020 surveillance projects.

Portable gas heaters and gas grills for outdoor use (ADCO GA) - the international inspection action focused on this product category followed up on international inspection actions of previous years. The subject of the inspections carried out in the second half of 2020 was to inspect whether the products supplied to the market of the Czech Republic or the EU meet the requirements of Regulation (EU) 2016/426 of the European Parliament and of the Council on appliances burning gaseous fuels and, consequently, Directive 2009/142/EC of the European Parliament and of the Council for products placed in the market before 21 April 2018, in the scope of obligations on accompanying documentation, including verification of its authenticity. 12 surveillance authorities from 12 EU Member States participated in this inspection action on gas grills, inspecting 135 products. An overall evaluation was carried out in 2021. It showed that 82 products (i.e. 60.7%) were deficient. The Czech Trade Inspection Authority inspected 16 products, of which 7 products according to the joint ADCO GA single checklist. Only 1 of the inspected products complied with all requirements of the applicable legislation. Based on the preliminary findings of this international inspection action, the Czech Trade Inspection Authority decided to carry out a national inspection action in 2021 focusing on gas grills, also including sampling for laboratory testing.

Professional radios (ADCO RED) - most of the inspection action of the international Radio Equipment Administrative Cooperation Group took place in 2020. In 2021, an overall evaluation was underway and appropriate measures were implemented. The action, which focused on professional radios - portable PMR (analogue and digital) and PMR 446 (analogue and digital), involved 15 EU Member States and Switzerland. The subject of the inspections was the compliance with the administrative requirements for placing these products on the EU market, as well as compliance with the essential requirements for products under Article 3.2 of Directive 2014/53/EU by testing in a test

facility. A total of 89 products were inspected, 73 of which were tested in a testing laboratory. 33 of them did not comply with the requirements. The Czech Trade Inspection Authority inspected 24 products, 3 of which were also testing in a laboratory. Administrative deficiencies were detected in 14 products, 2 products did not comply with the requirements during laboratory testing, which, however, do not pose any serious risk to the end user.

Membrane Gas Meters for Domestic Use (ADCO MI) - an international inspection action of the Administrative Cooperation Group on Non-Automatic Measuring Instruments and Scales was carried out with the financial contribution of the European legal metrology cooperation organisation WELMEC. The action was aimed at determining whether products supplied to the market in different member countries meet the requirements of Directive 2014/32/EU of the European Parliament and of the Council on the harmonisation of the laws of the Member States relating to the making available in the market of measuring instruments. The subject of the inspections was the marking and labelling of the products and accompanying documentation, including the technical documentation of the product as required by Directive 2014/32/EU, according to the checklists developed by the ADCO Group, as well as the verification of the products' characteristics in the testing laboratory. According to the agreed schedule, a total of 3 products were inspected in the Czech Republic, 1 of which was tested in a laboratory. No deficiencies were found in the products inspected. The evaluation of the international action will take place in the first half of 2022.

USB hubs (ADCO EMC) - the aim of the inspection action is to inspect whether USB hubs supplied to the market in the Czech Republic meet the technical requirements set out in Directive 2014/30/EU of the European Parliament and of the Council on the harmonisation of the laws of the Member States relating to electromagnetic compatibility, and Directive 2011/65/EU of the European Parliament and of the Council on the restriction of the use of certain hazardous substances in electrical and electronic equipment. The subject of the inspections, which took place in the second half of 2021, were separately sold USB hubs with data transmission and bus power without their own mains power supply. The inspections are still ongoing and the results of the inspection action will be available during 2022.

Resistance of cables used in the construction industry (ADCO CPR) - the scope of the international ADCO CPR inspection action is to test the properties of cables intended for use in buildings, which fall under the scope of Regulation (EU) No 305/2011 of the European Parliament and of the Council laying down harmonised conditions for the marketing of construction products. Surveillance authorities from 7 EU member states participate in the event. The preparation of the event started already in 2019, the implementation was marked by the technical difficulty of the intended tests and the subsequent pandemic situation. For these reasons, within the Czech Republic, the inspection action was combined with the implementation of the nationwide inspection action LV power cables - LVD requirements, where the subject of inspections were also low-voltage power cables commonly used in electrical installations in the construction industry. The inspections were aimed at verifying the safety of these products as well as compliance with the administrative requirements for placing them in the market. Within the action, 10 inspections were carried out, of which in 8 infringements of legal regulations were detected. Fifteen types of cables intended for the use in buildings were inspected and sampled and tested for electrical properties in a testing room. Two cables failed the DC core electrical resistance property, three cables failed the insulation tests and one cable failed the cable sheath test. Due to the

financial and implementation requirements of testing the samples for the reaction to fire, the inspection of the samples in terms of the requirements for construction products for the international event was carried out administratively.

3.3 Sampling and assessment

Within the foreseen both national and international inspection and investigation of submissions from consumers as well as other entities, product samples were collected when it was necessary to inspect that they comply with the requirements laid down by legal regulations. The inspections concerned both selected products and non-harmonized products. Low-voltage electrical equipment, personal protective equipment, toys, LV electric equipment and solid fuels were most frequently sampled. Besides fuel samples, in total 292 product samples were collected in 2021. 244 products, including 156 products that failed the legislative requirements, were assessed before the deadline of this annual report.

This number included 150 selected products, i.e. products noncompliant with the requirements of the Act No. 22/1997 Coll. on Technical Requirements for Products as well as the Act No. 90/2016 Coll. on conformity assessment of selected products when made available in the market. 6 non-selected products failed the requirements for the general safety of products as well as the requirements of the Act on Consumer Protection, and the requirements of other special legal regulations. The fulfilment of legislative requirements for products was assessed by accredited/notified persons as well as within internal procedures of the Czech Trade Inspection Authority.

Non-selected products

| Products | Number of types (models) | Compliant samples | Noncompliant samples | Still processed |
|--------------|--------------------------|-------------------|----------------------|-----------------|
| Solid fuels | 22 | 19 | 3 | 0 |
| AdBlue | 14 | 14 | 0 | 0 |
| Other | 31 | 8 | 3 | 20 |
| Total | 67 | 41 | 6 | 20 |

Selected products

| Products | Number of types (models) | Compliant samples | Noncompliant samples | Still processed |
|-------------------------------|--------------------------|-------------------|----------------------|-----------------|
| Electrical products | 40 | 13 | 15 | 12 |
| Toys | 59 | 7 | 39 | 13 |
| Personal Protective Equipment | 84 | 8 | 75 | 1 |
| Other | 42 | 19 | 21 | 2 |
| Total | 225 | 47 | 150 | 28 |

3.4 Safety Gate

Safety Gate (Rapid Alert System for dangerous non-food Products), previously known as RAPEX, is an information system operated by the European Commission that brings together information on dangerous products that have been found in the EU single market. It was established by Directive 2001/95/EC of the European Parliament and of the Council on general product safety and is used by all EU Member States and the EFTA countries Norway, Iceland and Liechtenstein. The Czech Trade Inspection Authority has been involved in the system since the Czech Republic joined the European Union. The system is administered by the European Commission, and a national contact point is established in each country (in the Czech Republic it is the Ministry of Industry and Trade of the Czech Republic). Through the national contact point, surveillance authorities report the protective measures taken, and notifications are subject to approval by the European Commission. The complete information on the approved notifications, i.e. on the product in question and the protective measures taken, is contained in a non-public part of the system, accessible to the surveillance authorities, the institutions of the participating countries and the authorities of the European Commission. In parallel, information is exchanged between the Safety Gate system and similar systems existing in other countries (China, RADAR Canada). The system also includes a web portal, also called Safety Gate, for the general public, where basic information on notified products and the risks they may pose, as well as additional information and recommendations for consumers, are uploaded on an ongoing basis. The content of the Safety Gate portal is provided in the official languages of the EU Member States. The use of both parts of the system is continuously evaluated by the Commission and informs the way forward for market surveillance cooperation.

In 2021, a total of 2,232 notifications were validated by the European Commission, 16 fewer than in 2019. The most frequently notified categories, both overall and in relation to the Czech market, were clearly toys, followed by electrical appliances and equipment, clothing and textiles, fashion accessories and others. Of the total of 2,186 notifications, 1,887 were notifications under Article 12 of the GPSD - serious risk (33 fewer than in 2020) and of these, 903 notifications were addressed to the CTIA via the national contact point, 121 fewer than in 2020. Based on these notifications, the CTIA carried out a total of 824 targeted inspections on the national market, searching for the products in question. Based on the inspections carried out, 9 reaction notifications were sent to the European Commission during 2020. In all 9 cases, the economic operator took voluntary actions and the products in question were no longer available in the offer. For product searches, the intensive use of software specialised on the search for products announced in the Safety Gate and offered on the internet was started during the year. In this way, the presence of 3 particular products was detected. In one case it was verified that the cause of the risk had been eliminated for a product still offered in the market, in one case the inspection has not yet been completed and in one case an administrative procedure is ongoing.

Based on its own inspection activities, the Czech Trade Inspection Authority submitted a total of 30 proposals for notification of dangerous consumer products to the RAPEX contact point at the Ministry of Industry and Trade, which is 15 more than in the previous year. Of this number, 21 notifications were published under Article 12 of the GPSD (serious risk), 2 notifications were published for information (serious risk but with insufficient identification of the notified product) and 7 notifications under Article 11 of the GPSD (other than serious risk). The most frequent were toys and electric devices. In 2020, the CTIA also received 9 notifications of voluntary action under Article 5(3) of the GPSD by the manufacturer or distributor of the product.

Summary of notifications

| Year | Art. 12 GPSD + Art. 11 GPSD + INFO | Art. 12 GPSD | For CTIA |
|------|------------------------------------|--------------|----------|
| 2012 | 2,303 | 1,960 | 1,501 |
| 2013 | 2,416 | 2,019 | 1,468 |
| 2014 | 2,440 | 2,174 | 1,525 |
| 2015 | 2,148 | 1,767 | 1,119 |
| 2016 | 2,158 | 1,795 | 931 |
| 2017 | 2,231 | 1,882 | 1,019 |
| 2018 | 2,292 | 2,024 | 1,093 |
| 2019 | 2,248 | 2,000 | 1,093 |
| 2020 | 2,232 | 1,920 | 1,024 |
| 2021 | 2,186 | 1,887 | 903 |

Categories of products notified according to Act. 12 GPSD

| Product category | Number of products |
|--|--------------------|
| Toys | 285 |
| Electrical appliances and devices | 152 |
| Personal protective equipment | 124 |
| Clothing, textile and fashion accessories | 89 |
| Child care articles and equipment | 43 |
| Machinery | 40 |
| Light chains | 29 |
| Light fixtures | 27 |
| Hobby / sports equipment | 20 |
| Laser pointers | 16 |
| Kitchen equipment | 16 |
| Furniture | 15 |
| Chemical products | 10 |
| Construction products | 10 |
| Lighters | 9 |
| Decorative products | 6 |
| Communication and media equipment | 4 |
| Gadgets | 2 |
| Hand tools | 2 |
| Cosmetics | 1 |
| Pressure equipment and vessels | 1 |
| Jewellery | 1 |
| Equipment in potentially explosive environment | 1 |
| Total | 903 |

Categories of products notified by the CTIA

| Product category | Art. 12 GPSD | Art. 11 GPSD | INFO |
|---|---------------------|---------------------|-------------|
| Toys | 6 | 2 | 2 |
| Electrical appliances and devices | 6 | 3 | 0 |
| Clothing, textile and fashion accessories | 2 | 1 | 0 |
| Light chains | 4 | 0 | 0 |
| Child care articles and equipment | 2 | 0 | 0 |
| Hobby / sports equipment | 1 | 0 | 0 |
| Machinery | 0 | 1 | 0 |
| Total | 21 | 7 | 2 |

4. GENERAL INSPECTION

The long-term goal of the Czech Trade Inspection Authority, which has consistently characterised its activities, especially in the area of general inspection, is the effective and efficient protection of the legitimate interests of consumers. The inspection activities within the general inspection are focused on marketing of products as well as fulfilment of other requirements for products, connected with the offer and sale of goods, e.g. the requirements for the fulfilment of information obligations, fairness of sale and so on.

Inspections take a variety of forms and environments in which they are carried out. They are carried out in the context of the various requirements for different forms of trade and payment for purchased products or services (e.g. sale of products by means of distance communication, services provided in connection with the mediation of energy supply contracts, payment transactions linked to payments by credit cards, etc.). There is also the inspection of the services offered, including financial market services.

The "Market Surveillance Programme for 2021" was the key document that determined which areas of the market would be subject to surveillance by the Czech Trade Inspection Authority in 2021, and which areas would receive increased attention in the given calendar year. In 2021, this included the area of internet trading, the sale of pyrotechnic products, the sale of products infringing certain intellectual property rights and other important areas of the market that the Czech Trade Inspection Authority assessed as potentially risky or appropriate for targeted surveillance.

With regard to the possible negative impact on the legitimate interests of consumers, in 2021, one of the important areas of the surveillance activities of the Czech Trade Inspection Authority was also the inspection of the compliance with the ban on the use of unfair commercial practices within the offer and sale of products or services. The inspections also included compliance with the requirements for the protection of consumer health and safety, the protection of the fiscal interests of the state and the protection of the environment. In 2021, inspections were also carried out aiming at the offer and sale of alcoholic beverages, tobacco products and smoking paraphernalia pursuant to Act No. 65/2017 Coll., on Health Protection against the Harmful Effects of Drugs. Inspection activities were also focused on areas related to environmental protection, such as quality inspection of fuels, solid and gaseous fuels, and packaging management, including the waste take-back system. In connection with potential threats posed by the current international situation in the world, the Czech Trade Inspection Authority also carried out inspections focused on the compliance with Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism. For selected topical inspections, the Czech Trade Inspection Authority effectively cooperated with other public administration bodies (e.g. the Ministry of Culture of the Czech Republic).

During 2021, the Czech Trade Inspection Authority also reacted promptly to the current market situation. The surveillance was supplemented by inspections carried out based on suggestions from consumers, interest or professional associations, as well as submissions and warnings from other surveillance authorities as well as other entities operating in the market.

Offer, sale, storage of products infringing certain intellectual property rights - this area is a long-standing part of the Czech Trade Inspection Authority's surveillance activities, where it not only protects the legitimate interests of consumers, but also protects the rights of economic operators and, last but not least, the positive reputation of the Czech Republic. Inspection activities have a positive impact on economic operators who own the rights to trademarks, industrial designs, utility models,

etc. This segment of the inspection is also monitored by a number of economically developed countries and international organisations, and the activities of the Czech Trade Inspection Authority have long been assessed as necessary, beneficial and effective. In view of the importance of consumer protection and certain intellectual property rights, a nationwide inspection action focusing on the offer, sale and storage of products infringing certain intellectual property rights was included in the Market Surveillance Programme for 2021. It has again proved that the proportion of inspections in which infringements of legislation were detected is not negligible. The proportion of supply, sales and storage of products infringing certain intellectual property rights in 2021 varied in terms of territorial distribution in the regions of the Czech Republic. Traditionally, the highest number of findings is in border areas neighbouring Germany and Austria. This is particularly the case in the regions of Pilsen, Karlovy Vary, Liberec and Ústí nad Labem. This situation is also facilitated by the constant interest of foreign consumers in relatively cheap 'branded' goods, which leads some 'sellers' to try to disregard certain intellectual property rights when offering, selling and storing such products.

In 2021, a total of 699 inspections were carried out within inspection action, during which breaches of generally binding legal regulations were detected in 516 cases. From this number, 275 inspections saw breaches of the ban on the offer, sale and storage of products infringing certain intellectual property rights. So, the success rate of inspections findings of products infringing certain intellectual property rights was 39.3% in the year in question.

Inspections of offer, sale and storage of products infringing certain intellectual property rights

| CTIA Inspectorate | Number of inspections | Inspections with findings | | Detected breaches of IPR* in % |
|--------------------------------|-----------------------|---------------------------|------------|--------------------------------|
| | | Total | PDV * | |
| Středočeský and Prague | 38 | 36 | 28 | 73,7 |
| Jihočeský and Vysočina | 89 | 48 | 9 | 10,1 |
| Plzeňský and Karlovarský | 208 | 140 | 78 | 37,5 |
| Ústecký and Liberecký | 175 | 137 | 69 | 39,4 |
| Královéhradecký and Pardubický | 56 | 44 | 14 | 25,0 |
| Jihomoravský and Zlínský | 53 | 52 | 48 | 90,6 |
| Olomoucký and Moravskoslezský | 80 | 59 | 29 | 36,3 |
| Total | 699 | 516 | 275 | 39,3 |

*) IPR – breaches of intellectual property rights

Compared to 2020, there was a relative decrease in the number of inspections targeting infringements of certain intellectual property rights in 2021, but an increase in the number of seizures of products infringing certain intellectual property rights. There has also been a shift in the total value of seized products at the original selling price. The issue of infringements of certain intellectual property rights is increasingly linked to the shift in the supply and sale of counterfeit products of reputable brands from traditional venues (e.g. marketplaces and border markets) to the globalised electronic network (internet) and social networks.

In addition to sanction measures, a total of 29,443 items of counterfeit goods with the value amounting to CZK 61,764,645 when calculated in the prices of originals. The taken products were stored out of reach of the inspected persons in accordance with the provisions of Section 7b of Act No.

64/1986 Coll., on the Czech Trade Inspection Authority. The products that did not comply with the special legal provisions, which are subject to a final decision on their forfeiture or seizure, will subsequently be destroyed or used for humanitarian purposes.

Products or services infringing certain intellectual property rights – year-on-year comparison

| Year | Number of inspections | Inspections with detected defects | Inspections with detected counterfeits | Taken counterfeits (in items) | Estimated value of counterfeits as calculated in the prices of originals (in CZK) |
|------|-----------------------|-----------------------------------|--|-------------------------------|---|
| 2011 | 2,144 | 1,732 | 842 | 86,417 | 214 681,000 |
| 2012 | 1,642 | 1,260 | 552 | 48,958 | 122 922,000 |
| 2013 | 1,946 | 1,444 | 614 | 25,486 | 44 335,000 |
| 2014 | 1,994 | 1,598 | 733 | 65,475 | 128 993,000 |
| 2015 | 2,414 | 1,643 | 474 | 35,694 | 101 496,725 |
| 2016 | 2,076 | 1,452 | 515 | 46,619 | 207 006,430 |
| 2017 | 1,925 | 1,410 | 515 | 38,385 | 83 946,862 |
| 2018 | 1,914 | 1,495 | 554 | 41,379 | 92 372,725 |
| 2019 | 1,701 | 1,257 | 444 | 57,576 | 151 664,346 |
| 2020 | 811 | 557 | 213 | 18,845 | 32 492,871 |
| 2021 | 699 | 516 | 275 | 29,443 | 61 764,645 |

Range of seized products infringing certain intellectual property rights

| | Textile and clothing | Toys, children products | Audio | Footwear, leather goods | Other |
|-----------------|----------------------|-------------------------|-------|-------------------------|-------|
| Number of items | 15,223 | 5,558 | 6,390 | 2,089 | 183 |

As in 2020, individual inspectorates used synergies with other surveillance authorities to maximise the effectiveness of inspections. The most frequent partners were the Police of the Czech Republic (32 cases), the Alien Police (7 cases) and the Customs Administration of the Czech Republic (2 cases). Based on the notification of the customs authorities pursuant to Section 53 of Act No. 355/2014 Coll., on the Scope of the Customs Administration of the Czech Republic in Connection with the Enforcement of Intellectual Property Rights, in 2021 the Czech Trade Inspection Authority took over from the Customs Administration a total of 2,731 items of products which were assessed as being capable of serving as evidence in proceedings for the breach of the law governing consumer protection. Their price calculated in the value of originals amounted to CZK 1,589,996.

In 2021, representatives of the Czech Trade Inspection Authority actively participated in the activities of the Interdepartmental committee for combating illegal conduct - infringements of intellectual property rights, established at the Ministry of Industry and Trade of the Czech Republic.

Internet sales of products and services - Contracting using remote means of communication is one of the many forms of trading that is dynamically growing and increasing its share and influence in the globalised market. The offer and sale of products in e-commerce is not limited by location, as is the case with ordinary establishments, but operates unrestrictedly within a global internet network or in

defined social groups communicating mainly through social networks across the world, but also through auction, second-hand and pawnshop platforms. This presents both advantages and potential dangers for the end consumer. These include, first and foremost, the problem of identifying the trader selling products via the Internet, the quality and safety of the products sold, and the degree of enforcement of legitimate consumer interests. For these and many other reasons, the surveillance of Internet trading is one of the priorities of the Czech Trade Inspection Authority. In 2021, the Czech Trade Inspection Authority carried out a total of 1,900 inspections in this area, during which it detected breaches of legal regulations in 1,288 cases (67.8%).

The most frequently breached legislation (2,563 cases) was Act No. 634/1992 Coll., on Consumer Protection. In the surveillance practice of the Czech Trade Inspection Authority, it often happens that more than one infringement is detected during one inspection. In 2021, the largest share of breaches of the Consumer Protection Act related to the seller's obligation to properly inform the consumer about the scope, conditions and method of exercising the right of defective performance (the so-called claim), together with the information on where the right can be exercised. Infringements of this provision were found in 740 cases. The second most frequently breached provision was the one relating to the seller's obligation to inform the consumer about the out-of-court dispute resolution ADR body, which was breached in 534 cases. The third most frequently breached provision was the one relating to the non-compliance with the prohibition on the use of unfair commercial practices, which was breached in 533 cases (i.e. deceptive conduct, deceptive omission). Other breaches of the Consumer Protection Act and other generally binding regulations were found in smaller numbers. However, in connection with the results found, it should also be added that these results cannot be interpreted as the current state of e-commerce in the Czech Republic. As in 2020, the inspections were largely targeted at e-shops that were reasonably suspected of infringing legal regulations or that were brought to the attention by consumer complaints.

Inspections of online trade

| CTIA Inspectorate | Number of inspections | Inspections with findings | Detected breaches in % |
|--------------------------------|-----------------------|---------------------------|------------------------|
| Středočeský and Prague | 158 | 137 | 86.7 |
| Jihočeský and Vysočina | 103 | 96 | 93.2 |
| Plzeňský and Karlovarský | 193 | 112 | 58.0 |
| Ústecký and Liberecký | 158 | 108 | 68.4 |
| Královéhradecký and Pardubický | 315 | 112 | 35.6 |
| Jihomoravský and Zlínský | 630 | 410 | 65.1 |
| Olomoucký and Moravskoslezský | 343 | 313 | 91.3 |
| Total | 1,900 | 1 288 | 67.8 |

Online trade – year-on-year comparison

| Year | Number of inspections | Inspections with findings | Detected breaches in % |
|------|-----------------------|---------------------------|------------------------|
| 2010 | 590 | 412 | 69.8 |
| 2011 | 1,021 | 749 | 73.4 |
| 2012 | 1,206 | 988 | 81.9 |
| 2013 | 1,296 | 1,013 | 78.2 |

| | | | |
|------|-------|-------|------|
| 2014 | 867 | 682 | 78.7 |
| 2015 | 1,194 | 990 | 82.9 |
| 2016 | 1,197 | 1,042 | 87.1 |
| 2017 | 1,085 | 952 | 87.7 |
| 2018 | 992 | 851 | 85.8 |
| 2019 | 973 | 809 | 83.1 |
| 2020 | 1,144 | 809 | 70.7 |
| 2021 | 1,900 | 1,288 | 67.8 |

Discrimination - is such conduct, including an omission, where one person is treated less favourably than another person is or has been treated or would be treated in a comparable situation, because of race, ethnic origin, nationality, gender, sexual orientation, age, disability, religion, belief or world view. Inspection of suspected discriminatory conduct is one of the priorities of the Czech Trade Inspection Authority. In 2021, suspected breaches of some form of discrimination were found in 6 cases out of a total of 861 inspections carried out, representing (0.7%).

In one case, a suspected breach of the principles of equal treatment was found in the pricing policy of a municipality which, when providing a service, favoured consumers with property and permanent residence in the municipality over consumers with property in the municipality but no permanent residence.

Two cases of suspected discriminatory behaviour concerned the non-provision of a service or restriction of access to business premises in connection with the application of epidemiological measures, where the actual epidemiological measures did not support such behaviour. One case of suspected discriminatory behaviour concerned the refusal to register a consumer in a club on the grounds of not belonging to a defined group of persons.

In one case, age discrimination was suspected when the inspected person indicated an age limit in the terms and conditions of a discount programme on its website.

In one case, suspected discrimination based on disability was found, as a disabled person using an assistance dog with a special training was not allowed to enter the premises.

In 2021, the ratio of inspections in which discriminatory behaviour was found decreased to 0.7%. Given the seriousness of this issue, a nationwide inspection action aimed at the continuous detection of all forms of consumer discrimination is included in the Market Surveillance Programme for 2022.

Offer and provision of services related to the conclusion of energy supply contracts - also in 2021, the Czech Trade Inspection Authority paid increased attention to the compliance with legal regulations when offering and arranging the conclusion of energy supply contracts or concurrent services concentrated in product packages. This issue continues to be of great interest, especially to the consumer public. The Czech Trade Inspection Authority carried out 38 inspections within a year-long inspection action focusing on this area. Of this number, 30 cases (78.9%) resulted in breaches of legal provisions.

The most frequent cases were related to the use of unfair commercial practices, when consumers were provided with false, incomplete or ambiguous information about the products offered or, on the contrary, some essential information was omitted and the consumer was not informed about it. Such conduct may lead the consumer to make a decision which, had the information provided to him been

true, he would not have made. In several cases, the consumer was not properly informed about the scope, conditions and method of exercising the right to claim for defective performance (the so-called claim), together with the information on where to make a claim and also about the entity for out-of-court settlement of consumer disputes. In one case, aggressive commercial practices were also used against the consumer when concluding a contract on energy supply mediation. Given the high ratio of 78.9% of findings, it can be said that from the perspective of the Czech Trade Inspection Authority, the situation in the area of mediation in energy supply contracts is still unfavourable and needs to be addressed in the future.

Sale of alcoholic beverages, tobacco products, smoking paraphernalia and smoking aids - the aim of the nationwide inspection action was to inspect the compliance with Act No.65/2017 Coll., on Health Protection from the Harmful Effects of Drugs, Act No. 353/2003 Coll., on Excise Duties, Act No. 634/1992 Coll., 307/2013 Coll., on compulsory labelling of spirits, and other generally binding legislation on the supply, serving and sale of alcoholic beverages and in the supply, serving and sale of tobacco products, smoking materials and tools. A total of 5 248 inspections were carried out within the inspection action, during which breaches of generally binding legal regulations were detected in 2,268 cases (43.2%). The number of inspections and findings includes the results of the extraordinary inspection action "Alcohol, Drugs and Youth 2021". Breaches of Act No. 65/2017 Coll. were observed during 258 inspections. Most often, sellers breached this legal regulation by serving or selling an alcoholic beverage to a person under 18 years of age (111 cases), and by failing to display at the point of sale of alcoholic beverages an obviously visible text on the prohibition of the sale of these beverages to persons under 18 years of age, or by failing to display this text in the manner prescribed by law. Similar deficiencies were found in the case of tobacco sales, where sellers did not inform consumers of the prohibition on the sale to persons under 18 years of age. Infringements of Act No 353/2003 Coll., on Excise Duties, were found in 13 cases. The most frequent was that the sellers charged the consumer a price higher than the price indicated on the tobacco label. Persons under the age of 18 were invited to 192 inspection investigations, as their presence increases the effectiveness of the inspections carried out. Minors under 18 years of age were present on the inspection spot when the inspection purchase of alcoholic beverages or tobacco products was carried out. The results of the inspections again confirmed the validity of the inspections of the sale of alcoholic beverages and tobacco products in the Czech Republic. Due to the high level of health risk to consumers, especially those under 18 years of age, and the high number of findings, the Czech Trade Inspection Authority will continue inspecting the sale of this product range in 2022.

Mediation of the sale and sale of objects of cultural value, cultural monuments and sale of goods in bazaars, pawnshops, antique shops, auction rooms - in 2021, a time-limited nationwide inspection action was carried out to ensure compliance with the obligations arising from the Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism, Act No. 634/1992 Coll., on Consumer Protection, Act No. 247/2006 Coll., on Restrictions of Night Operations of Pawnshops and Other Establishments, and other generally binding legal provisions applicable when offering, selling and buying used products and taking them as collateral and when mediating the sale and selling objects of cultural or historical value and cultural monuments in specific establishments such as bazaars, pawnshops, antique shops, auction rooms and sales galleries. The sale of second-hand goods and objects of cultural value and cultural monuments represents a potentially risky market area in the Czech Republic, which may, to some extent, be associated with more serious phenomena such as money laundering and the laundering of the proceeds of crime. A total of 122 inspections were carried out in 2021. Breaches of any of the legal regulations were detected in 69 inspections, which represents 56.6%. The Czech Trade Inspection Authority focused mainly on the inspection of compliance with registration obligations related to sales in this

market segment. The most frequent breach detected, which is closely related to the specific features of the sale of used goods and related obligations, was the failure of the inspected person to comply with the obligation to identify the client within the meaning of Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism (28 cases). However, deficiencies were also found in the seller's failure to comply with the obligation to indicate on the purchase document that the product is used or defective (20 cases) and in the failure to properly inform the consumer about the scope, conditions and method of exercising the right from defective performance together with information on where the right can be exercised (19 cases). The inspection action involved cooperation with employees of the Ministry of Culture of the Czech Republic (3 cases) and employees of a trade licensing office (1 case). In view of the risks associated with the sale of used or undocumented goods, objects of cultural value and cultural monuments and the risks associated with the possible legalization of criminal proceeds, as well as the fact that deficiencies were found in more than a half of the inspected establishments, the Czech Trade Inspection Authority will continue to inspect this specific area of trade in 2022.

Geo-blocking - In 2021, a time-limited national inspection action was carried out focusing on the compliance with the obligations arising to traders from Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 July 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market, and amending Regulations (EC) No. 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC. The purpose of the inspection action was to contribute to the proper functioning of the internal market and to prevent unjustified geographic blocking and other forms of discrimination based directly or indirectly on the nationality, place of residence or place of establishment of customers. A total of 15 inspections were carried out, of which 2 cases saw breaches of the prohibition on blocking or restricting access to online interfaces or redirection without the customer's consent.

Means of payment - in 2021, a nationwide inspection action was carried out on a limited scale aimed at verifying the compliance with the obligations arising for economic entities from Act No. 370/2017 Coll., on Payment Systems, or from directly applicable EU legislation, i.e. Regulation (EU) No. 2015/751 of the European Parliament and of the Council on interchange fees for card payment transactions. The aim of the action was to monitor and detect any shortcomings that might arise in commercial transactions carried out by means of payment cards or other means of payment. 103 inspections were carried out and No. breaches of the obligations imposed on sellers by the above-mentioned law or regulation were detected. In 42 cases, however, breaches of other generally binding legislation (e.g. Act No. 634/1992 Coll., on Consumer Protection) were found.

Pyrotechnics - a time-limited inspection action aimed at the offer, sale and storage of pyrotechnic products (so-called fireworks) took place between 29 November and 31 December 2020, when every year, especially by the end of the year, consumer interest in buying fireworks increases in connection with the Christmas and New Year's Eve celebrations. The offer and sale of fireworks is one of the areas of long-term interest of the Czech Trade Inspection Authority. In the course of the inspection action, the Czech Trade Inspection Authority carried out 185 inspections, and breaches of legal regulations were detected in 62 cases (33.51%). In terms of deficiencies in the sense of Act No. 206/2015 Coll., on Pyrotechnic Articles and Products and Their Handling, these were proven in 51 cases. Defects were noted mainly in the failure to comply with the requirements for keeping records on stored pyrotechnic products and general requirements for the storage, in storing more than the permitted amount of pyrotechnics in the sales room. The sale or offer of pyrotechnic products to minors or underage persons, for whom the age limit for sale is restricted by law (from 15 years, 18 years, 21 years), was

also detected, despite the fact that the act on pyrotechnics explicitly stipulates what kind of pyrotechnics can be sold to whom. Breaches of the Consumer Protection Act were found in 36 cases, with the most frequent offence being the failure to inform the consumer of the price of the pyrotechnics offered in 12 cases. Cooperation with the Trade Licensing Office was used in 1 case within this inspection action. In this market area, the current trend towards a reduction in the number of entities selling fireworks as ancillary sales is becoming increasingly evident. In view of the potential for the misuse of pyrotechnics and the still relatively high level of infringements, surveillance of this market area will continue in 2022.

Alcohol, drugs and youth 2021 - on the initiative of the Police of the Czech Republic, a nationwide inspection action was carried out beyond the scope of planned inspection actions aimed specifically at the offer, serving and sale of alcoholic beverages and tobacco products to persons under 18 years of age. The inspections were carried out in close cooperation with the Police of the Czech Republic and other state and municipal authorities. 108 inspections were carried out and 50 inspections revealed a breach of one of the generally binding legal regulations. The inspection action was carried out in the period from 26 October 2021 to 31 October 2021 (i.e. 6 days). In this short period of time, 21 cases of an alcoholic beverage being served or sold to a person under the age of 18 were found. The inspection action demonstrated the effectiveness of the cooperation of the market surveillance authorities and confirmed the need to monitor compliance with the legislation in force to protect health from the harmful effects of addictive substances.

Children's travel cots - this was a time-limited inspection action initiated by the consumer association dTest, o.p.s., and focused on the general safety of children's travel cots sold in the internal market via internet retailers. A total of 6 product samples were taken and tested. An accredited laboratory tests carried out showed safety deficiencies in all the samples tested. The inspection action will be completed and evaluated in 2022.

4.1 Environment

Packaging - In 2021, 3,323 inspections were carried out, including those on the compliance with the obligations set out in Act No. 477/2001 Coll., on Packaging, and other legislation that the Czech Trade Inspection Authority inspects in relation to packaging. The inspection action was limited in time. It examined whether economic operators fulfilled the conditions for placing packaging in the market, putting it into circulation and taking it back, labelling it, and also whether they fulfilled the conditions set for returnable back-up packaging and its redemption. The subject of the Czech Trade Inspection Authority's interest were chain stores, multifunctional shopping and entertainment centres, small shops, market stands and market places, persons placing packaging in the market and its producers. In the course of the inspection action, breaches of Act No 477/2001 Coll., on Packaging, were proven in 110 cases. These were mostly infringements of Section 3 of the Act, where the seller provided the consumer with a free plastic takeaway bag. The issue of packaging, its placing in the market and take-back is a socially important area to which the Czech Trade Inspection Authority pays due attention within its scope. In view of the results of the inspections in this area, a similar inspection action will be carried out in 2022.

Gaseous fuels - the inspection action was focused on the qualitative characteristics of gaseous fuels intended for combustion in order to release the energy content of this material according to the requirements of the standard ČSN 65 6481 Liquefied petroleum gases. Heating gases. Propane, butane

and their mixtures. Requirements and test methods, and on the compliance with the obligations set out in Act No. 634/1992 Coll., on Consumer Protection. A total of 7 inspections were carried out in the market network as part of an inspection operation aimed at the sale of cylinders containing propane-butane mixtures for heating purposes. Breaches of the obligations laid down in Act No 634/1992 Coll., on Consumer Protection, were qualified in cases of 2 operators. In 2 cases, these were breaches of Article 3(1)(b), where the products sold were not of the required quality. Inspection and sampling by the Prague and Středočeský Inspectorate, Ústecký and Liberecký Inspectorate, Jihomoravský and Zlínský Inspectorate as well as Olomoucký and Moravskoslezský Inspectorate of the CTIA was carried out in cooperation with the Czech Environmental Inspectorate (further on referred to as CEI). In the course of the joint inspection, samples were taken by both surveillance authorities. 7 samples of cylinders containing propane-butane mixture for heating purposes were taken and tested by the Czech Trade Inspection Authority. Of this total number of samples tested by an accredited testing laboratory, 2 samples did not comply with the quality standard ČSN 65 6481/O1:2004 Liquefied petroleum gases. Heating gases. Propane, butane and their mixtures. Requirements and test methods for the winter period. Within the joint inspections, the CEI took 4 samples of cylinders with propane-butane mixture for heating purposes, where the content of the carcinogenic substance 1,3-butadiene was monitored. No samples were found to contain an above-limit content of this substance.

Solid fuels - as part of the inspection action, the Czech Trade Inspection Authority carried out inspections aimed at verifying the compliance with the obligations for the sale of solid fuels set out in Act No. 201/2012 Coll., on Air Protection, within the scope of the quality indicators set out in the implementing legislation to the Act, which is Decree No. 415/2012 Coll., on the permissible level of pollution and its detection and on the implementation of certain other provisions of the Act on Air Protection. During the inspection action, 38 inspections were carried out on operators placing or offering solid fuels sale in the Czech market. 11 operators were found to be in breach of the applicable legislation. These were breaches of Act No. 201/2012 Coll., on Air Protection, Act No. 255/2012 Coll., on Inspection, and Act No. 634/1992 Coll., on Consumer Protection. The most frequent infringements of the Consumer Protection Act were that the products were not sold in the required or approved quality, the seller did not fulfil the obligation to properly inform the consumer about the scope, conditions and method of exercising the right from defective performance (hereinafter referred to as "claim"), together with information on where the claim can be made, and did not inform the consumer in a clear, comprehensible and easily accessible manner about the entity for out-of-court settlement of consumer disputes. A total of 21 samples of solid fuels were taken and tested during the inspection action, including 14 samples of bulk coal and 7 samples of solid fuel products offered in packaging from the manufacturer (3 times coal briquettes and 4 times bagged coal). Of the total number of samples taken, 3 samples were assessed as unsatisfactory. In 3 cases, the maximum stated value of sub-sulphate was found to be exceeded compared to the values in the manufacturers' product catalogues, and in one case the sample did not comply with the qualitative indicators set out in Decree No. 415/2012 Coll., on the permissible level of pollution and its detection and on the implementation of certain other provisions of the Air Protection Act No. 201/2012 Coll., when the limit value of dust content was found to be exceeded. In addition to the above described inspection action, one inspection of an economic operator was carried out based on a consumer complaint, when 1 sample of brown coal was taken. No breach of the requirements of Decree No 415/2012 Coll., on the permissible level of pollution and its detection, was detected.

Monitoring of fuels quality

Monitoring of fuels quality on the territory of the Czech Republic was carried out by all inspectorates of the Czech Trade Inspection Authority. This was done regarding automotive petrol, diesel, diesel fuel blend, bio fuel, LPG, CNG and Ethanol E85. CTIA officers proceeded in compliance with section 7 par. 2 letter a) of the Act No. 311/2006 Coll., on Fuels, and related regulations, including the implementing legal regulation, i.e. the Decree No. 133/2010 Coll. on requirements for fuel, on the way of monitoring of the composition and quality of fuels and on their evidence. The Czech Trade Inspection Authority inspected whether sold fuels meet the requirements for quality and composition laid down by the implementing legal regulation, special legal regulations and Czech technical standards. Out of a total of 2,611 fuel samples taken and inspected by the Czech Trade Inspection Authority in 2021, a total of 19 samples did not meet the specified quality requirements, which represented 0.7%. The quality of fuel slightly decreased in 2021 when compared to 2020, when 18 samples out of a total of 2,668 fuel samples taken did not meet the quality requirements, i.e. 0.7%. This deterioration was affected by repeated sampling in case of fuel non-compliance. In these cases, there were also instances where repeated non-compliance was detected, see below for individual fuels.

Fuels sampling

| Motor fuel type | Taken samples | | Noncompliant samples | | Compliant samples | |
|--------------------------|---------------|------------|----------------------|------------|-------------------|-------------|
| | Number | % of type | Number | % of type | Number | % of type |
| Automotive petrol | 1,015 | 38.9 | 1 | 0.1 | 1,014 | 99.9 |
| Deisel | 1,247 | 47.8 | 8 | 0.6 | 1,239 | 99.4 |
| FAME | 1 | 0.0 | 0 | 0.0 | 1 | 100.0 |
| Diesel fuel blend | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Diesel B10 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| High content FAME diesel | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Parafinic diesel | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| LPG | 304 | 11.6 | 8 | 2.6 | 296 | 97.4 |
| CNG, bio-CNG | 40 | 1.5 | 0 | 0.0 | 40 | 100.0 |
| LNG, bio-LNG | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Ethanol E85 | 4 | 0.2 | 2 | 50.0 | 2 | 50.0 |
| Total | 2,611 | 100 | 19 | 0.7 | 2,592 | 99.3 |

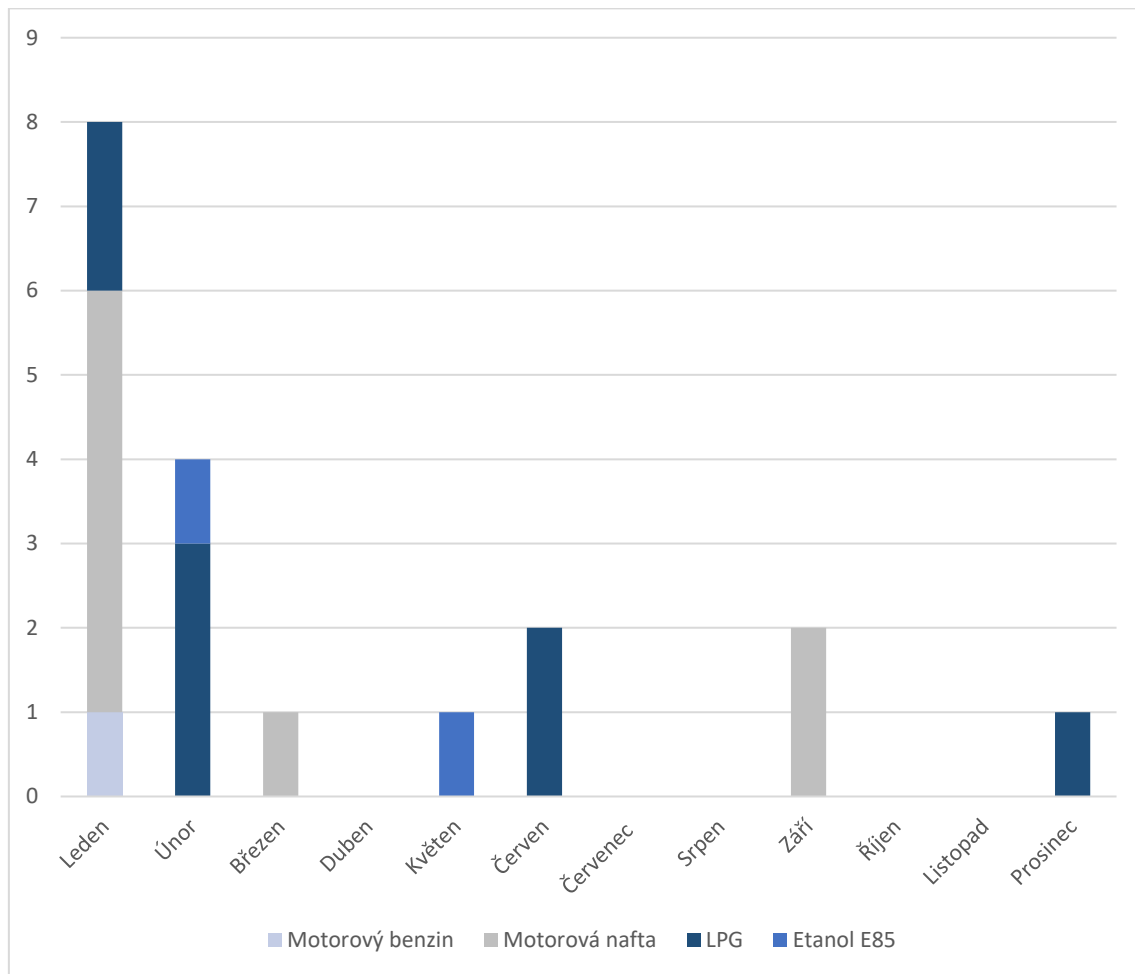
The overall quality of the fuel samples assessed was variable in 2021. The highest number of non-compliant fuel samples, 8 samples, was found in the month of January. In the month of February, 4 non-compliant samples were detected, in the months of June and September 2 non-compliant samples were detected, and in the months of March, May, December, there was 1 non-compliant sample. In the other months of 2021 no infringements were detected.

Noncompliant samples in %

| Year 2021 | Petrol | Diesel | Diesel fuel blend* | FAME | LPG | CNG | Ethanol E85 | Total |
|--------------|------------|------------|--------------------|------------|------------|------------|-------------|------------|
| January | 1,2 | 4,5 | 0,0 | 0,0 | 6,7 | 0,0 | 0,0 | 3,5 |
| February | 0,0 | 0,0 | 0,0 | 0,0 | 14,3 | 0,0 | 100,0 | 1,9 |
| March | 0,0 | 0,8 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,4 |
| April | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| May | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 100,0 | 0,4 |
| June | 0,0 | 0,0 | 0,0 | 0,0 | 8,0 | 0,0 | 0,0 | 1,0 |
| July | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| August | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| September | 0,0 | 1,8 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,8 |
| October | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| November | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| December | 0,0 | 0,0 | 0,0 | 0,0 | 8,3 | 0,0 | 0,0 | 0,7 |
| Total | 0,1 | 0,6 | 0,0 | 0,0 | 2,6 | 0,0 | 50,0 | 0,7 |

*) Diesel fuel blend DFB 30 samples were not taken due to the developments in the fuel market in 2020

Development of fuels quality during 2021



Automotive petrol - In 2021, a total of 1,015 samples of automotive gasoline were collected and inspected. One sample failed to meet the requirements of the technical standard for the quality of automotive petrol. The sample failed the quality parameter 'end of distillation'.

Diesel - In 2021, a total of 1,247 diesel fuel samples were taken and inspected. Of this number of samples taken, 8 samples failed the quality indicators set out in the applicable technical standard (2 non-compliant samples were taken in the month of January at the same filling station - repeated sampling when non-compliance was detected). Two samples failed the quality parameter 'fatty acid methyl esters' (0.16% of the diesel samples), one sample failed the quality parameter 'filterability' (0.08% of the diesel samples) and five samples failed the quality parameter 'oxidation stability' (0.40% of the diesel samples).

Diesel fuel blend and FAME - In 2021, 1 sample of FAME was taken and checked, which met the quality parameters set by the applicable technical standard. Samples of DFB 30 blended fuel could not be collected due to fuel market developments.

LPG for engine (liquefied petroleum gases) - a total of 304 LPG samples were taken and inspected in 2021. Of this number of samples taken and inspected, 8 samples did not meet the quality requirements of the applicable technical standard, which amounted to 2.6% of the samples taken of

the particular type (4 non-compliant samples were taken in January and February during repeated inspection sampling at the same filling station in the Moravian-Silesian Region, and 2 non-compliant samples in June at the same filling station in the South Bohemian Region - repeated sampling after non-compliance had been detected). The inspected LPG samples failed the quality parameter 'sulphur'.

CNG (compressed natural gas) - a total of 40 samples of this motor fuel type were taken and inspected in 2021. All CNG samples collected and inspected met the requirements of the applicable technical standard.

Ethanol E85 - In 2021, a total of 4 samples of ethanol E85 fuel were collected and inspected. Of this number, 2 samples did not meet the quality requirements of the applicable technical standard. One sample failed in the quality parameter 'vapour pressure' (25% of the ethanol E85 samples) and one sample failed in the quality parameter 'water' (25% of the ethanol E85 samples).

The remaining 6 samples, which are required by the Decree as the minimum number of samples to be taken (minimum 10 samples), could not be taken due to the development in the fuel market. This is an alternative fuel that is not currently used as much, so the supply of this fuel has become very limited. And due to this low consumer demand, breaches of the fuel requirements are frequently detected, as the fuel is stored in filling station tanks for longer periods of time.

Biofuels in motor fuels - 1,247 diesel fuel samples were inspected for fatty acid methyl esters during 2021. Laboratory analyses showed that the permissible upper limit of bio-based content was exceeded in 2 diesel fuel samples. The ethanol content of motor gasoline was inspected in 1,015 samples and no exceedance of the set value was found.

Measures taken

Pursuant to the provision of section 7, par. 1, letter a) of the Act No. 64/1986 Coll., on the Czech Trade Inspection Authority as amended, in 6 cases the Czech Trade Inspection Authority imposed measures consisting of the prohibition to sell fuels that failed the requirements for quality and composition as set in the implementing legal regulation, special legal regulations and Czech technical standards.

The measure was imposed on:

- 11,642.00 litres of diesel in the value amounting to CZK 325,528.60;
- 869.00 litres of automotive petrol in the value amounting to CZK 23,376.10;
- 13,498.75 litres of LPG in the value amounting to 202,886.13;
- 10,403.00 l of ethanol E85 in the value amounting to 279 082,70;

All of the above-mentioned was in the total amount of 36,412.75 litres of fuels in the value amounting to CZK 830,873.53.

The minimum number of fuel samples to be taken is set by Decree No. 516/2020 Coll., effective as of 1 January 2021. Newly introduced fuels such as B10 diesel, high FAME diesel, paraffinic diesel (HVO), bio-CNG and bio-LNG and the previously introduced LNG also failed to be sampled due to developments in the fuel market.

Compared to the 2021 results, quality improvements were observed in 2021 for samples of automotive petrol (from 0.2% to 0.1%) and diesel (from 0.8% to 0.6%). Quality deterioration was

observed for samples of LPG for propulsion (from 0.0% to 2.6%) and E85 ethanol (from 12.5% to 50.0%). Zero values were observed for the CNG and FAME samples taken.

Within the continuous monitoring of fuel quality, the Czech Trade Inspection Authority cooperates closely with the Customs Administration, the General Financial Directorate and the Police of the Czech Republic. These state authorities are continuously informed about the detected deficiencies in the quality of the fuel sold.

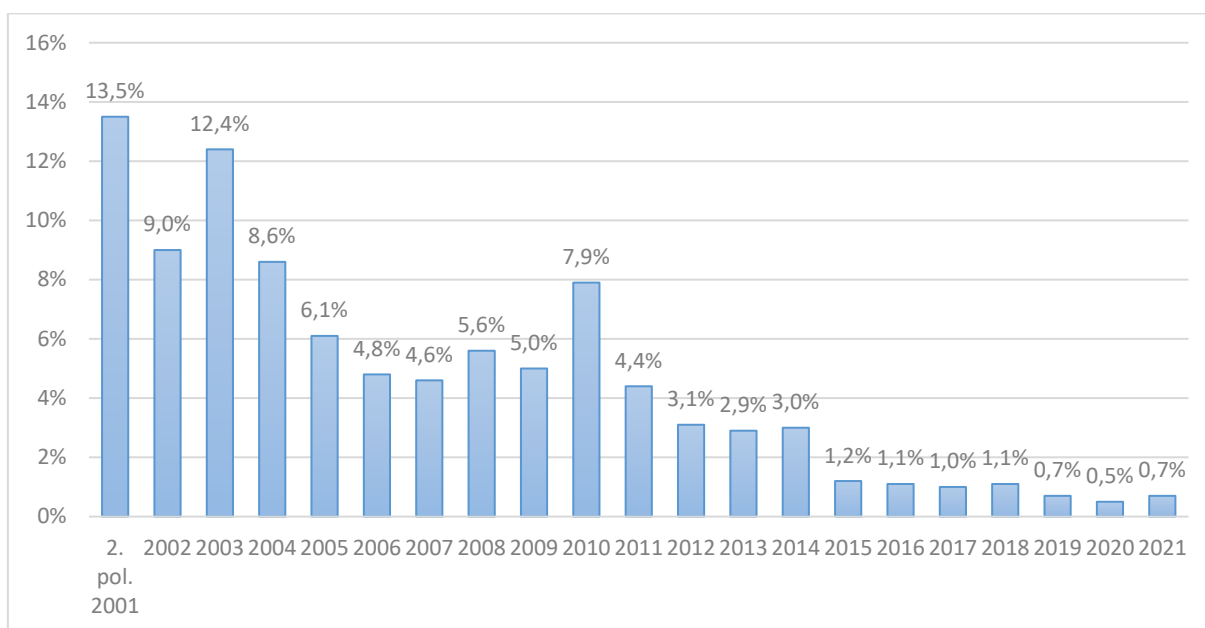
Development of the fuels quality from 2001

| Noncompliant samples in % | | | | | | | | | | | |
|------------------------------|--------|--------|--------------------|--------|------|--------|---------------|-----|------------------|-----|-------|
| Year | Petrol | Diesel | Diesel fuel blend* | FAME * | LPG | CNG ** | Ethanol E85 * | B10 | Diesel with FAME | HVO | Total |
| 2 nd half of 2001 | 5.7 | 15.8 | 42.7 | - | - | - | - | - | - | - | 13.5 |
| 2002 | 4.0 | 12.2 | 27.7 | - | - | - | - | - | - | - | 9.0 |
| 2003 | 10.4 | 13.4 | 20.8 | - | 12.9 | - | - | - | - | - | 12.4 |
| 2004 | 6.3 | 12.3 | 14.5 | - | 2.5 | - | - | - | - | - | 8.6 |
| 2005 | 4.1 | 7.9 | 10.3 | - | 4.3 | - | - | - | - | - | 6.1 |
| 2006 | 2.4 | 6.9 | 17.5 | - | 2.0 | - | - | - | - | - | 4.8 |
| 2007 | 3.3 | 5.4 | 46.7 | - | 2.0 | - | - | - | - | - | 4.6 |
| 2008 | 1.8 | 8.9 | 66.7 | - | 4.0 | - | - | - | - | - | 5.6 |
| 2009 | 2.5 | 7.9 | 40.0 | - | 1.5 | - | - | - | - | - | 5.0 |
| 2010 | 5.6 | 9.6 | 23.8 | 25.0 | 0.5 | 0.0 | 65.2 | - | - | - | 7.9 |
| 2011 | 2.1 | 6.0 | 17.7 | 17.4 | 0.0 | 0.0 | 21.7 | - | - | - | 4.4 |
| 2012 | 1.8 | 4.0 | 18.2 | 4.8 | 1.7 | 0.0 | 5.3 | - | - | - | 3.1 |
| 2013 | 2.5 | 3.1 | 7.0 | 4.8 | 2.3 | 0.0 | 0.0 | - | - | - | 2.9 |
| 2014 | 0.9 | 2.2 | 5.5 | 13.3 | 12.3 | 0.0 | 0.0 | - | - | - | 3.0 |
| 2015 | 0.5 | 1.6 | 3.5 | 9.1 | 0.3 | 0.0 | 11.1 | - | - | - | 1.2 |
| 2016 | 0.7 | 1.4 | 7.7 | 14.3 | 0.3 | 0.0 | 14.3 | - | - | - | 1.1 |
| 2017 | 1.2 | 0.9 | 0.0 | 0.0 | 0.3 | 0.0 | 9.1 | - | - | - | 1.0 |
| 2018 | 1.9 | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | - | - | 1.1 |
| 2019 | 0.3 | 1.0 | 0.0 | 0.0 | 0.3 | 0.0 | 10.0 | - | - | - | 0.7 |
| 2020 | 0.2 | 0.8 | 0.0 | 0.0 | 0.0 | 0.0 | 12.5 | - | - | - | 0.5 |
| 2021 | 0.1 | 0.6 | 0.0 | 0.0 | 2.6 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.7 |

*) the higher ratio of non-compliant samples for marked fuels is influenced by the low number of motor fuel samples taken and tested

***) incl. bio-CNG, LNG, bio-LNG

Development of fuels quality in year-on-year comparison



4.2 Overview – general inspection results

Results of nation-wide inspection activities included in the plan of market surveillance activities for 2021

| Inspection action | Total number of inspections | Inspections with findings | Detected breaches in % |
|---|-----------------------------|---------------------------|------------------------|
| Offer, sale and storage of products infringing intellectual property rights **) | 699 | 275 | 39.3 |
| E-commerce | 1,900 | 1,288 | 67.8 |
| Discrimination **) | 861 | 6 | 0.7 |
| Offer and provision of services relating to conclusion of contracts on energy supply *) | 38 | 30 | 78.9 |
| Sale of alcoholic beverages and tobacco products, smoking tools | 5,248 | 2,268 | 43.2 |

| | | | |
|--|-------|-------|------|
| Mediation of sale and sale of objects of cultural value, cultural monuments and sale of goods in bazaars, pawnshops, antique shops, auction rooms and sales galleries *) | 122 | 69 | 56.6 |
| Geo-blocking *) **) | 15 | 2 | 13.3 |
| Payment means *) **) | 103 | 0 | 0.0 |
| Pyrotechnics *) **) | 185 | 51 | 27.6 |
| Packaging *) | 3,323 | 1,259 | 37.9 |
| Gaseous fuels *) **) | 7 | 2 | 28.6 |
| Solid fuels *) | 38 | 11 | 28.9 |
| Fuels **) | 1,473 | 13 | 0.9 |

*) inspection actions were carried out over a shorter period of time than 1 year

**) for inspections narrowly defined by specific legislation, only breaches of the subject of the inspection are listed

5. INSPECTION ACTIVITIES OF INSPECTORATES

Inspectorates' inspection activities in 2021 were affected by the COVID-19 epidemic in the Czech Republic. The inspectors mainly carried out inspections of respirators - respiratory protective equipment (RPE) and also focused on inspections within the scope of the CTIA's supervisory competence, which were identified by the Market Surveillance Programme for 2021 (see chapter National inspection actions and General inspections). Individual inspectorates also continued their site-specific inspection activity specific to the location or action.

Středočeský and Prague Inspectorate

The Central Bohemia and Prague Inspectorate carried out its own inspection actions in 2021 to supplement the inspection actions carried out according to the market surveillance plan. In addition, inspections were carried out based on the evaluation of consumer complaints and possible cooperation with other state inspection bodies, in particular the Customs Administration.

Specific inspections with assistance dogs were carried out to demonstrate possible discrimination against persons using assistance dogs. The action was carried out in cooperation with the Helppees organisation, which provided a manikin with a dog for the purpose of the inspection.

To broaden the focus and comprehensiveness of inspections in the area of toys, inspections were carried out using the VANTA spectrometer, which allowed a broader focus on the area of toys as regards their safety.

In addition, a wider range of inspections were carried out to focus on the operation of playgrounds and play equipment from the perspective of safety.

In cooperation with the Customs Administration, inspections of an exceptional scale were carried out in the area of inspections concerning the supply, sale and storage of products infringing intellectual property rights, with a focus on sales in the SAPA and Praha Libuš marketplaces.

In cooperation with the Customs Administration, an inspection action was carried out at the Václav Havel Airport in the transit area, where restaurants and other establishments were inspected with a focus on compliance with the obligations under Act No. 634/1922 Coll., on Consumer Protection, and other legal regulations within the competence of the CTIA.

The above-mentioned own inspection actions were evaluated as successful and necessary to strengthen the role of the Inspectorate in the protection of consumer interests.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|--|-----------------------|---------------------------|------------------------|
| Discrimination (assistance dog checks) | 2 | 1 | 50.0 |
| Inspections of toys using the VANTA spectrometer | 4 | 3 | 75.0 |
| Inspections of solariums | 2 | 0 | 0.0 |
| Playground inspections | 6 | 4 | 65.0 |

| | | | |
|--|---|---|-------|
| MKA - offer, sale and storage of products infringing intellectual property rights SAPA - in cooperation with Customs | 3 | 3 | 100.0 |
| MKA - inspection of compliance with Act No. 634/1992 Coll. - Václav Havel Airport, Prague | 4 | 0 | 0.0 |
| MKA - inspection of compliance with Act No. 634/1992 Coll. - establishments in transit at Václav Havel Airport, Prague, inspections in cooperation with CS | 4 | 0 | 0.0 |

Jihočeský and Vysočina Inspectorate

The inspection activities of the Jihočeský and Vysočina Inspectorate were also significantly affected by anti-epidemiological measures in 2021. A significant number of establishments were either completely closed for a certain period or had limited operations. In the first months of the year, when another pandemic wave was peaking, inspectors were involved, under an agreement with the Regional Hygiene Station in South Bohemia, in tracing contacts of those who were tested positive. They made dozens of tracing calls per day.

In view of the emergency anti-virus measures in force, other inspectors were involved in monitoring the compliance with certain government measures, particularly concerning accommodation and hospitality facilities, e.g. in mountainous areas. Inspection activities also focused heavily on the supply and sale of products and services offered via the internet due to changes in the market and consumer purchasing behaviour triggered by the ongoing epidemic.

Inspections of fitness bracelets and running watches - the Jihočeský and Vysočina Inspectorate carried out its own inspection action focused on fitness bracelets and running watches. In total, in the second half of 2021, it carried out 7 inspections (both in large specialised sports equipment shops and in small shops not specifically specialising in these goods). Within these 7 inspections, breaches of the law were found in five cases. In three cases of minor infringements, the investigation was concluded with an on-the-spot fine for a total amount of CZK 8,000. In two cases, a proposal for administrative proceedings was filed. During the inspections, 3 types of fitness bracelets, watches were detected which were not marked with the CE marking of conformity (the CE marking on a specified product - fitness bracelets, running watches are among the selected products - expresses that the product meets the technical requirements set out in all Government Orders that apply to it and that the defined procedure was followed in the conformity assessment). In five cases, it was also found that the product inspected was not accompanied by the EU Declaration of Conformity.

Inspections of means of folk entertainment - based on an initiative (due to a collision situation at a traditional fair) or based on its own search activities, the Inspectorate carried out a total of 5 inspections focusing on means of folk entertainment such as bobsleigh track and rail track, carousel with horizontal or vertical movements or ejection balls. Out of the 5 inspections carried out, in 3 cases infringements of laws within the surveillance scope of the Czech Trade Inspection Authority were found. In one case, the operator did not comply with the safety distance in the vicinity of the inspected trampoline, where dangerous obstacles (fences) were located in the almost immediate vicinity of the

trampoline. The operator was banned from operating the product until remedies were made and the identified shortcomings would be further addressed in administrative proceedings.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|------------------------------------|-----------------------|---------------------------|------------------------|
| Fitness bracelets, running watches | 7 | 5 | 71.0 |
| Means of public amusement | 5 | 3 | 60.0 |
| Země Živitelka | 12 | 1 | 8.0 |

Plzeňský and Karlovarský Inspectorate

Radio equipment - throughout the year a continuous inspection of the identified radio equipment found in the common market network was carried out. Compliance with information obligations in the form of mandatory marking and labelling of these products, the provision of products with appropriate instructions for use in the Czech language, or other specified documentation was monitored. The actual characteristics of these products were also examined. A specific feature of radio products is that they must use only designated frequencies within the entire frequency spectrum in order to function, thus guaranteeing their own functionality and non-interference with other radio equipment. The use of the correct operating frequency was examined during the inspections carried out using a spectrum analyser from ROHDE & SCHWARZ, which allows on-site determination of whether or not the product uses the declared operating frequency in its intended use. In total, 13 product types were tested at 6 different distributors during the year. Deficiencies were found in 6 cases.

Christmas light chains - the inspection focusing on the supply and sale of Christmas light chains is one of the regular inspections carried out with the arrival of the pre-Christmas season. Even though the situation in this area has radically improved compared to previous years and in most cases only safe and properly labelled products are on offer, there are still some that do not meet the required conditions. In 2021, 14 such products were found on sale and subsequently examined in more detail. For 10 of them, the suspected non-compliance has already been confirmed and a further 4 suspect products are still under investigation. In addition to the information obligations, inspectors also inspected the basic physical and mechanical properties and, above all, the electrical parameters, which are a basic prerequisite for product safety. Failure to comply with safety obligations leads both to significant penalties and, above all, to the adoption of so-called protective measures, i.e. bans on the sale or withdrawal of such products from the market.

CBD products - CBD products are products containing cannabidiol, which is found in hemp. They do not have psychoactive effects like THC (tetrahydrocannabinol is the chemical responsible for the psychoactive effects of marijuana) and are a new and fashionable trend applied in the form of smoking. The Health Protection from Addictive Substances Act classifies these products as herbal smoking products and prohibits their sale to persons under 18 years of age. However, checks on the sale of these products have shown that very often CBD products intended for smoking are offered through vending machines without verification of the age of the buyer. The situation was no different in cases where the inspection purchase was made in an ordinary establishment. The CBD product for smoking under surveillance was sold to a person under 18 years of age. In some cases, it was even suspected that some of these products contained excessive amount of psychoactive THC. In such cases, the matter was referred to the Czech Police for further investigation. A total of 11 checks were carried out

in ordinary shops, e-shops and vending machines in this area. In 11 cases, the CTIA found deficiencies which will be dealt with in administrative proceedings.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|------------------------|-----------------------|---------------------------|------------------------|
| Radio equipment | 6 | 6 | 100.0 |
| Christmas light chains | 14 | 14 | 100.0 |
| CBD Products | 11 | 11 | 100.0 |

Ústecký and Liberecký Inspectorate

The inspectors of the Ústí and Liberec Region carried out an inspection action - Zahrada Čech - beyond the scope of the established Market Surveillance Programme for 2021.

Zahrada Čech in Litoměřice - within this fair, stands selling cold meats, cheese, garlic, bourbon, flowers, wicker goods and textile products were inspected at the Litoměřice Exhibition Centre Zahrada Čech from 11 to 13 September 2021. Specifically, the inspections focused on the fairness of sale, pricing, issuing proof of purchase of products, metrology, counterfeit offers and information obligations. In case of flowers, ornamental shrubs and fruit trees, checks were made to ensure that the information obligation was met, i.e. that the consumer was informed of the full botanical name or the Czech analogy of the plants sold, and that the plants were labelled with clear pictograms for the care (habitat, size at maturity, watering, height and width of the plant, when to cut, inflorescence of the plant). A total of 14 subjects were inspected and deficiencies were found in 4 cases, with on-the-spot fines in 2 cases, and also in 2 cases the findings were referred to administrative proceedings. The deficiencies detected concerned the use of a measuring instrument (weighing scale) without valid certification, failure to inform about the price, failure to comply with the information obligation and the offer and sale of products infringing certain intellectual property rights.

In 2021, representatives of the Inspectorate of the Ústí nad Liberec Regions provided lectures on Consumer Protection. They took part in an organised event to celebrate the International Day of the Elderly organised by the Community Centre KONTAKT Liberec, p.o., which took place in the Forum shopping centre in Liberec. The presentation focused mainly on information and assistance to seniors in the context of Act No. 64/1986 Coll., on the Czech Trade Inspection Authority and Act No. 634/1992 Coll., on Consumer Protection. During the presentation, the seniors present were answered their questions.

Furthermore, the Inspectorate provided professional practice for students - as part of the mandatory professional guided training for students, the employees of the Inspectorate for the Ústí nad Liberec Regions in 2021 (within the school year 2020/2021 and the school year 2021/2022) were devoted to students of the University of Pardubice, specifically students of the study programme Economic Policy and Administration with a focus on trade inspection.

Královéhradecký and Pardubický Inspectorate

Inspections of charging stations for electric vehicles - the aim of the inspection action was to inspect whether the operators of charging stations for electric vehicles meet their obligations arising from Act No.90/2016 Coll., on the assessment of selected products when delivered to the

market and Act No.311/2006 Coll., Within the scope of the inspection action, 5 inspections were carried out at the operators of charging stations for electric vehicles, in two cases it was found that the individual types of connectors intended for electric vehicles, which are connected using the inspected connectors, were insufficiently labelled. Within the scope of the CTIA, 2 sanctions were imposed for breaches of the obligations of the operator of a charging station for electric vehicles set out in Section 6q(1) of Act No. 311/2006 Coll., on Fuels and Filling Stations, in the total amount of CZK 6,000.

Inspection action "HORY 2021" - in January 2021, the Inspectorate, in cooperation with the Police of the Czech Republic, participated in an extraordinary inspection action in Pec pod Sněžkou with the focus on verifying the compliance with the Resolution of the Government of the Czech Republic in accommodation services. A total of 11 inspections were carried out and no breaches of law were detected.

Inspections of the sale of alcohol to minors - the aim of the action was to check whether the ban on the sale of alcohol to persons under the age of 18 was breached. The action was called "Sale of alcohol to juveniles August 2021". Alcoholic beverages were sold to underage persons on 26 occasions, 51% of the total number of checks with this focus. The above findings of the sale of alcohol to persons under the age of 18 suggest a breach of Act No. 65/2017 Coll., on Health Protection against the Harmful Effects of Drugs, which will be dealt with in administrative proceedings with the inspected entities.

Product safety inspection - pressure cooker - in the area of product safety, we can mention a lawfully completed administrative proceeding in which, among other things, a breach of the legal obligation under Section 6(1), in connection with Section 5(1) of Act No. 90/2016 Coll., on the assessment of conformity of selected products when delivered to the market, was found, which the manufacturer committed by placing a dangerous pressure cooker in the market. The inspection was initiated based on a consumer's complaint that health damage had occurred during the use of the pressure cooker. A total fine of CZK 1,200,000 was finally imposed in this administrative procedure.

Inspection of mileage on vehicles - the CTIA inspection found that the consumer was provided with false information about the mileage on the seller's website for two vehicles. One vehicle was declared to have 199,478 kilometres on the odometer, but in reality 203,000 kilometres had been driven. For another vehicle, it was found that the odometer on the website showed 193,477 km when the vehicle was offered for sale, while another website for the same vehicle showed 219,347 km. An inspection revealed 227,787 km. It follows from the above that the information on the odometer stated in the advertisements was factually incorrect and therefore false. That information may have caused the consumer to make a purchasing decision that he would not otherwise have made. For the breach of Section 4(4) in relation to Section 5(1) of the Consumer Protection Act, the seller, in connection with other detected breaches (Section 12, Section 15(3) of the Consumer Protection Act and Section 10(2) of Act No 255/2012 Coll., on Inspection), was fined a total amount of CZK 110,000.

In view of the continuing epidemiological situation, the inspection activities of the Inspectorate of Hradec Králové and Pardubice Regions in 2021 focused on technical inspection, mainly on inspecting the safety of respiratory protective devices and on further investigation of consumer complaints. The Inspectorate was also involved in the implementation of major inspection actions, such as inspections of e-shops and investigations of unfair practices in the provision of services related to the conclusion of energy supply contracts. For example, in the area of mediation of electricity and natural gas supplier contracts, a sanction of CZK 1,500,000 was imposed on the mediator in a finally concluded administrative proceeding for breach of the prohibition on the use of unfair commercial practices pursuant to Section 4(4), in conjunction with Section 5a(2), or an offence pursuant to Section 24(1)(a) of Act No 634/1992 Coll., on Consumer Protection, further for the failure to inform about the scope,

manner and conditions of exercising the right from defective performance, when no such information was provided to the consumer and thus a breach of Section 13 of the mentioned Act occurred.

In 2021, the inspectorate's staff provided internships for students of the University of Pardubice, Faculty of Economics and Administration, study programme Economic Policy and Public Administration, professionally focused on trade inspection. Within the field practice, the students participated in inspections of legal regulations used by the Czech Trade Inspection Authority in its supervisory activities. Students of the 3rd year were present, among other things, during the collection of fuel for quality inspection according to Act No. 311/2006 Coll., on Fuels, and also participated in inspections focused on product safety according to Act No. 22/1997 Coll., on Technical Requirements for Products, Act No. 90/2016 Coll., on conformity assessment of selected products when delivered to the market and Act No. 102/2001 Coll., on General Product Safety. Students of the 2nd year mainly participated in inspections focused on the compliance with Act No. 634/1992 Coll., on Consumer Protection. The aim of the students' practice is the ability to independently prepare documents related to the inspection activities of the CTIA.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|---|-----------------------|---------------------------|------------------------|
| MKA Hory 2021 - 23. 1. 2021 | 11 | 0 | 0.0 |
| Prodej alkoholu mladistvým - srpen 2021 | 51 | 26 | 50.9 |
| Dobíjecí stanice pro elektromobily | 5 | 2 | 40.0 |

Jihomoravský and Zlínský Inspectorate

As part of the general inspection, the inspectorate carried out several extraordinary inspections of its own.

Checks on counterfeit goods - at the beginning of the year, an inspection action was carried out on the sale of goods infringing certain intellectual property rights at the Olomoucká market. This involved the sale of counterfeit textile face masks. Another inspection action was carried out in August at the ASIA BAZAR market in Hatě. This inspection action was attended by staff from 3 other inspectorates, the Police of the Czech Republic and a person professionally qualified to open non-residential premises. During this action, 4,660 items of counterfeited textile clothing, footwear and haberdashery were seized, with a total value of CZK 23,701,999.

Inspection of the sale of used cars - on 10-11 November 2021, an extraordinary inspection action was carried out on the sale of used cars in Brno, Zlín and Znojmo. During the inspections, several breaches of the prohibition on the use of unfair commercial practices were detected.

Checks on the sale of textiles via the internet - during the first four months of the year, the inspectorate carried out an extraordinary inspection action focused on the sale of textile products via the internet, during which breaches of the law were found in almost 60% of cases.

Inspections of respirators - inspectors carried out a total of 351 inspections aimed at ensuring compliance with the legislation on personal respiratory protective equipment, filtering half-masks (respirators). 573 types of filtering respirators, selected products under Regulation (EU) 2016/425 of

the European Parliament and of the Council on personal protective equipment and repealing Council Directive 89/686/EEC, were inspected. Deficiencies were found in 80% of the products.

Extraordinary inspection of the sale of children's magnetic balls - with the extraordinary inspection action, the Inspectorate responded to incidents - injuries to children - associated with magnetic balls, commonly known as NeoCube. The offer and sale of the products in question was detected in internet shops, where 7 product inspections were carried out, and 6 types of magnetic beads were taken for testing of the actual magnetic flux index. For all six types of magnetic balls sampled, professional tests carried out by the testing laboratory showed that the actual magnetic flux index was many times higher than its permitted level. In all seven cases, the balls in question were marketed as products suitable for children's play or entertainment.

In 2021, the inspectorate also focused on the inspection of so-called miracle products, where the seller or manufacturer declares features that contradict the laws of physics. An example of such a product is a non-contact masonry dryer allegedly operating on the principle of non-contact osmotechnology.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|----------------------|-----------------------|---------------------------|------------------------|
| Used cars sale | 6 | 3 | 50.0 |
| E-shops with textile | 119 | 68 | 57.0 |
| Magnetic balls | 7 | 7 | 100.0 |

Olomoucký and Moravskoslezský Inspectorate

As in 2020, the inspection activities of the Inspectorate in the regions of Olomouc and Moravia-Silesia were influenced by anti-epidemiological measures. In addition to the normal inspection activities, inspectors carried out inspections of respiratory protection products and also focused on the inspection of the offer and sale of products and services provided via the Internet and monitored the compliance with certain government measures.

In addition, the inspectors carried out several own inspections focused on specific activities of the region.

Inspection of fairness of sale in "luxury cheese shops" - inspections were carried out in shops selling cheese, cheese specialities and gourmet delicacies in specialised shops and points of sale in shopping centres. The aim was to assess whether there had been an improvement on 2014, when the exercise was first carried out. A total of 34 inspections were carried out in 2021 and deficiencies were found in 23 cases, i.e. 67.6%. The most frequently detected deficiencies, in 16 cases, were the failure to inform the consumer of the price of the products sold, in 6 cases the incorrect accounting of the inspection purchase, in 3 cases the sellers did not issue any proof of purchase of the products with the specified particulars at the consumer's request and in 3 cases they used a measuring instrument with invalid certification for weighing. The inspectors imposed 15 on-the-spot fines, two inspected persons will be fined in administrative proceedings, and in case of 6 sellers with less serious infringements, the institute of conciliation was used in connection with the COVID 19 pandemic.

Inspections of wooden toys - the aim of the inspections was to inspect whether these products, without specifying an age category, meet the technical requirements set out in Act No. 22/1997 Coll.,

on Technical Requirements for Products, and Government Order No. 86/1992 Coll., on Technical Requirements for Toys. Inspectors found deficiencies in the marking of safety warnings and the absence of safety information in the Czech language. It was dealt with by on-the-spot penalties. Furthermore, an investigation was carried out at a domestic distributor of a wooden toy listed in the European Safety Gate early warning system posing a serious risk. The inspection revealed that the domestic distributor no longer sold or offered the product and took voluntary action by contacting its customers to whom the product in question, Wooden Rocking Horse, was sold by phone to inform them that it was withdrawing the product from the market against the purchase price.

Inspections of recycled construction products - these are made by converting construction waste into construction products. The purpose of the checks was to inspect that these products meet the requirements for placing and supplying them in the market. A deficiency was found in a domestic business entity who is a manufacturer of construction products. It placed 2 types of products in the market – recycled concrete fraction 0/90 and 0/125 and asphalt concrete mix, recycled, fraction 0/90 and 0/125, for which it illegally declared that they were selected products according to Act No 22/1997 Coll. and met the requirements of Government Order No 163/2002 Coll. The manufacturer has taken measures to eliminate the identified deficiencies. The matter is further dealt within the subsequent administrative proceedings.

Inspections of thermostats - based on a consumer's complaint, CTIA officers carried out an inspection of the internet sale of the products "Termostat Regulator temperature TZ-2, classic" and "Termostat Regulator RT-2VC, digital" with the aim to assess the characteristics of the products in order to determine whether they meet the requirements of Act No. 90/2016 Coll., on the assessment of conformity of selected products when delivered to the market, Act No. 22/1997 Coll., on Technical Requirements for Products and the applicable Government Orders. During the inspection it was found that the electrical equipment or, if this is not possible, the accompanying document, does not contain all the essential data and instructions, the knowledge and observance of which will ensure that the electrical equipment is used safely and for the purpose for which it was manufactured, the electrical equipment and its components are not made in such a way that they can be safely and correctly assembled and connected, the electrical equipment is not designed and manufactured in such a way as to ensure protection against the hazards that may be caused by the electrical equipment. The products pose a serious risk of electric shock to consumers. For these reasons, a sales ban was issued, a recall of the products from the market and circulation was ordered, a notification to the European Safety Gate early warning system was forwarded and a request for an investigation within international cooperation was submitted to the surveillance authority of Poland for its further use, as the economic operator of the thermostat manufacturer is from Poland.

| Inspection action | Number of inspections | Inspections with findings | Detected findings in % |
|----------------------------------|-----------------------|---------------------------|------------------------|
| Sale of so-called luxury cheeses | 34 | 23 | 67.6 |
| Timber toys | 4 | 2 | 50.0 |
| Recycled construction product | 2 | 1 | 50.0 |
| Thermostats | 1 | 1 | 100.0 |

6. INTERNATIONAL COOPERATION

The Czech Trade Inspection Authority, on a long-term basis, has actively participated in international activities, contributing to the strengthening of the safety of the EU market with products and improving the level of the protection of the final users. These include joint inspection projects initiated and co-financed by the European Commission, participation in individual inspection actions within the permanent groups for administrative cooperation by the European Commission, and joint activities with the participation of experts from surveillance authorities from EU/EFTA Member States and other organisations that examine specific issues of market surveillance of products in detail. The form of this cooperation has been amended as from 2021 in the consequence of the entry into force of Regulation (EU) 2019/1020 of the European Parliament and of the Council on market surveillance and product compliance, amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011. Among other things, the Regulation introduces longer-term strategies and evaluations in the field of market surveillance, and the links and exchange of information have been strengthened by the institution of Single Liaison Offices (in the Czech Republic this is the Ministry of Industry and Trade of the Czech Republic) with a greater emphasis on the role of administrative cooperation groups.

The Czech Trade Inspection Authority actively participates in information sharing and consultations at international market surveillance forums within the European Commission systems and international organisations, and actively cooperates in research and preparatory consultations related to the development of existing systems to support product safety. It participates in the development of new electronic tools to support market surveillance activities and uses them for its inspection activities. In this cooperation, the Czech Trade Inspection Authority applies its own experience, opinions and suggestions for possible solutions in the product and service areas covered by EU regulations and directives within its competence. Within the scope of its participation, it also initiates activities to eliminate weaknesses related to the performance of market surveillance within the EU.

The Czech Trade Inspection Authority is a participant and uses international information systems in its daily activities for information sharing and communication with market surveillance bodies from EU and EFTA member states. In the ICSMS system (Information and Communication System for Market Surveillance), the CTIA, within its own activities, ensures the input of applicable information on tested products and subsequent management of records in the system (receipt and dispatch of safety clauses and batons, i.e. transfer of records for further management), communicates with other market surveillance authorities via the system and the Single Liaison Offices, related to the publication of safety clauses for the directives of the new legislative framework, and the transmission of findings from inspections for the purpose of investigation (so-called batons). A separate module is used to exchange information in accordance with the rules for mutual recognition of goods under Regulation (EU) 2019/515 of the European Parliament and of the Council. The system is continuously being adapted to be used in accordance with the requirements of Regulation (EU) 2019/1020 of the European Parliament and of the Council. The role of the national administrator of the system is performed by the Ministry of Industry and Trade of the Czech Republic. The CTIA cooperates with the national administrator on testing and development of new functionalities of the system.

In its activities, the Czech Trade Inspection Authority also actively uses the European rapid alert system for dangerous non-food products Safety Gate. As part of its inspection activities, it actively searches for reported unsafe products using specialised electronic tools developed under the auspices of the system administrator - the European Commission. The Czech Trade Inspection Authority has long been involved in the development of these tools. Reports on measures taken against products

reported to the system from other Member States ("reactions"), as well as reports on dangerous products identified by the Czech Trade Inspection Authority itself in the market ("notifications"), are sent via the Safety Gate contact point at the Ministry of Industry and Trade of the Czech Republic and are subject to approval by the European Commission. More information on the Safety Gate system is provided in section 3.4 Safety Gate.

The Czech Trade Inspection Authority is also a member of the internal market information exchange network IMI (Internal Market Information System), which allows national, regional and local public authorities participating in this network to communicate easily and quickly with their counterparts in the countries of the European Economic Area.

The Czech Trade Inspection Authority is active in cooperation across the borders of the European Union, in organisations and groups working for the protection of consumer interests and market surveillance. Apart from the United Nations Economic Commission for Europe – MARS, which did not hold its regular meeting in 2020 due to the measures in force against the spread of the COVID-19 disease, it is working group WG 5 of the European Organization for Cooperation in the area of Legal Metrology WELMEC that deals with issues regarding enforcement in the area of metrology. This group also works closely with the ADCO MI of the European Commission. The two groups hold joint meetings and apply their conclusions coherently in their respective spheres of competence. Furthermore, the CTIA represents the Czech Republic in the International Consumer Protection and Enforcement Network ICPEN. The organisation brings together surveillance authorities from five continents, ensures the exchange of information and experience, facilitates the search for solutions in specific situations, and initiates and mediates educational activities.

With the development of technologies that allow participants to meet remotely, the possibility of organising consultation and awareness-raising activities has expanded. The Czech Trade Inspection Authority made the most of these opportunities and during 2021 participated in numerous seminars and experience meetings organised by the European Commission, ICPEN, the European Intellectual Property Office EUIPO, etc. The lessons learned are subsequently transferred to its own inspection activities. The acquisition and sharing of information at the international level, in areas within the scope of the Czech Trade Inspection, clearly contribute to the improvement of the level of its work. Conclusions from inspection projects and horizontal activities and the increased use of information systems help optimise inspection processes and thus to apply measures more quickly and effectively. This helps the Czech Trade Inspection Authority to fulfil its mission and obligations stemming from the applicable legislation.

6.1 Cooperation within joint projects on more effective market surveillance

CASP (Coordinated Activities on Safety of Products)

Since 2019, the European Commission (DG JUST) has launched a series of projects under the name CASP - Coordinated Activities in Support of Product Safety. The financial burden of the projects is largely borne by the European Commission, with the organisational umbrella and expert guidance provided by external bodies. The participating supervisory authorities provide the inspection activities, sampling and processing of the conclusions of the inspections and laboratory tests carried out. The conclusions of the inspection actions carried out are presented by the Commission on the public website of the Safety Gate system, including awareness-raising material for the general public. There

is also scope in the projects for horizontal activities exploring certain areas of market surveillance. The focus of each activity in the project is selected jointly with the surveillance authorities, with an emphasis on current and emerging areas of concern. The timeline of each project covers 12-18 months, spanning two consecutive calendar years. The summary outputs of these actions are published on the Safety Gate website and presented publicly by the European Commission, in recent years via video conferences.

In the CASP 2020 project, the Czech Trade Inspection Authority was actively involved in three product activities focusing on nitrosamines in toys, small kitchen heating appliances and personal protective equipment - respiratory protective equipment. It also participated in five horizontal activities focusing on the effectiveness of take-back measures for dangerous products, cooperation with customs surveillance authorities, online market surveillance, development of information campaigns and again on risk assessment. The working groups for each horizontal activity were dedicated to analysing the area, identifying the current situation and its weaknesses and then modelling and developing possible effective solutions. In the activity examining the issue of take-backs, participants discussed the impact of new sales trends, recommended practices for consumers and businesses, and possible tools to promote the effectiveness of these measures and to strengthen consumer awareness. Cooperation with customs authorities explores the necessary preparations to comply with the new legislation, effective from mid-2021, and its impact on the work of market surveillance authorities. The activity on online market surveillance developed the previous project and its outputs on the applicability of artificial intelligence for text recognition, the work of web crawlers and the subsequent processing of information for the needs of surveillance authorities.

In the CASP 2021 project, the Czech Trade Inspection Authority was involved in three product activities, focusing on toys from websites based in third countries, childcare equipment - recliners and baby swings, and personal protective equipment - bicycle helmets for adults and child wearers. Its active participation in horizontal activities dedicated to common risk assessment methods and online market surveillance issues has built on its participation in previous projects in these specific areas of market surveillance, which are dedicated to exchanging the experience with practices in individual member countries, using already developed tools to analyse their application in new situations. In the area of online market surveillance, participants further explored the possibilities and lessons learned from the operation of software tools for detecting the presence of dangerous products in the EU market.

More information on the joint product actions in CASP 2021 and the previous CASP 2020 projects is provided in section 3.2 International Surveillance Actions.

JAHARP 2020

In 2021, the Czech Trade Inspection Authority joined an internationally coordinated project of inspection actions called JAHARP 2020. These projects are mostly funded by the European Commission (DG GROW), which directs their focus on products and situations in the single market that require closer examination, consensus in the approach to them based on inspection findings and exchange of experience between supervisory authorities, and possibly legislative adjustments. In the JAHARP 2020 project, the Czech Trade Inspection Authority will participate in two international inspection activities in the field of gaseous fuel appliances, involving laboratory testing, and two activities in the field of transportable pressure equipment, involving exchange of experience and possibly several joint inspections of conformity assessment procedures. In each activity, the participants have held kick-off

meetings via video conferencing and the actual implementation of the inspections and laboratory testing will take place in 2022.

6.2 Groups of administrative cooperation ADCO

In 2020, the Czech Trade Inspection Authority continued its active participation in the ADCO Administrative Cooperation Working Groups, which operate at the European Commission for individual product sectors under the harmonized legal regulations of the European Union. Market surveillance bodies of EU Member States are in these groups. The activities include issues related to the exercise of supervision in the sector, analysis of identified shortcomings in legislation and proposals for solutions, expert opinions provided at the request of the Commission, etc. In specific cases, the Groups organise joint surveillance actions and contribute to the development of strategic market surveillance programmes at EU level. The Groups meet regularly several times a year. Due to the measures in place to prevent the spread of COVID-19, their meetings are conducted by means of remote communication. Of the 28 existing ADCO working groups, representatives of the Czech Trade Inspection Authority were actively involved in 17 groups in 2021:

- ADCO ATEX - Directive 2014/34/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to equipment and protective systems intended for use in potentially explosive atmospheres
- ADCO CPR - Regulation (EU) No 305/2011 of the European Parliament and of the Council of 9 March 2011 laying down harmonised conditions for the marketing of construction products and repealing Council Directive 89/106/EEC
- ADCO EMC - Directive 2014/30/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to electromagnetic compatibility
- ADCO GAR - Regulation (EU) 2016/426 of the European Parliament and of the Council of 9 March 2016 on appliances burning gaseous fuels and repealing Directive 2009/142/EC
- ADCO LIFTS - Directive 2014/33/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to lifts and safety components for lifts
- ADCO LVD - Directive 2014/35/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to the making available in the market of electrical equipment designed for use within certain voltage limits
- ADCO MACHINE - Directive 2006/42/EC of the European Parliament and of the Council of 17 May 2006 on machinery, and amending Directive 95/16/EC
- ADCO MED - Directive 2014/90/EU of the European Parliament and of the Council of 23 July 2014 on marine equipment and repealing Council Directive 96/98/EC
- ADCO NOISE - Directive 2000/14/EC of the European Parliament and of the Council of 8 May 2000 on the approximation of the laws of the Member States relating to the noise emission in the environment by equipment for use outdoors
- ADCO PED/SVPD - Directive 2014/68/EU of the European Parliament and of the Council of 15 May 2014 on the harmonisation of the laws of the Member States relating to the making available in the market of pressure equipment
- ADCO RED - Directive 2014/53/EU of the European Parliament and of the Council of 16 April 2014 on the harmonisation of the laws of the Member States relating to the making available in the market of radio equipment and repealing Directive 1999/5/EC

- ADCO RCD - Directive 2003/44/EC of the European Parliament and of the Council of 16 April 2004 on recreational craft and personal watercraft and repealing Directive 94/25/EC
- ADCO PPE - Regulation (EU) 2016/425 of the European Parliament and of the Council of 9 March 2016 on personal protective equipment and repealing Council Directive 89/686/EEC
- ADCO TEXTILE - Regulation (EU) No 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council
- ADCO TOYS - Directive 2009/48/EC of the European Parliament and of the Council of 18 June 2009 on the safety of toys
- ADCO TPED - Directive 2010/35/EU of the European Parliament and of the Council of 16 June 2010 on transportable pressure equipment and repealing Council Directives 76/767/EEC, 84/525/EEC, 84/526/EEC, 84/527/EEC and 1999/36/EC
- ADCO MI - Directive 2014/32/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to the making available in the market of measuring instruments, a Directive 2014/31/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to the making available in the market of non-automatic weighing instruments.

ADCO joint inspection projects

In 2021, the Czech Trade Inspection Authority took part in five coordinated product inspections. Product sampling and testing was carried out in the field of portable gas heaters and gas grills for outdoor use, professional radios, home membrane gas meters, USB hubs and an action to inspect the characteristics of cables used in the construction industry.

More information on the joint product actions is given in section 3.2 International inspection actions.

6.3 Expert groups of the European Commission

The European Commission has expert groups for the internal market for products IMP-MSG, ICSMS and Safety Gate, in which the Czech Republic is represented by the Ministry of Industry and Trade of the Czech Republic (hereinafter referred to as MIT). The Czech Trade Inspection Authority cooperates closely with the MIT and in some matters directly with the Commission, exchanging information, providing expert opinions, participating in research and investigations in the preparation of interpretative and strategic materials. Communication in this context is conducted through the MIT, in the virtual space designated for this purpose by the European Commission within the EU Product Safety Network, or directly with the European Commission as requested.

6.4 Expert groups of the European Commission

International advisory groups MARS within WP.6 EHK UN

The regular meeting of the group was held in 2021 via remote communication. The Czech Republic is represented in WP.6 by the Office for Standards, Metrology and Testing. The Czech Trade Inspection Authority cooperates within the Advisory Group on particular activities upon request.

Working Group WELMEC WG 5

WELMEC, the European Organisation for Cooperation in Legal Metrology, brings together 37 European countries and its mission is to coordinate rules and surveillance throughout metrology. A CTIA employee represents the Czech Republic in the WG5 working group, which deals with the field of metrological surveillance and cooperates closely with the EC Group on Administrative Cooperation in the field of ADCO MI measuring instruments. The two groups hold joint regular meetings, with one held remotely in 2021. The subject of the meeting was the application of Directive 2014/31/EU of the European Parliament and of the Council in relation to charging stations for electric vehicles and the forthcoming technical standard for DC meters (the Directive does not distinguish between AC and DC measurements), the issue of the conformity assessment process implemented using remote electronic communication, etc.

6.5 Other international organizations

International Consumer Protection and Enforcement Network ICPEN

CTIA represents the Czech Republic in ICPEN, the International Consumer Protection and Enforcement Network. The organisation brings together surveillance authorities from five continents, ensures the exchange of information and experience, facilitates the search for solutions in specific situations, and initiates and facilitates training activities.. During 2021, the organisation worked to analyse, share experience and formulate options in some of the globally problematic areas of consumer protection, such as misleading environmental claims, pyramid schemes, marketing to children, etc. As a result of the COVID-19 pandemic, all discussions have moved to a virtual environment, including specifically targeted webinars and video conferences. It is thus beneficial for the CTIA to compare the problems identified, the practices applied and the possible solutions in non-EU countries.

7. CONSUMER ADVISORY DEPARTMENT

7.1 Information and Advisory Services Unit

The Information and Advisory Services Unit (PIS) ensures the advisory activities of the CTIA based on the provision of section 13 pr. 2 letter b) of the Act on the Czech Trade Inspection Authority. Besides provision of advice and information to consumers, also basic information relating to CTIA authorizations is provided also to commercial entities, especially with the aim to increase their consumer rights literacy and prevent possible breaches of their obligations within the surveillance scope of the CTIA. This is in compliance with the CTIA Strategy. The unit consists of 8 work positions. Employees are physically placed at individual CTIA inspectorates, similarly as in the case of the ADR unit.

In the consequence with the establishment of the specialized department, a centralized advisory phone line was opened in 2018 on which it is possible to get an individualized consultation with a CTIA employee and automated basic information about consumer rights and the CTIA activities. People who call can listen to automated information on every selected topic. At the end of every selected choice, there is the possibility to connect with a CTIA operator.

In 2019, the phone line had more than 54,000 phone calls, including 26,318 in which clients used the opportunity to connect with a CTIA employee. The department dealt with 13,457 submissions in writing, i.e. queries or notifications to the CTIA. Up to 900 consumers used the opportunity to get individual personal advice ensured by the PIS on the premises of individual CTIA inspectorates.

Besides providing general consumer advice, PIS informs about the possibility of out-of-court dispute resolution, and where appropriate, assist consumers in instituting ADR proceedings. Furthermore it accepts input from the public in the sense of Section 42 of the Code of Administrative Procedure, which transmits to the locally competent CTIA inspectorates or other administration authorities. PIS often faces a large number of submissions that are beyond any competence of the CTIA. They often only refer the public to the competent surveillance authority or to the field of private law enforcement before the general courts.

7.2 European Consumer Centre

The European Consumer Centre (ECC) Czech Republic 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 is not authorized to deal with disputes of Czech consumers with Czech traders. The Czech office originated within the Ministry of Industry and Trade in 2005 and since January 1, 2009, it has operated within the Czech Trade Inspection Authority that finances the centre's activities together with the European Commission.

In 2021, the Czech ESC was contacted by consumers in a total of 2,704 cases as part of its advisory and assistance activities, which was 14% less than in the previous year. However, the number of disputes in which the Centre directly assisted consumers aiming to find an out-of-court resolution with businesses from other EU countries, the UK, Norway and Iceland remained the same at 976, only 3 fewer cases than in the previous year. The success rate for 2021 cases was 51.7%. In addition, the

Centre received 1,309 telephone calls. By topic, the cases concerned requests for refunds of amounts paid by consumers for flights, package travels, accommodation services or cultural events cancelled or not attended due to measures taken by governments in various countries in connection with the spread of a new type of disease, COVID-19. Online shopping was a frequent area of disputes and requests for information.

In addition to direct consumer assistance and information and advice on consumer rights in the European market, the European Consumer Centre (ECC), in cooperation with its foreign partners in the countries concerned (the ECC network), also undertook activities to raise consumer awareness of their rights in the EU internal market. Due to the measures taken in the context of the COVID-19 pandemic, the Centre did not participate in several planned public events, but at the end of the year it organised 9 lectures on safe online shopping and consumer rights in the Single Market for the public and at primary and secondary schools in Litoměřice, Prostějov, Mělník, Nové Město pod Smrkem and at the University of the Third Age in Pardubice.



7.3 Alternative Dispute Resolution (ADR) Department

From February 1, 2016, the Czech Trade Inspection Authority is entitled to mediate out-of-court resolutions of complaints between consumers and traders. This is based on the amendment of the Act No. 634/1992 Coll. on Consumer Protection, as amended, particularly section 20 and the following. Therefore a new department of out-of-court dispute resolution was established in 2016 (abbreviated as "ADR"). This department of the General Directorate of the Czech Trade Inspection Authority was newly integrated within the Consumer Advisory Department on January 1, 2018, has 16 work places and its employees are based at all inspectorates of the CTIA. The aim of the out-of-court resolution is to find an amicable agreement between a consumer and a trader regarding the resolution of a complaint through the cooperation with the Czech Trade Inspection Authority.

From 1 January to 31 December 2021, the ADR Department of the Czech Trade Inspection received a total of 3,796 proposals for initiating out-of-court consumer dispute resolution procedure, a slight increase compared to the previous year. In terms of the area and subject matter of the dispute, as in previous years, the majority of proposals related to claims of consumer goods. In the context of the spread of the COVID-19 pandemic, another significant group were those relating to travel services and cultural events, as well as energy intermediaries and their claims for contractual penalties in the event

of alleged breach of contract by the consumer. A significant increase in the number of proposals was also linked to non-delivery of prepaid goods from online shops.

As regards the outcomes of the ADR procedures, 986 complaints were refused by the ADR entity based on legal reasons, and consumers withdrew 465 suggestions. 1,115 disputes were resolved in an amicable way, 990 disputes ended by expiring the timeframe (without any amicable solution). 150 complaints from 2021 are still ongoing. More than a half of the disputes were resolved by amicable solution, specifically the agreement was reached in 53% of complaints handled by the ADR Department.

Number and status of solved ADR proposals

| Number of received submissions | | Withdrawn | Refused | Parties agreement | Ended by expiry of 90-days period | Initiated procedure (ongoing procedure) | |
|--------------------------------|--------------|------------|--------------|-------------------|-----------------------------------|---|--|
| | | | | | | Ongoing procedures in total | Including extension by further 90 days |
| January | 343 | 45 | 97 | 121 | 80 | 0 | 0 |
| February | 338 | 40 | 90 | 121 | 87 | 0 | 0 |
| March | 397 | 60 | 92 | 141 | 104 | 0 | 0 |
| April | 293 | 37 | 86 | 97 | 73 | 0 | 0 |
| May | 317 | 38 | 95 | 96 | 88 | 0 | 0 |
| June | 282 | 27 | 94 | 83 | 78 | 0 | 0 |
| July | 250 | 29 | 79 | 87 | 55 | 0 | 0 |
| August | 370 | 44 | 122 | 94 | 108 | 2 | 2 |
| September | 301 | 39 | 67 | 84 | 106 | 5 | 5 |
| October | 340 | 29 | 96 | 91 | 114 | 10 | 10 |
| November | 321 | 46 | 90 | 68 | 75 | 42 | 9 |
| December | 244 | 31 | 68 | 32 | 22 | 91 | 1 |
| Total | 3,796 | 465 | 1,076 | 1,115 | 990 | 150 | 27 |

| Dispute area | Number |
|--|---------------|
| Consumer goods | 2,242 |
| Services for wide public | 879 |
| Financial services | 76 |
| Postal services and el. communications | 20 |
| Transport services | 52 |
| Recreational and cultural services | 274 |
| Energy and water consumption | 47 |
| Health | 8 |
| Education | 21 |
| Other | 177 |
| Total | 3,796 |

| Core of the dispute | Number |
|--|---------------|
| Defective, caused damage | 259 |
| Noncompliance with the order | 289 |
| Non-delivery / Service not provided | 715 |
| Wrong invoice / Bill | 35 |
| Problem with guarantee or warranty | 956 |
| Other questions regarding contracts and sale | 1,542 |
| Total | 3,796 |

8. LEGAL DEPARTMENT

The basis of the Legal Department's activities was the preparation of suggestions for decisions of the General Directorate on appeals from the regional inspectorates' decisions as well as representation in administrative court actions.

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

Employees of the Department also participated in a number of meetings with representatives of the public administration and the professional public concerning for example prepared legislation. The Legal Department also participated in the activities of the Disciplinary Committee, Committee for Public Contracts, committees for selection of new civil servants, the Loss Committee and the Work Injury Compensation Board.

Employees of the department answered numerous written information requests from consumers, entrepreneurs, public administration authorities and the media concerning legal opinions on legal regulations within the surveillance competence of the CTIA. They also took part in dealing with queries in compliance with the Act on Free Access to Information.

The Legal Department also continuously monitored legislative changes on both national and European level that affected the CTIA activities and reported necessary information to other divisions of the Authority. It submitted comments to the proposals of legal regulations that were submitted to the CTIA and monitored the decision-making practice of courts, esp. in the area of administrative justice.

The Legal Department also ensured the agenda of cross-border cooperation in compliance with the Regulation (EC) No. 2017/2394 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No. 2006/2004, including participation in Member States' joint inspection action SWEEP 2021.

| Overview of the Legal Department's activities | Number of cases dealt with |
|---|-----------------------------------|
| Decisions issued by a second degree body (fines, protective measures) | 157 |
| New decisions given on the grounds of judgements | 10 |
| Review procedure, reopening of the trial, late-raised objection | 16 |
| Decision on appeal from a decision on request for instalment payments | 6 |
| Decision on pleaded bias | 23 |
| Review proceedings (solved by the Ministry of Industry and Trade) | 5 |
| Accusations (against decisions of second degree body in administrative proceedings) | 32 |
| Judgements rejecting administrative suits of second degree body in administrative proceedings | 30 |
| Judgements overruling CTIA decisions of second degree body in administrative proceedings | 4 |

| | |
|--|---|
| Appeals | 13 (12 filed by the party of the case, 1 by the CTIA) |
| Judgements of Supreme Administrative Court abolishing appeals | 3 |
| Judgements of Supreme Administrative Court rejecting judgements of regional court | 8 |
| Requests for enforcement measure received from other EU states based on Regulation No. 2017/2394 | 9 |
| Requests for enforcement measure elaborated by the CTIA based on Regulation No. 2017/2394 | 5 |
| Requests for information received from other EU states based on Regulation No. 2017/2394 | 2 |
| Requests for information elaborated by the CTIA based on Regulation No. 2017/2394 | 0 |

9. PUBLIC RELATIONS

9.1 Press department – media presentation

In 2021, the press department issued 147 press releases. At the beginning of the year, the information was mainly on consumer rights in the context of the spread of coronavirus, e.g. how to deal with trips purchased to high-risk areas, how to deal with cancellations by tour operators, how to deal with the provision of services that could not be provided during the state of emergency (e.g. cancelled theatre performances, pre-paid services in fitness centres, pre-paid tasting menus in closed restaurants, etc.). Up-to-date information on this entire area was continuously published on the CTIA website: www.coi.cz/koronavirus.

Media and public interest in the COVID-19 situation also included personal protective equipment. Therefore, in addition to the press releases issued, information on personal protective equipment and their marketing during the state of emergency was also published on the CTIA website in the section for businesses, which outlined what needs to be ensured when importing or marketing these products, including answers to frequently asked questions (FAQs). A report by the Occupational Safety Research Institute, v.v.i., of 2020 was also included as background information.

Regular press releases were issued about the results of fuel quality inspections, and information was also published throughout the year warning of dangerous products whose use posed a risk to consumers. These were mainly toys, but also, for example, children's swings and children's clothing as well as a cattle. On the CTIA website videos were published on product safety: www.coi.cz/informacni-kampane where videos on products safety “Nitrosamines in toys” and “Small kitchen heating appliances” are to be watched. These videos are a part of the material produced by the European Commission and the OECD for a global awareness-raising campaign on the safety of toys sold online. The communication was intended for both consumers and distributors.

Press releases issued in 2020 also covered the results of so-called technical inspections, with the Czech Trade Inspection Authority reporting on the results of inspections of, for example radio equipment, transportable pressure equipment, water scooters, water slides, kettles, protective gloves, etc.

The CTIA informed to a greater extent than in previous years about the risks associated with online shopping, as this type of shopping has become very widespread during the COVID-19 pandemic and the issue of safe online shopping has also become a topic for the media. In 2021, the list was continuously updated on the CTIA website under the heading "Risky e-shops", with 365 additional warnings against shopping in these risky e-shops. By comparison, only 131 warnings were published in 2017 and since then the number of warnings published each year has tripled.

The year-long inspection action of the Office of the Government and the Police Presidium called HAD (Hazard, Alcohol, Children), aimed at inspecting the sale of alcohol to minors, in which the Czech Trade Inspection Authority was, as always, involved together with other institutions. Media were also informed about the results.

The published information also related to the results of so-called general inspections, which include, for example, discrimination, sale of counterfeit goods, sale of alcoholic beverages and tobacco products, offer and provision of services related to energy supply contracts, inspections of sales of explosives precursors, means of payment, inspections of bazaars, pawnshops, antique shops and

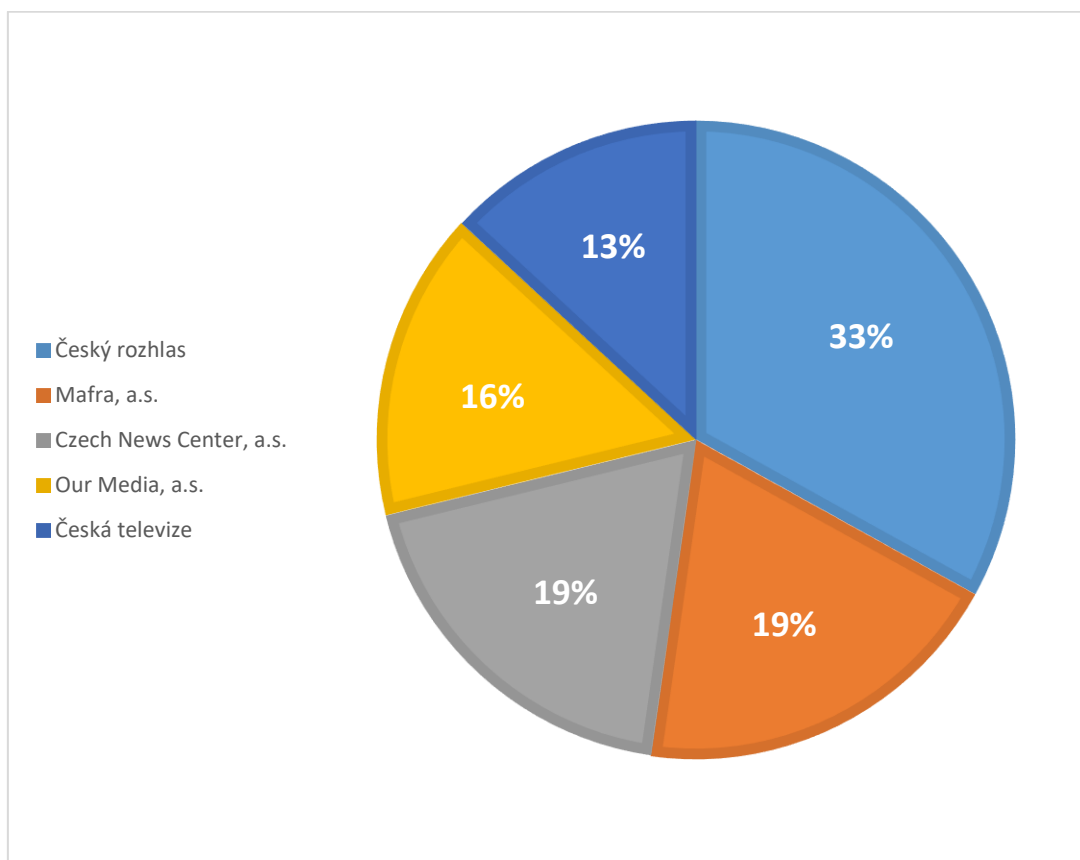
auction houses, etc. The results were compiled and provided to the media on a quarterly or half-yearly basis, or as required or requested by the media

The CTIA press department has issued only a few reports with the results of separate inspection actions of individual regional inspectorates, such as the inspection of the Královéhradecký and Pardubický Inspectorate focused on the sale of alcohol to minors. The Jihočeský and Vysočina Inspectorate informed the media about the results of inspections with the same focus. Information on the joint inspection action with the Customs Administration at the Václav Havel Airport in Prague was provided by the Středočeský and Prague Inspectorate. Press releases were also issued on the inspection of counterfeits in Vyšší Brod by the Jihočeský and Vysočina Inspectorate, and the Jihomoravský and Zlínský Inspectorate informed about the seizure of counterfeits at the market in Hatě. The Olomoucký and Moravskoslezský Inspectorate provided information on the comparison of inspection results in shops offering luxury cheese. The European Consumer Centre issued three reports on its agenda during 2021 through the CTIA press department - Black Friday shopping, World Consumer Day and information on the case of the sale of a second-hand caravan.

CTIA in the media

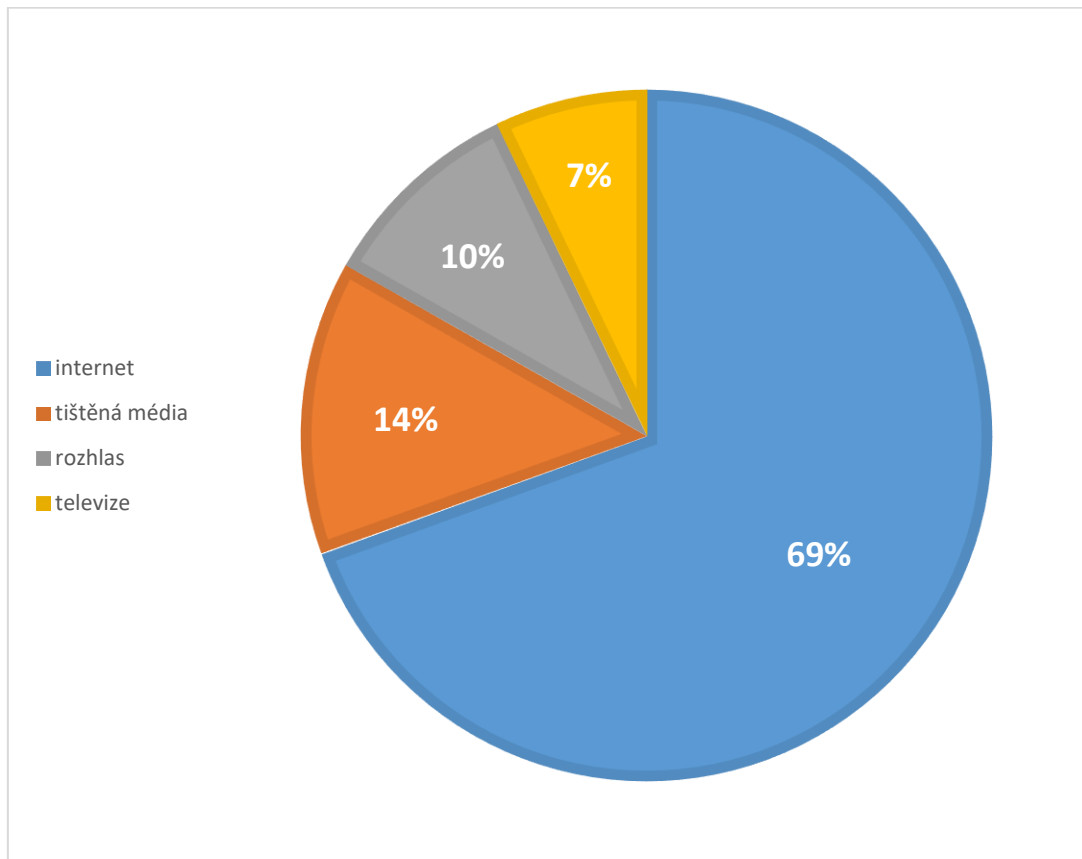
In 2020, in total 4,475 media appearances about the Czech trade inspection Authority were spotted.

Top publishers – Czech Radio (234 clippings, i.e. 33 %), Mafra, a.s. (136 clippings, i.e. 19 %), Czech News Center, a.s. (134 clipping, i.e. 19 %), Our Media, a.s. (111 clippings, i.e. 16 %), Česká televize (93 clippings, i.e. 13 %).



Source: NEWTON Media

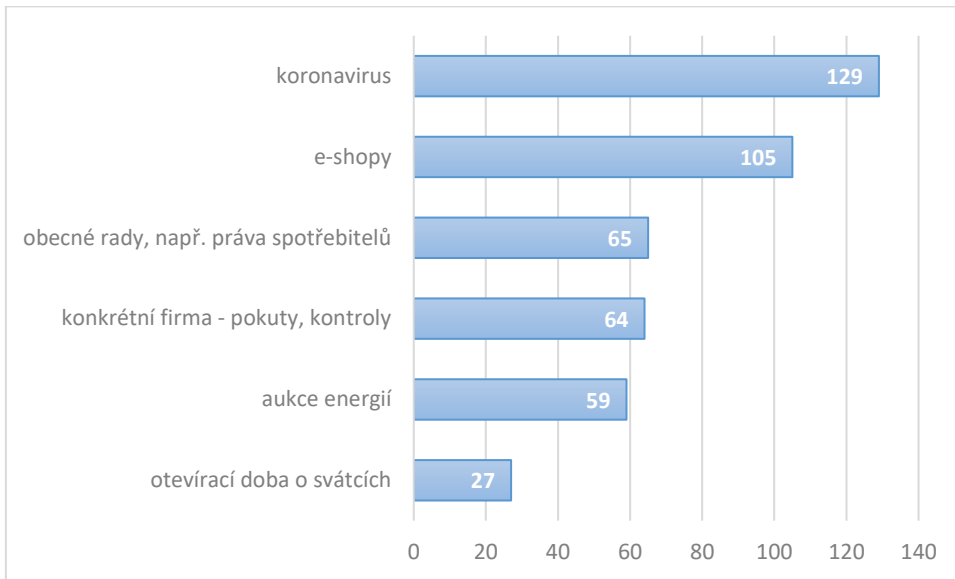
Media type - Internet (1,521, i.e. 69% of clippings), printed media (301, i.e. 14 % of clippings), radio (211 i.e. 10 % of clippings), television (156, i.e. 7 % of clippings).



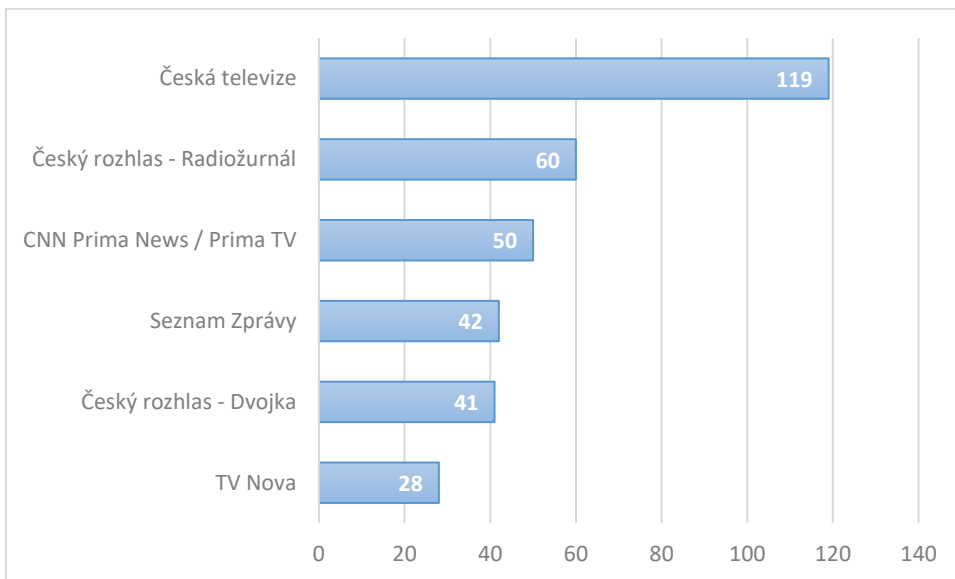
Source: NEWTON Media

Media queries - the press department staff together with representatives of the specialist departments prepared the documents for answers to the journalists. 652 journalists' queries were answered, mainly by the press spokesperson, in the form of direct answers by e-mail or telephone, on-camera interviews or live interviews, in addition to issued press releases. Throughout the year, the spokesperson was a guest on the regular Friday programme of the ČRo 2 station, where he presented the current results of the inspection activities of the CTIA and provided information to consumers on currently solved problems in the field of consumer protection

Topics most frequently asked by journalists



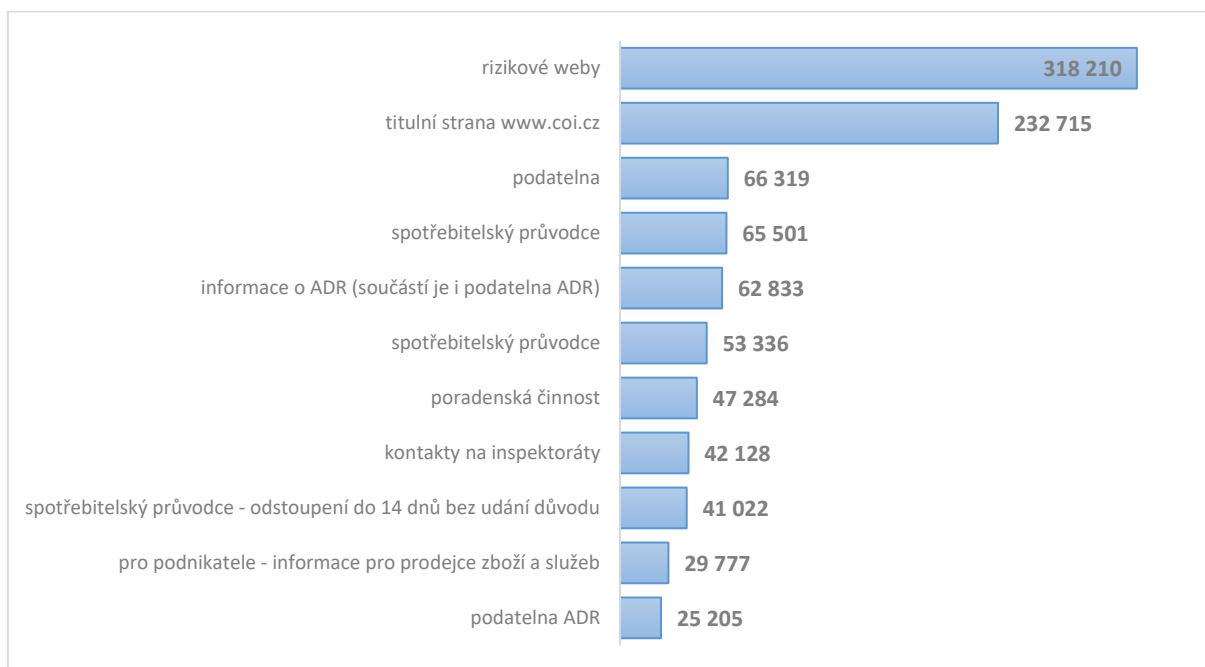
Media that turned to CTIA press department most frequently



Visits to the CTIA website

The www.coi.cz website was visited by 596,623 unique visitors in 2021 (34% year-on-year increase), who made 800,117 visits - some repeatedly (30% year-on-year increase).

Most frequently visited sites



The Czech Trade Inspection Authority regularly updates data on inspections carried out, fines imposed, bans, detected counterfeits, banned products and the focus of inspections in the form of open data. This data has been published on the website since 2013.

9.2 Communication with the public

Preventive educational activities

Despite the unfavourable situation associated with COVID-19 and the restrictive rules in force, several preventive education activities were implemented in 2021, especially for the elderly and students.

Most of the activities took place in the second half of the year and their overview and topics covered are presented in the table below.

Preventive educational activities in 2021

| | Number of lectures | Participants | Topic |
|---------------------------------------|--------------------|--------------|---------------------|
| Jihočeský and Vysočina Inspectorate | 1 | seniors | Consumer protection |
| Jihomoravský and Zlínský Inspectorate | 2 | consumers | Consumer rights |
| | 1 | vendors | Complaints |

| | | | |
|--|---|--|--|
| Ústecký and Liberecký Inspectorate | 1 | seniors | International Seniors' Day - presentation of CTIA's activities, consumer protection, information and assistance to seniors within an awareness-raising event |
| Plzeňský and Karlovarský Inspectorate | 1 | seniors | Senior Academy Karlovy Vary - inspection activities of the CTIA, |
| | 4 | seniors | safe consumer behaviour, |
| Královéhradecký and Pardubický Inspectorate | 5 | students – Pardubice University, study programme Economy policy and public administration with the focus on trade inspection | findings from inspection activities |
| | 1 | students - Secondary Industrial School of Electrical Engineering and Higher Vocational School Pardubice | Senior Academy Plzeň - dangers of sales promotions, energy resellers, |
| Department of Methods and Inspection Support | 1 | Professional public | consumer protection issues |
| | 1 | Professional public | Technical inspection within the scope of the CTIA; Consumer Protection Act; labelling of material composition of textile products; Act on the CTIA; Act on Inspection (Inspection Regulations); labelling of footwear with information on materials used in its main parts |
| Office of the Authority / Press Department | 1 | seniors | CTIA powers, supervisory powers; Consumer Protection Act; shopping on e-shops; complaints procedure |
| | 1 | students | Toys - lecture for economic operators on placing products in the market |

9.3 Queries pursuant to the Act on Free Access to Information

The agenda of the Communication Department also included answering queries submitted in compliance with the Act on Free Access to Information, the filing within the entire CTIA, publication of provided information on the website and their elaboration for the annual report of answering queries. In 2021, the CTIA filed and answered 125 complaints delivered in writing. The queries mainly related

to requests for information on CTIA inspections, results of particular administrative proceedings, information on inspection results in the time of the state of emergency and information about the inspections of personal protective equipment.

Queries submitted in compliance with the Act on Free Access to Information (ZSPI)

| CTIA Inspectorate | Number of requests for information | Decision on query refusal | Appeals lodged against decision | Appeals lodged according to Section 16a |
|--------------------------------|------------------------------------|---------------------------|---------------------------------|---|
| General Directorate | 44 | 0 | 0 | 2 |
| Středočeský and Prague | 16 | 4 | 0 | 0 |
| Jihočeský and Vysočina | 7 | 0 | 0 | 0 |
| Plzeňský and Karlovarský | 2 | 0 | 0 | 0 |
| Ústecký and Liberecký | 6 | 0 | 0 | 0 |
| Královéhradecký and Pardubický | 15 | 3 | 1 | 1 |
| Jihomoravský and Zlínský | 27 | 1 | 0 | 1 |
| Olomoucký and Moravskoslezský | 8 | 0 | 0 | 0 |
| Total | 125 | 8 | 1 | 4 |

Note: No. copy of the court's judgment was issued in 2021, nor were there any sanctions proceedings

Both complaints under Section 16a of the ZSPI submitted to the General Inspectorate of the CTIA related to the amount of the determined payment. The Appellate Authority dismissed both complaints and upheld the amount of reimbursement in both cases.

The complaint under Section 16a of the CTI submitted to the Královéhradecký and Pardubický Inspectorate of the CTIA, based in Hradec Králové, concerned the procedure for dealing with an information request. The Appellate Body confirmed that the obliged entity had acted in full compliance with the ZSPI when dealing with the request for information.

The complaint under Section 16a of the ZSPI submitted to the Jihomoravský and Zlínský Inspectorate, based in Brno, was dealt with under self-remedy. The complaint concerned the failure to comply with the statutory 15-day time limit for the provision of information. The information was subsequently provided in its entirety.

9.4 Complaints against the procedure of administrative body

Overview of complaints submitted against procedure of administrative body resolved by the General inspectorate

| CTIA Inspectorate | Justified complaint | Partly justified complaint | Unjustified complaint |
|--------------------------------|---------------------|----------------------------|-----------------------|
| Středočeský and Prague | 0 | 0 | 4 |
| Jihočeský and Vysočina | 0 | 0 | 0 |
| Plzeňský and Karlovarský | 0 | 0 | 1 |
| Ústecký and Liberecký | 1 | 0 | 2 |
| Královéhradecký and Pardubický | 1 | 0 | 4 |
| Jihomoravský and Zlínský | 0 | 0 | 2 |
| Olomoucký and Moravskoslezský | 0 | 0 | 4 |
| Total | 2 | 0 | 17 |

Overview of complaints submitted against procedure of administrative body resolved by Directors of inspectorates

| CTIA Inspectorate | Justified complaint | Partly justified complaint | Unjustified complaint |
|--------------------------------|---------------------|----------------------------|-----------------------|
| General Directorate | 0 | 3 | 14 |
| Středočeský and Prague | 3 | 5 | 14 |
| Jihočeský and Vysočina | 0 | 0 | 3 |
| Plzeňský and Karlovarský | 1 | 0 | 4 |
| Ústecký and Liberecký | 1 | 2 | 5 |
| Královéhradecký and Pardubický | 4 | 1 | 8 |
| Jihomoravský and Zlínský | 1 | 3 | 20 |
| Olomoucký and Moravskoslezský | 1 | 2 | 9 |
| Total | 11 | 16 | 77 |

Submissions received on the anticorruption line

| | |
|--------------------------|----|
| E-mail (fairplay@coi.cz) | 15 |
| Satisfaction mail box | 0 |

10. HUMAN RESOURCES

10.1 Use of wage funds

Analysis of employment and use of wage funds

Limit for wage funds amounting to CZK 213,923,404 was established in a list of obligatory factors (letter of the MIT, file number 1875/21/21300 from January 4, 2021:

- for wages of the established limit of 452 employees amounting to CZK 210,547,242 (average salary), including:
 - 22 employees under labour contract on positions under the Act No. 262/2006 Coll., Labour Code, amounting to CZK 9,307,942 (average salary CZK 35,257;
 - 426 employees under service contract according to the Act No. 234/2014 Coll. on Civil Service amounting to CZK 201,239,300 (average salary CZK 39,366);
- other personal expenses (payments for the work done) amounting to CZK 2,176,162;
- CZK 1,200,000 for compensation payments.

Use was as follows:

- By the amount of CZK **198,342,967** for wages of employees under service and labour contract at a civil servant work position within the recalculated number of employees 418.29. The real average paid wage was CZK 39,515 under the service contract.
- funds for salaries of staff under labour contracts of CZK 10,234 365, with an average recalculated staff of 22. The actual average monthly salary paid per employee under labour contract was CZK 38,767.

The funds for other personal expenses were used in the amount of CZK 2,242,242, severance pay was paid to 1 employee in the amount of CZK 60,493 in 2021, severance pay was paid to 4 civil servants in the amount of CZK 1,737,720.

An amount of CZK 949,680 was committed for vacant posts in 2021.

10.2 Education of employees

Education of employees was carried out in compliance with the Civil Servants Regulation of the Director General of the CTIA No. 2/2020.

Identification of educational needs is made by the manager according to the civil service evaluation of the state employee, requirements for execution of civil service by the state employee, and the impact of legislative changes on execution of employee's activities It is recorded in the employee's training plan for the applicable year.

Education was carried out both internally and externally.

Overview of educational events in 2021

- **Introductory initial education - 56 employees took part**
- **Follow-up initial education** – via an e-learning course; 17 state employees took part
- **Language education** - Based on the Czech Trade Inspection Authority's Service Regulation No. 5/2018/SP, establishing the level of foreign language proficiency and professional requirements for selected positions within the Czech Trade Inspection Authority, employees were provided with English language training in order to deepen and maintain their language skills; 95 employees attended the training.
- **Obligatory education** - ongoing training in occupational health and safety, fire protection and training of drivers. Driver training was conducted through e-learning and 138 civil servants were trained. All employees attended the e-learning course on Cyber Security, organised by the Institute for Public Administration Prague, as well as the e-learning course on GDPR.

26 civil servants passed the civil service exam in 2021.

- **Manager education** - How to communicate with the media, Seminar with judges of the Supreme Administrative Court - the field of labour and service law relations in case law and practice, Conflicts and their management, Coaching in public administration, Rhetoric and public speaking, Communication skills and the culture of public speaking, Application of the Administrative Code in ex officio proceedings, Burnout syndrome, Motivation of subordinates, Coaching for managers, New law on the liability for offences, Fundamentals of people management
- **Continuous education**
 - **External educational events were provided e.g. by** Institute for Public Administration, GORDIC spol. s r.o., Bova Polygon, Aliaves, MÚZO Praha, Anag, Seminária, Integra, Aktuální paragrafy JUDr. Chládek, OK systém

In accordance with their training plan for 2021, staff members attended professional courses and seminars organised by the above-mentioned training agencies and institutions in the following areas:

- **Human resources** - Human Resource Management, Executive Coaching, Official and Business Correspondence, Management in Public Administration, General English, English in the Office, Management Skills, Basic People Management, Burnout Syndrome, Crisis Management on Social Networks
- **Accounting in state administration** - Payroll accounting documents, Accounting for travel allowances in 2021, Issues of breaches of the law in accounting, Practical examples of accounting, Intensive accounting course, Inventory, Acquisition, recording, depreciation and disposal of assets, Changes in payroll, Sickness, pension and health

insurance in 2021 and 2022, Changes in income taxation in 2022, Extraordinary allowance - isolation, Detailed analysis of the balance sheet and profit and loss account

- **Legislature focused special seminars** - Standards and Legislation in Electrical Engineering, Guide to the Proper Performance of Obligations, Contract for Work, Electronic Legal Proceedings, Law on Social Networks, Law on Free Access to Information, Right to Information, Long Awaited Amendment to the Labour Code, Misdemeanour Law, Protection of Classified Information, Administration of the Public Procurement Act, Regulatory Law and Case Law, Case Law for Successful Practice, GDPR, Civil Service Act, Contract Law, Public Procurement - Tender Conditions, Civil Service Act, Selected Problematic Issues in Contract Law, Contract for Work, Misdemeanour Law in Case Law, Budget Rules, Small Scale Contracts - New Methodology, Course of Administrative Proceedings
- **Labour-law relations** - Personal data in HR and monitoring of employees after the introduction of the GDPR, Employment relations in public administration, Interview in the selection procedure under the Civil Service Act, Civil Service Act in relation to the Labour Code in practice, Impact of systematisation on the civil service,
- **IT technologies** - Czech POINT, Proper Use of PowerPoint, MS EXCEL, Internet Marketing, IP Environment Portal
- **Raising professional qualification** - Filing and archive service in analogue and electronic form, Unfair business practices, GINIS Standard, Filing service - the most common mistakes, Filing service in news and practice, News in electronic shredding, Data boxes, MS Word, Electronic documents, Misdemeanour proceedings - exam preparation, Cyber security, GINIS standard, GINIS standard electronic shredding, English in Official Practice, File Service for Practice, OK Base Attendance, OK Base Education Module, Inspection Rules and Related Case Law, OK Base Reports, Estimated Value and Division of the General Assembly, New Law on Liability for Offences - Basics of Liability for Offences, Correction of Defective Decisions, PAP - Examples, Correction of Defective Decisions, Safety of Machinery, MS Word - Working with Text Editor, 39. National Meeting of Electrical Engineers, Wood Construction and Fire Safety, Safe Operation of Equipment, Inspection, Field Investigation and Follow-up Administrative Proceedings, National Patent Database.
- **Internal educational events** - 315 employees, mostly inspectors, were trained in a seminar entitled Unfair Commercial Practices. 100 employees attended the seminar on Non-Conflict Communication

Records of training events are kept in the OK Base personnel information system.

In 2021, a total of CZK 1,852,838, of which CZK 1,080,938 was spent on courses and seminars with a professional focus, CZK 421,000 on internal professional development events, CZK 7,900 on driver training and CZK 343,000 on language training.

11. FINANCIAL RESOURCES MANAGEMENT

11.1 Information on income

Income for 2021 was set at 58,000 thousand CZK. This amount was exceeded by 4,401 thou. CZK, i.e. the total income amounted to 61,401 thousand, thus it was fulfilled by 107.6% of the final budget. This was slightly higher than in 2020, but didn't reach the usual height, which was due to the consequence of the still lasting COVID-19 pandemic and related government measures consisting especially in limitations for various business establishments that are normally under the surveillance of the CTIA.

Despite unfavourable circumstances beyond the inspection of the CTIA, the authority met its revenue targets and even slightly exceeded them.

The most significant item in the revenue part of the budget was the penalty payments received for fines imposed both in the form of fines imposed on the spot and orders and decisions issued in administrative proceedings (kept at inspectorates). The amount of fines received amounted to 56,882 thousand CZK, which was 150 thousand CZK more than in 2020 (CZK 56,732 thousand).

In 2021, 2,880 fines were assessed and 266 fines collected on the spot. Part of the fines assessed were handed over for enforcement to the customs office.

Other non-tax revenue was another important item of the revenue part of the budget, in particular revenue from reimbursement of the costs of proceedings within the meaning of Article 79(8) of the Administrative Code, revenue from reimbursement of re-invoiced costs of analyses of samples of products that did not meet the required quality and reimbursement of destroyed counterfeits in the amount of CZK 3,272 thousand. This represents an increase of CZK 848 thousand compared to 2020 (CZK 2,424 thousand).

Income from rental of assets amounted to CZK 219 thousand (it was CZK 323 thousand in 2020). Tax revenue amounted to CZK 15 thousand (in 2020 it was CZK 25 thousand).

Income from the sale of fixed assets amounted to CZK 277 thousand (in 2020 it was CZK 165 thousand).

In 2021, the reserve fund was budgeted through revenue of CZK 1,649 thousand. CZK.

Detailed information on revenue is provided in the tabular part of the financial management chapter (see Annex 1).

Special 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 2021, a special state budget revenue account was credited with the total amount of 56,859 thousand CZK, which consisted of fines imposed in administrative procedures (it was 56,665 thousand CZK in the previous year 2020). CTIA imposed the total of 2,880 fines in 2020 (inspections and fines paid on the spot are counted as 1 fine for the entire report sent to the General Inspectorate

of the CTIA. The total number of fines is therefore distorted or lower than the actual number. At the same time, the total number of fines does not include inspections or decisions that were appealed, and the proceedings is not concluded.

Out of that, on-the-spot orders amounted to 6,254 thousand CZK (in 2020 it was 6,562 thousand CZK), and 15 thousand CZK was collected for administrative fees (it was 25 thousand CZK in the previous year 2020).

The total receivables for the monitored year amounted to 50,865 thousand CZK (in was 65,444 thousand CZK in the year 2020). Receivables amounting to CZK 17,867 thousand were handed over for enforcement by customs authorities (it was CZK 15,348 thousand in the previous year 2020).

Further details are stated in the table „Income – special revenue account” (see Appendix No. 3)

11.2 Information on expenses

The expenses set in the approved budget were significantly lower than in 2019, especially in the area of material expenses. The approved expense budget for 2021 was set to the amount of 373,518 thousand CZK which was by 4,283 thousand CZK less than in 2020 (377,801 thousand CZK). Out of that, material expenses amounted to 78,538 thousand CZK (this was more by 3 477 thousand CZK more than in 2020 when they amounted to 75 061 thousand CZK) and investment expenses amounted to 8,750 thousand CZK (which was less by 1,050 thousand CZK than in 2020 when it was 9,800 thousand CZK). The final budget amounted to 486,111 thousand CZK (it was by 14 946 less than on 2020 when it amounted to 501,057 thousand CZK), while 380,419 thousand CZK, i.e. 78.25% of the final budget, was used (it was less by 8,392 thousand CZK than in 2020 when 388,811 thousand CZK was used

In 2021, the CTIA received a total of CZK 12,508 thousand for the organisation's reserve fund account. This was an advance payment for the activities of the ECC and the ADR for 2021 and a supplementary payment for the activities of the ECC in 2020. In 2021, the amount of CZK 1,789 thousand were used from the reserve fund.

Claims of unused expenses (CUE) were included in the budget in the amount of 112,048 thousand CZK (which was less by 10,633 thousand CZK than in 2020 when 122,681 thousand CZK were used). In total, 37609 thousand CZK were used from the CUE.

In 2021, funds were fixed on wages for unoccupied working positions. In total CZK 1,290 were returned to the state budget (incl. wages for state service employees RP 5023 amounted to 950 thousand).

In spending the budget appropriations, the CTIA follows the principles of economy, efficiency and effectiveness. When spending public funds in the context of public procurement, it emphasises quality with a view to optimising the achievement of objectives as well as the fulfilment of legal requirements for the inspection execution.

Wage funds were used in the amount of 208,577 thousand CZK (while in 2020 it was 215,830 thousand CZK). The modified budget for employees' salaries was set to 9,308 thousand CZK (it was 9,731 thousand CZK in 2020). After including CUE, the final budget amounted to 10,864 thousand CZK (it was 10,961 thousand CZK in 2020). The actual use for employees' salaries amounted to 10,234 thousand CZK (it was 10,605 thousand CZK in 2020).

The modified budget for salaries of state employees was set to 201,239 thousand CZK (in 2020, it was 202,656 thousand CZK). The final budget of state employees' salaries amounted 200,432 thousand CZK (it was 205,368 thousand CZK in 2020). The actual use for state employees' salaries amounted to 198,343 thousand CZK (in 2020 it amounted to 205,224 thousand CZK).

In 2021, there is a significant reduction in the volume of wages paid, despite the fact that from 1 January 2021 there was a government-mandated across-the-board increase in tariff wages. In RP 5011 (salaries of employees under the Labour Code), the CTIA had to reinforce this item at the expense of FP 5021 (OON - other personnel costs), otherwise it would not have been able to meet its obligations towards employees. The number of employees has not changed compared to 2020. The amount of incentive pay (remuneration) was significantly lower compared to previous years, despite the continued difficult working conditions related to COVID-19, the continued reduced number of employees related to the government-mandated staffing cuts in 2020, and the mandated relocation of the General Inspectorate of the CTIA and the Inspectorate for the Central Bohemia Region and the Capital City of Prague. For other payments for work carried out, the adjusted budget amounted to EUR 2,176 thousand (in 2020 it was CZK 2,176 thousand). In the course of the year, this RP was increased by NNV in the amount of CZK 312 thousand. CZK. Part of the appropriations from the NNV were used to reinforce RP 5011 from RP 5021. The reported implementation was CZK 2,242 thousand (in 2020 it was CZK 2,065 thousand).

Severance pay was paid in the amount of 60 thousand CZK (it was 163 thousand CZK in 2020).

Settlements amounted to 1,738 thousand CZK (in 2020, it was 431 thousand CZK)

The final budget of material expenses was set to the amount of 161,884 thousand CZK (in 2020, it was 154,900 thousand CZK). The actual use amounted to 75,770 thousand CZK (in 2020, it was 82,908 thousand CZK). The use of material expenses presented 46.81% of the final budget. In line with the national trend of austerity measures, the CTIA had only necessary expenses.

20.92% of the final budget was used for the purchase of property in total and material in total. The final budget amounted to 24,039 thousand CZK (in 2020, it was 18,230 thousand CZK), the actual use amounted to 5,028 thousand CZK. There was a major saving by 4,257 when compared to the year 2020 (11,986 thousand CZK) which was especially caused by the fact that furniture for regional inspectorates was purchased in previous years and the General Inspectorate didn't buy any new furniture because in 2021 it moved to fully equipped commercial premises. These saved funds will be needed for equipping the buildings in Gorazdova and Ditrichova Streets, in advance before moving.

Small long-term assets were purchased in the value of 2,286 thousand CZK (it was 8,984 thousand CZK in 2020). In particular, small appliances with a short service life were purchased - kettles, coffee makers. After the reconstruction of the second floor of the Inspectorate's headquarters in Brno was completed, the reconstructed premises were equipped with furniture. Furthermore, laptop bags for inspectors, portable printers and desktop scanners for inspectors were purchased. Furniture was retrofitted to a small extent in the inspectorates.

Of this, CZK 452 thousand was spent on the purchase of protective equipment in accordance with the internal regulations of the CTIA (in 2020 it was CZK 1,010 thousand), e.g. overalls, work boots and gloves, but mainly for protective equipment in connection with the COVID-19 pandemic, i.e. protective masks, respirators, goggles, gloves, disinfectants for employees, especially for inspectors in the field, but also for employees in offices.

A new budget line item, Medical Supplies, has been introduced in the budget to purchase COVID-19 antigen tests to comply with the Government Order on regular testing of staff. 330 000 was drawn from this budget line.

A total of CZK 103 000 was spent on books, teaching aids and printed material (it was CZK 151 thousand in 2020).

The **purchase of material not listed elsewhere** amounted to 1,851 thousand CZK. In 2020, it was 1,838 thousand CZK. This concerned mainly the purchase of office supplies and material (382 thousand CZK), material for company cars (65 thousand CZK), pattern books (167 thousand CZK), and also cleaning detergents, dishes, materials for maintenance of objects (303 thousand CZK), toners (458 thousand CZK), and IT material (314 thousand CZK).

Interests and other financial expenses in 2021 amounted to 0 CZK (it was 2,981 thousand CZK in 2020). This is interest on salary refunds from previous years' lawsuits that have been referred for resolution to the Office for Government Representation in Property Affairs. No new litigation has been implemented. Exchange rate losses amounted to CZK 0 (CZK 1 thousand in 2020) as almost no foreign missions were undertaken.

The **budget for the purchase of water, fuels and energy** was set to 9,311 thousand CZK (in 2020, it was 7,331 thousand CZK) out of which 3,837 thousand CZK was used (in 2020 it was 2,790 thousand CZK). 236 thousand CZK was spent on water (in 2020, it was 268 thousand CZK), 1,047 thousand CZK was spent on heat (in 2020, it was 1,114 thousand CZK), 436 thousand CZK was spent on gas (in 2020 it was 490 thousand CZK), and 978 thousand CZK was spent on electricity (in 2020, it was 918 thousand CZK). In view of the expected sharp rise in inflation in 2022 and the increase in energy prices on world markets, increased expenditure from this group of items will have to be taken into account for the following year.

Fuels and lubricants amounted to 1,139 thousand CZK in 2021 (it amounted to 1,149 thousand CZK in 2020). The saving is mainly due to the fact that the CTIA uses and consumes the pre-run data obtained in connection with the fuel samples taken as part of its inspection activities.

Purchase of services - the final budget for was used by 80.15%. The total amount of the modified budget was 45,607 thousand CZK (it was 49,031 thousand CZK in 2020), the final budget amounted to 73,092 thousand CZK (in 2020, it was 79,182 thousand CZK) and 58,582 thousand CZK was used (in 2020, it was 54,932 thousand CZK).

Postal services amounted to 728 thousand CZK (in 2020, it was 632 thousand CZK). Telecommunication and radio-communication services amounted to 2,817 thousand CZK (in 2020, it was 2,853 thousand CZK), out of which 152 thousand CZK were spent on landlines (in 2020, it was 214 thousand CZK), 1,109 thousand CZK on internet (in 2020, it was 1,204 thousand CZK), 1,415 thousand CZK on the services of mobile operators (it was 1,065 thousand CZK in 2020).

Money institution services - fleet insurance for 2021 and 2022 was paid in 2021. A total of EUR 1,211 thousand was used.

A total of CZK 1 658 thousand was spent on **rent** (in 2020 it was CZK 1,503 thousand). Since the relocation of the Central Inspectorate and the Inspectorate for the Central Bohemia Region and the Capital City of Prague to commercial premises, the CTIA has to pay for the lease of fibre optic cables between the buildings at Štěpánská 15 and the new headquarters, as well as the lease of conference

rooms for holding meetings, seminars and training sessions, as the CTIA does not have any meeting rooms in the Komerční banka building. The bulk of the rent is for commercial rent in Olomouc and Hradec Králové, where the regional inspectorates of the CTIA are located.

888 thousand CZK was paid for **consulting, advisory and legal services** (it was 591 thousand CZK in 2020). The highest amount (more than CZK 550 thousand) is the elaboration of security policies and the creation of a data model. In addition, legal consultations on public contracts were paid for.

In 2020, 1,573 thousand CZK was paid for **trainings and education of employees** (it was 888 thousand CZK in 2020). This concerned mainly the enhancement of professional qualification of inspectors and training of other professional employees in connection with legislative changes, foreign languages education in order to improve the workers' language skills, which are an elementary condition for a successful surveillance of the EU single market, including the cooperation with other surveillance authorities of the EU Member States. The number of trainings conducted was reduced compared to previous years due to COVID-19. Some trainings were conducted online, most were cancelled

In total 6,495 thousand CZK was spent for **data processing services and services associated with information technology and communication technology** (in 2020 it was 15,799 thousand CZK). This amount includes especially regularly outsourced support of SW (flat rates) and HW as well as other services and modifications of software. This also includes fees for Microsoft licenses, updates and technical support of both SW and HW (minor part of this item are regular payments for the EIS JASU information system, personal system OK BASE and the filing system GINIS). Another part are payments for the Mercurius SW, which is necessary for the execution of inspection activities, and regular payments for other SW used by the CTIA. All other IT related services, that the CTIA cannot carry out on its own, fall within this item. The budget item 5168 is the second highest expenditure within the CTIA budget (right after expenditures on fuels analysis). These services include both SW related services - ASSET, OKBASE, EIS JASU, Mercurius, GINIS, ASPI, VARONIS, SYMANTEC, AUDITPRO, WEBSITES, CARBON BLACK), services of programming work, updates and programme modifications, consultations concerning programmes.

Minor part of this item consisted of regular payments for the information system EIS JASU, HR system OKBase a filing service GINIS. Other part consisted of the payments for SW Mercurius, necessary for the execution of the inspection activities as well as regular payments for other SW used by the CTIA. All other IT related services fall within this chapter for which the CTIA is not capable to ensure within its own IT department. Budgetary items for the data elaboration services.

Budget items for data processing services are the second largest expenditure in the CTIA budget (after expenditure for fuel analysis).

This item also includes expenditure on the Certification Authority in the amount of 182 thousand CZK.

The purchase of **services not listed elsewhere** amounted to 43,149 thousand CZK (it was 32,885 thousand CZK in 2020). Out of that, there was 3,281 thousand CZK for employees' alimentation (it was 3,190 thousand CZK in 2020), 638 thousand CZK for cleaning (it was 835 thousand CZK in 2020), 403 thousand CZK for services of manufacturing and non-manufacturing character (it was 644 thousand CZK in 2020), 12 thousand CZK for destruction of counterfeits (it was 15 thousand CZK in 2020), 204 thousand CZK for data from media and electronic standards (it was 698 thousand CZK in 2020), 192 thousand CZK for health care (it was 186 thousand CZK in 2020), 189 thousand CZK for revisions of premises (it was 267 thousand CZK in 2020), 799 thousand CZK for waste removal (it was 771 thousand CZK in 2020). This item also included flat rates for services on the premises of Královéhradecký and

Pardubický Inspectorate. There were also 27,443 thousand CZK spent on payments for fuel samples analyses (it was 19,790 thousand CZK in 2020), 7,722 thousand CZK for payments for other analyses (It was 4,547 thousand CZK in 2020), 8 thousand CZK for fees for TV and radio, 16 thousand CZK for service of elevators (it was 37 thousand CZK in 2020), 34 thousand CZK for technical inspections of personal vehicles (it was 37 thousand CZK in 2020), 0 thousand CZK for other fees concerning CCS cards

For **other purchases**, the final budget amounted to 6,997 thousand CZK (it was 11,427 thousand CZK in 2020), and 5,253 thousand CZK was used (it was 5,260 thousand CZK in 2020).

1,161 thousand CZK in total was used for **repairs and maintenance of premises** (it was 1,469 thousand CZK in 2020).

Total expenditure on building maintenance from operating funds decreased, as a significant part of the expenditure on buildings is in the nature of investments and has been or will be implemented in the coming periods as part of investment expenditure. Repairs to the building at 15 Štěpánská Street were also not implemented, due to the relocation of the CTIA to a commercial building.

Repairs of machinery and devices, including IT, amounted to 11 thousand CZK (it was 23 thousand CZK in 2020).

Repairs and maintenance of company cars amounted to 1,047 thousand CZK (760 thousand CZK in 2020).

Approximately 291 thousand CZK was used for **software** (it was 56 thousand CZK in 2020). It was about putting the module of the attendance system in OKBase into operation. Most of programme equipment was performed as investments

The modified and final budget of **expenses for travelling** within the Czech Republic as well as abroad was set to 3,595 thousand CZK (it was 4,547 thousand CZK in 2020). The total use in 2021 amounted to 2,244 thousand CZK (it was 2,543 thousand CZK in 2020). This was especially for travelling within the Czech Republic for business trips to abroad were not carried out almost at all.

Expenses on **refreshment** used from 92.24% of the modified budget and 394 thousand CZK in total was used in 2021 (it was 378 thousand CZK in 2020). Gifts amounted to 7 thousand CZK in 2021 (it was 27 thousand CZK in 2020).

Conference participation fees were used in the amount of 72 thousand CZK. These were participants fees for the ADR and ECC.

Expenses associated with non-investment purchases amounted to 793 thousand CZK (it was 937 thousand CZK in 2020) and they used 56.95% of the modified budget. This concerns mainly payments for samples, which were compliant within inspections (427 thousand CZK) and also payments for fuel "withdrawals" (284 thousand CZK). Also „vouchers“ fall within this item (54 thousand CZK).

There were no paid **sanctions**.

Compensations for **legal proceedings** and witness's fees amounted to 134 thousand CZK (it was 508 thousand CZK in 2020). This amount covered compensations of legal proceedings concerning fines, compensations from lost legal-law legal disputes, and compensations of work injuries.

Tax and other fee payments amounted to 76 thousand CZK (it was 77 thousand CZK in 2020). This concerned mainly the purchase of domestic highway vignettes.

There were **no payments of sanctions to other budgets**.

Compensations of wages for the period of sickness amounted to 2,407 thousand CZK (it was 2,261 thousand CZK in 2020). The increase is obvious from the high morbidity in relation to the COVID-19 pandemic.

In 2022 and the following years, a significant increase in expenditure in both the operating and investment parts of the budget is to be expected, with increases in energy and fuel prices and high inflation, already approaching 6% at the end of 2021, being reflected in the prices of all goods and services.

More information can be found in the table “Budget of expenses in 2021” (see Appendix No. 2).

11.3 Information on assets

As of December 31, 2021, the total assets of the Czech Trade Inspection Authority included in the accounting record and expressed in purchase costs were 203,736 thousand CZK

The largest part is represented by buildings, with a total value of 49,900 thousand CZK, followed by individual movables and sets of movables (e.g. transportation vehicles multifunctional printers, servers, telephone switchboard units, etc.) in the total amount of 54,400 thousand CZK).

The total assets have been reduced by the building and land in Štěpánská 15, where - until May 2021 - the headquarters for the General Inspectorate of the CTIA and the Středočeský and Prague Inspectorate were located. This building was transferred to CzechInvest.

Further details are stated in the table “CTIA assets as of December 31, 2020” (see Appendix No. 4).

Tables concerning the report on financial management

Income as of 31 December, 2021

Annex No. 1

| Suc | Item | Auc | Description | Modified budget | Annual use | Use in % |
|-----|------|-------|--|-----------------|------------|----------|
| 222 | 1361 | | tax revenue | 0.00 | 15,200.00 | |
| | 1361 | total | | 0.00 | 15,200.00 | 0.00 % |
| 222 | 2111 | 1 | Incomes for provision of information | 0.00 | 37,305.00 | |
| | 2111 | total | | 0.00 | 37,305.00 | 0.00 % |
| 222 | 2132 | 0 | income for provided information | 300,000.00 | 218,869.09 | |
| | 2132 | total | | 300,000.00 | 218,869.09 | 72.95 % |
| 222 | 2141 | 0 | income from interest | 0.00 | 0.00 | |
| 222 | 2141 | total | income from interest | 0.00 | 0.00 | 0.00 % |
| | 21 | total | income from own activities and transfers of surplus of | 300,000.00 | 271,374.09 | 90.45 % |

| Suc | Item | Auc | Description | Modified budget | Annual use | Use in % |
|-----|------|-------|---|-----------------|---------------|----------|
| | | | organizations with a direct relation | | | |
| 222 | 2212 | 0 | accepted sanction payments – fines in administrative procedure | 55,000,000.00 | 56,205,318.93 | 102.91 % |
| 222 | 2212 | 1 | accepted sanction payments – fines in administrative procedure | 0.00 | 448,600.00 | 0.00 % |
| 222 | 2212 | 2 | accepted sanction payments – other sanctions | 0.00 | 32,617.25 | 0.00 % |
| 222 | 2212 | 9 | sanction payments – not listed fines in administrative procedure | 0.00 | 196,000.00 | 0.00 % |
| | 221 | total | sanction payments received from other subjects | 55,000,000.00 | 56,882,536.18 | 103.42 % |
| 222 | 2229 | 0 | income from the sale of non-investment assets | 0.00 | 0.00 | 0.00 % |
| 222 | 2310 | 0 | income from the sale of short-term and long-term assets | 0.00 | 0.00 | 0.00 % |
| | 2310 | total | received indemnities | 0.00 | 0.00 | 0.00 % |
| 222 | 2322 | 0 | received indemnities | 0.00 | 49,028.00 | 0.00 % |
| | 2322 | total | sanction payments received from other subjects | 0.00 | 49,028.00 | 0.00 % |
| 222 | 2324 | 0 | received non-capital contributions and compensation payments – previous years | 2,700,000.00 | 265,574.36 | 0.00 % |
| 222 | 2324 | 1 | received non-capital contributions and compensation payments – refunds for analyses | 0.00 | 2,539,826.43 | 0.00 % |
| 222 | 2324 | 2 | received non-capital contributions and compensation payments – management expense compensations - section 79 par. 8. Act No. 500/2004 Coll. | 0.00 | 235,900.00 | 0.00 % |
| 222 | 2324 | 3 | received non-capital contributions and compensation payments – damaged goods. stocked goods | 0.00 | 219,813.57 | 0.00 % |
| 222 | 2324 | 4 | received non-capital contributions and compensation payments – damages | 0.00 | 10,642.89 | 0.00 % |

| Suc | Item | Auc | Description | Modified budget | Annual use | Use in % |
|--------------|------|-------|---|----------------------|----------------------|-----------------|
| | 2324 | total | received non-capital contributions and compensation payments | 2,700,000.00 | 3,271,757.25, | 121.17 % |
| 222 | 2328 | 0 | non-identified income | 0.00 | 17,500.00 | 0.00 % |
| 222 | 2328 | 1 | non-identified income - account 3754 | 0.00 | - 17,500.00 | 0.00 % |
| | 2328 | total | non-identified income | 0.00 | 0.00 | 0.00 % |
| 222 | 2329 | 0 | other unclassified non-taxable income – securities | 0.00 | 0.00 | 0.00 % |
| 222 | 2329 | 3 | other unclassified non-taxable income – interest on late payments. court fees | 0.00 | 0.00 | 0.00 % |
| 222 | 2329 | 4 | other unclassified non-taxable income – not stated anywhere else | 0.00 | 118.00 | 0.00 % |
| | 2329 | total | other unclassified non-taxable income | 0.00 | 118.00 | 0.00 % |
| | 23 | total | income from the sale of non-capital assets and other non-taxable income | 2,700,000.00 | 3,320,903.25 | 122.99 % |
| 222 | 3113 | 1 | income from the sale of other long-term tangible assets | 0.00 | 276,550.00 | 0.00 % |
| | 3113 | total | income from the sale of other long-term tangible assets | 0.00 | 276,550.00 | 0.00 % |
| | 31 | total | capital income | 0.00 | 276,550.00 | 0.00 % |
| 222 | 4132 | 0 | transfers from other own funds - (cz-6015) | 0.00 | 0.00 | 0.00 % |
| | 4132 | total | transfers from other own funds | 0.00 | 0.00 | 0.00 % |
| 222 | 4135 | 1 | transfers from the state organizational sector (OSS) funds | 0.00 | 1,649,863.25 | 0.00 % |
| | 4135 | total | transfers from the OSS reserve funds | 0.00 | 1,649,863.25 | 0.00 % |
| | 41 | | non-investment received transfers | 0.00 | 1,649,863.25 | 0.00 % |
| Total | | | | 58,000,000,00 | 62,401,226.77 | 107.59 % |

Expenses in 2021

Annx No. 2

| Use as of 31 December 2021 | Approved budget in CZK | Budget as amended in CZK | Final budget in CZK | Overall utilization of budget in CZK | Utilization of modified budget in % | Utilization of final budget in % |
|--|------------------------|--------------------------|-----------------------|--------------------------------------|-------------------------------------|----------------------------------|
| Common expenses | | | | | | |
| 501+502 Employee salaries and other payments for performed work | 213,923,404.00 | 213,923,404.00 | 216,200,098.00 | 212,617,787.00 | 99.39% | 98.34% |
| from which 5011 Employee salaries | 9,307,942.00 | 9,307,942.00 | 9,307,942.00 | 8,678,693.00 | 93.24% | 93.24% |
| 5011 Salaries IK 2504601 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5011 Salaries IK 41 00000 | 0.00 | 0.00 | 1,555,672.00 | 1,555,672.00 | 0.00% | 100.00% |
| 5013 5013 Salaries of state employees | 201,239,300.00 | 201,239,300.00 | 200,289,620.00 | 198,200,114.00 | 98.49% | 98.96% |
| 5013 Salaries IK 41 00000 | 0.00 | 0.00 | 142,853.00 | 142,853.00 | 0.00% | 100.00% |
| 5021 Other personal expenses | 2,176,162.00 | 2,176,162.00 | 2,176,162.00 | 1,930,186.00 | 88.70% | 88.70% |
| 5021 Other personal expenses IK 41 00000 | 0.00 | 0.00 | 312,056.00 | 312,056.00 | 0.00% | 100.00% |
| 5021 Other personal expenses IK 2504606 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5024 Compensation payments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5024 Compensation payments IK 41 00000 | 0.00 | 0.00 | 60,493.00 | 60,493.00 | 0.00% | 100.00% |
| 5025 Settlement fees | 1,200,000.00 | 1,200,000.00 | 1,200,000.00 | 894,120.00 | 0.00% | 0.00% |
| 5025 Settlement fees IK 41 00000 | 0.00 | 0.00 | 1,155,300.00 | 843,600.00 | 0.00% | 73.02% |
| 5051 Refund of wages | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5051 Refund of wages IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 503 Mandatory insurance payments paid by the employer | 72,306,112.00 | 72,306,112.00 | 71,985,122.00 | 70,849,180.00 | 97.99% | 98.42% |
| From which 5031 Social security insurance payments | 53,053,005.00 | 53,053,005.00 | 52,817,486.00 | 51,937,257.00 | 97.90% | 98.33% |
| 5031 Social security insurance payments IK 2504606 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |

| Use as of 31 December 2021 | Approved budget in CZK | Budget as amended in CZK | Final budget in CZK | Overall utilization of budget in CZK | Utilization of modified budget in % | Utilization of final budget in % |
|--|------------------------|--------------------------|-----------------------|--------------------------------------|-------------------------------------|----------------------------------|
| 5031 Social security insurance payments IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5032 Health insurance payments | 19,253,107.00 | 19,253,107.00 | 19,167,636.00 | 18,911,923.00 | 98.23% | 98.67% |
| 5032 Health insurance payments IK 2504606 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5032 Health insurance payments IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 50 Total | 286,229,516.00 | 286,229,516.00 | 288,185,220.00 | 283,466,967.00 | 99.03% | 98.36% |
| 5042 Rewards for software use | 0.00 | 6,226,082.59 | 6,226,082.59 | 6,217,182.59 | 99.86% | 99.86% |
| 5042 Rewards for software use NNV | 0.00 | 0.00 | 1,325,074.45 | 1,134,925.55 | 0.00% | 85.65% |
| 9 | 7,188,000.00 | 2,889,263.54 | 24,039,064.44 | 5,027,806.33 | 174.02% | 20.92% |
| 5123 TA of intangible assets and small intangible assets | 0.00 | 6,190.00 | 6,190.00 | 6,190.00 | 100.00% | 100.00% |
| Incl. 5132 Protective equipment | 70,000.00 | 377,290.00 | 377,290.00 | 354,606.35 | 93.99% | 93.99% |
| 5132 Protective equipment IK 41 00000 | 0.00 | 0.00 | 103,000.00 | 97,306.00 | 0.00% | 94.47% |
| 5133 Medical material | 0.00 | 5,000.00 | 5,000.00 | 0.00 | 0.00% | 0.00% |
| 5133 Medical material IK 41 00000 | 0.00 | 0.00 | 332,000.00 | 329,745.00 | 0.00% | 99.32% |
| 5136 Books, teaching aids and printing | 200,000.00 | 139,139.00 | 139,139.00 | 99,836.00 | 71.75% | 71.75% |
| 5136 Books, teaching aids and printing IK 41 00000 | 0.00 | 0.00 | 5,000.00 | 3,085.00 | 0.00% | 61.70% |
| 5137 Small long-term tangible assets | 5,000,000.00 | 548,088.54 | 548,088.54 | 410,470.38 | 0.00% | 74.89% |
| 5137 Small long-term tangible assets IK 41 00000 | 0.00 | 0.00 | 20,073,510.90 | 1,875,417.90 | 0.00% | 9.34% |
| 5139 Purchase of material not listed elsewhere | 1,918,000.00 | 1,813,556.00 | 1,813,556.00 | 1,418,840.13 | 78.24% | 78.24% |
| 5139 Purchase of material not listed elsewhere IK 41 00000 | 0.00 | 0.00 | 636,290.00 | 432,309.57 | 0.00% | 67.94% |
| 514 - Interest and other financial expenses -5142 realized exchange rate losses | 103,000.00 | 30,000.00 | 30,000.00 | 159.10 | 0.53% | 0.53% |
| from which 5141 own interest | 56,000.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |

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|--|------------------------|--------------------------|----------------------|--------------------------------------|-------------------------------------|----------------------------------|
| 5141 - Own interest IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5142 realized exchange rate losses | 47,000.00 | 30,000.00 | 30,000.00 | 159.10 | 0.53% | 0.53% |
| 515 - Purchase of water, fuel and energy | 6,641,562.00 | 9,310,759.36 | 9,310,759.36 | 3,837,233.61 | 41.21% | 41.21% |
| from which 5151 Water | 907,952.00 | 870,226.47 | 870,226.47 | 235,797.18 | 27.10% | 27.10% |
| 5152 Steam | 1,979,208.00 | 2,859,399.00 | 2,859,399.00 | 1,047,329.01 | 36.63% | 36.63% |
| 5153 Gas | 666,468.00 | 822,181.89 | 822,181.89 | 436,238.66 | 53.06% | 53.06% |
| 5154 Electricity | 1,447,934.00 | 2,258,952.00 | 2,258,952.00 | 978,498.86 | 43.32% | 43.32% |
| 5156 Fuels and lubricants | 1,640,000.00 | 2,500,000.00 | 2,500,000.00 | 1,139,369.90 | 45.57% | 45.57% |
| 5157 Hot water | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 516 - Purchase of services | 46,556,680.00 | 45,607,528.23 | 73,091,982.38 | 58,232,310.69 | 127.68% | 79.67% |
| from which 5161 Postal services | 686,400.00 | 771,254.00 | 771,254.00 | 728,108.00 | 94.41% | 94.41% |
| 5162 Telecommunication services and radio communication services | 3,071,000.00 | 3,742,900.00 | 3,742,900.00 | 2,676,049.35 | 71.50% | 71.50% |
| 5162 Telecommunication services and radio communication services IK 41 00000 | 0.00 | 0.00 | 30,000.00 | 23,209.45 | 0.00% | 77.36% |
| 5162 Telecommunication services and radio communication services IK 2504606 | 0.00 | 0.00 | 118,229.10 | 118,229.10 | 0.00% | 100.00% |
| 5163 Services of financial institutions and insurance | 1,207,000.00 | 1,215,893.00 | 1,215,893.00 | 1,211,035.00 | 99.60% | 99.60% |
| 5164 Rental fees | 2,091,000.00 | 2,142,400.00 | 2,142,400.00 | 1,658,195.50 | 77.40% | 77.40% |
| 5166 Consulting, advisory and legal services | 1,372,000.00 | 459,460.00 | 459,460.00 | 268,924.00 | 58.53% | 58.53% |
| 5166 Consulting, advisory and legal services IK 41 00000 | 0.00 | 0.00 | 1,727,990.00 | 618,860.55 | 0.00% | 35.81% |
| 5167 Services, training and education | 3,329,280.00 | 2,350,000.00 | 2,350,000.00 | 1,573,127.63 | 66.94% | 66.94% |
| 5167 Services, training and education IK 2504606 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5167 Services, training and education IK 41 00000 | 0.00 | 0.00 | 73,532.00 | 62,907.90 | 0.00% | 85.55% |

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|--|------------------------|--------------------------|---------------------|--------------------------------------|-------------------------------------|----------------------------------|
| 5168 Data processing services | 8,400,000.00 | 4,482,462.41 | 4,482,462.41 | 2,932,395.87 | 65.42% | 65.42% |
| 5168 Data processing services IK 41 00000 | 0.00 | 0.00 | 6,904,925.55 | 3,562,367.68 | 0.00% | 51.59% |
| 5169 Purchase of services not listed elsewhere (alimentation, printing | 26,400,000.00 | 30,443,158.82 | 30,443,158.82 | 24,229,450.19 | 79.59% | 79.59% |
| 5169 Purchase of services not listed elsewhere IK 2504606 | 0.00 | 0.00 | 1,416,579.50 | 1,416,579.50 | 0.00% | 100.00% |
| 5169 Purchase of services not listed elsewhere IK 41 00000 | 0.00 | 0.00 | 17,213,198.00 | 17,152,870.97 | 0.00% | 99.65% |
| 517 - Other purchases | 10,006,358.00 | 5,262,868.28 | 6,997,278.97 | 5,253,348.28 | 99.82% | 75.08% |
| from which 5171 Repairs and maintenance | 4,900,000.00 | 1,123,366.28 | 1,123,366.28 | 983,213.10 | 87.52% | 87.52% |
| 5171 Repairs and maintenance IK 41 00000 | 0.00 | 0.00 | 1,361,754.00 | 1,268,511.40 | 0.00% | 93.15% |
| 5172 Software equipment | 0.00 | 173,510.00 | 173,510.00 | 59,000.00 | 0.00% | 0.00% |
| 5172 Software equipment IK 41 00000 | 0.00 | 0.00 | 232,436.04 | 232,078.00 | 0.00% | 0.00% |
| 5173 Travel expenses (domestic as well as abroad) | 4,591,058.00 | 3,480,192.00 | 3,480,192.00 | 2,129,038.51 | 61.18% | 61.18% |
| 5173 Travel expenses IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5173 Travel expenses IK 2504606 | 0.00 | 0.00 | 115,054.65 | 115,054.65 | 0.00% | 100.00% |
| 5175 Food and refreshments | 400,000.00 | 400,000.00 | 400,000.00 | 368,956.00 | 92.24% | 92.24% |
| 5175 Food and refreshments IK 41 00000 | 0.00 | 0.00 | 25,166.00 | 25,166.00 | 0.00% | 100.00% |
| 5176 Conference participation fees | 90,000.00 | 85,800.00 | 85,800.00 | 72,330.62 | 84.30% | 84.30% |
| 5179 Other purchases not stated elsewhere | 25,300.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 518 - Paid deposits | 0.00 | 610,000.00 | 610,000.00 | 0.00 | 0.00% | 0.00% |
| from which 5181 Deposits provided to inner organizational units | 0.00 | 310,000.00 | 310,000.00 | 0.00 | 0.00% | 0.00% |

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|---|------------------------|--------------------------|---------------------|--------------------------------------|-------------------------------------|----------------------------------|
| 5182 Deposits provided to own treasury | 0.00 | 200,000.00 | 200,000.00 | 0.00 | 0.00% | 0.00% |
| 5189 Deposits provided for VISA card | 0.00 | 100,000.00 | 100,000.00 | 0.00 | 0.00% | 0.00% |
| 519 Expenses associated with non-investment purchases | 2,237,000.00 | 2,047,346.50 | 2,282,915.50 | 935,701.41 | 45.70% | 40.99% |
| from which 5191 Paid sanction fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5192 Provided non-investment contributions and compensations | 400,000.00 | 624,350.00 | 624,350.00 | 135,543.00 | 21.71% | 21.71% |
| 5192 Compensations of court procedures IK 41 00000 | 0.00 | 0.00 | 233,135.00 | 0.00 | 0.00% | 0.00% |
| 5194 Material gifts | 30,000.00 | 30,000.00 | 30,000.00 | 6,818.00 | 0.00% | 22.73% |
| 5194 Material gifts IK 41 00000 | 0.00 | 0.00 | 2,434.00 | 0.00 | 0.00% | 0.00% |
| 5195 Payment for not employing persons with esp. serious health handicaps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5199 Expenses associated with unclassified non-investment purchases | 1,807,000.00 | 1,392,996.50 | 1,392,996.50 | 793,340.41 | 56.95% | 56.95% |
| 534 - Non-investment transfers deposited in own funds | 4,210,945.00 | 4,210,945.00 | 4,191,951.00 | 4,170,828.00 | 99.05% | 99.50% |
| from which 5342 Non-investment transfers FKSP | 4,210,945.00 | 4,210,945.00 | 4,191,951.00 | 4,170,828.00 | 99.05% | 99.50% |
| 5342 Non-investment transfers FKSP IK 2504606 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5342 Non-investment transfers FKSP IK 41 00000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5344 Non-investment transfers deposited in reserve funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5345 Non-investment transfers deposited | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |

| Use as of 31 December 2021 | Approved budget in CZK | Budget as amended in CZK | Final budget in CZK | Overall utilization of budget in CZK | Utilization of modified budget in % | Utilization of final budget in % |
|---|------------------------|--------------------------|-----------------------|--------------------------------------|-------------------------------------|----------------------------------|
| to own budget accounts | | | | | | |
| 5346 Transfers deposited into reserve fund | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 536 - Tax payments, fees, sanction payments | 95,000.00 | 253,217.50 | 42,122,212.83 | 76,500.00 | 30.21% | 0.18% |
| from which 5361 Purchase of revenue stamps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 5362 Tax and other fee payments | 95,000.00 | 85,764.00 | 85,764.00 | 76,500.00 | 89.20% | 89.20% |
| 5363 Sanctions and penalty payments to other budgets | 0.00 | 167,453.50 | 167,453.50 | 0.00 | 0.00% | 0.00% |
| 5363 Sanctions and penalty payments to other budgets IK 4100000 | 0.00 | 0.00 | 41,868,995.33 | 0.00 | 0.00% | 0.00% |
| 542 - Compensations paid to the population | 1,500,000.00 | 2,090,534.00 | 2,950,000.00 | 2,406,821.00 | 115.13% | 81.59% |
| from which 5424 Compensations of wages for the period of sickness | 1,500,000.00 | 1,640,534.00 | 1,640,534.00 | 1,640,534.00 | 100.00% | 100.00% |
| from which 5424 Compensations of wages for the period of sickness 4100000 | 0.00 | 0.00 | 859,466.00 | 766,287.00 | 0.00% | 89.16% |
| 5909 - Other expenses IISSP | 0.00 | 450,000.00 | 450,000.00 | 0.00 | 0.00% | 0.00% |
| Common expenses in total 5* | 364,768,061.00 | 364,768,061.00 | 461,362,541.52 | 370,759,783.56 | 101.64% | 80.36% |
| from which material expenses | 74,327,600.00 | 74,777,600.00 | 169,435,370.52 | 83,121,988.56 | 111.16% | 49.06% |
| Capital expenses | | | | | | |
| 6111 IK 11 00000 SW 122V193002065 | 0.00 | 157,000.00 | 157,000.00 | 156,090.00 | 99.42% | 99.42% |
| 6111 IK 11 00000 SW 122V193002067 | 0.00 | 209,770.00 | 209,770.00 | 0.00 | 0.00% | 0.00% |
| 6111 IK 41 00000 SW 122V193002067 | 0.00 | 0.00 | 153,230.00 | 0.00 | 0.00% | 0.00% |
| 6111 IK 41 00000 SW 122V193002064 | 0.00 | 0.00 | 1,612,810.00 | 0.00 | 0.00% | 0.00% |
| 6119 IK 11 00000 other purchase DNM 122V193002R01 | 3,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 6119 IK 41 00000 other purchase | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |

| Use as of 31 December 2021 | Approved budget in CZK | Budget as amended in CZK | Final budget in CZK | Overall utilization of budget in CZK | Utilization of modified budget in % | Utilization of final budget in % |
|--|------------------------|--------------------------|-----------------------|--------------------------------------|-------------------------------------|----------------------------------|
| DNM 122V193002R01 | | | | | | |
| 6121 IK 11 00000 Buildings, halls, construction sites 122V193002002 | 3,000,000.00 | 2,391,622.00 | 2,391,622.00 | 0.00 | 0.00% | 0.00% |
| 6121 IK 41 00000 Buildings, halls, construction sites 122V193002002 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 6121 IK 11 00000 Buildings, halls, construction sites 122V193002033 | 0.00 | 223,608.00 | 223,608.00 | 223,608.00 | 100.00% | 100.00% |
| 6121 IK 41 00000 Buildings, halls, construction sites 122V193002033 | 0.00 | 0.00 | 3,700,000.00 | 3,642,851.00 | 0.00% | 98.46% |
| 6121 IK 41 00000 Buildings, halls, construction sites 122V193002039 | 0.00 | 0.00 | 7,074,000.00 | 14,520.00 | 0.00% | 0.21% |
| 6121 IK 41 00000 Buildings, halls, construction sites 122V193002062 | 0.00 | 0.00 | 150,000.00 | 149,896.01 | 0.00% | 99.93% |
| 6122 IK 11 00000 Machines. devices and equipment 122V193002066 | 0.00 | 103,000.00 | 103,000.00 | 101,729.54 | 0.00% | 0.00% |
| 6122 IK 41 00000 Machines. devices and equipment 122V193002066 | 0.00 | 0.00 | 67,000.00 | 60,737.16 | 0.00% | 0.00% |
| 6123 IK 11 00000 Transportation vehicles 122V193002001 | 2,750,000.00 | 2,750,000.00 | 2,750,000.00 | 0.00 | 0.00% | 0.00% |
| 6123 IK 41 00000 Transportation vehicles 122V193002001 | 0.00 | 0.00 | 3,241,621.34 | 3,241,619.20 | 0.00% | 100.00% |
| 6125 IK 11 00000 HW 122V193002063 | 0.00 | 2,068,000.00 | 2,068,000.00 | 2,067,998.90 | 100.00% | 100.00% |
| 6125 IK 11 00000 HW 122V193002067 | 0.00 | 847,000.00 | 847,000.00 | 0.00 | 0.00% | 0.00% |
| 6909 Other capital expenses not stated elsewhere | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 6130 Lands | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| 6361 Transfer to reserve fund | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| Investment expenses in total | 8,750,000.00 | 8,750,000.00 | 24,748,661.34 | 9,659,049.81 | 110.39% | 39.03% |
| TOTAL | 373,518,061.00 | 373,518,061.00 | 486,111,202.86 | 380,418,833.37 | 101.85% | 78.26% |

Income 2021 – special revenue account (in CZK)

Annex No. 3

| | Drs | Crs | Balance |
|--|--------------|----------------|----------------------|
| Orders and decisions of administrative procedures | | | 50,865,605.00 |
| Orders collected on the spot | 6,253,800.00 | | ,6,253,800.00 |
| Administrative fees | 15,200.00 | | 15,200.00 |
| Expenses of proceedings transferred to the account 19- | | -13,000.00 | -13,000.00 |
| Fines handed over to customs authorities | | -17,866,600.00 | -17,866,600.00 |
| TOTAL | | | 39,255,005.00 |

CTIA assets as of 31 December, 2021

Annex No. 4

| Asset type | In thous. CZK |
|--|----------------|
| Software over 60 thousand CZK | 36,000 |
| Software up to 60 thousand CZK | 8,307 |
| Lands | 1,450 |
| Art | 130 |
| Buildings - 6 buildings and 3 garages | 49,900 |
| Individual movable assets and sets of items | 54,400 |
| Small long-term tangible assets up to 40 thousand CZK | 41,700 |
| Other small long-term assets kept on accounts of balance sheet | 11,625 |
| Incomplete long-term tangible assets | 442 |
| Long-term tangible assets intended for sale | 51 |
| Total | 204,005 |

CONTACTS

General Inspectorate – Czech Trade Inspection Authority

Štěpánská 44
110 00 Praha 1

☎ +420 296 366 360

Fax: +420 296 366 236

✉ e-filing service - www.coi.cz

CTIA inspectorate – Středočeský and Prague

Štěpánská 44
110 00 Praha 1

☎ +420 296 366 207

CTIA inspectorate – Jihočeský and Vysočina

Mánesova 3a
370 01 České Budějovice

☎ +420 387 722 338

CTIA inspectorate – Plzeňský and Karlovarský

Houškova 33
326 00 Plzeň

☎ +420 377 323 596

CTIA inspectorate – Ústecký and Liberecký

Prokopa Diviše 6
400 01 Ústí nad Labem

☎ +420 475 209 493

CTIA inspectorate – Královéhradecký and Pardubický

Jižní 2
500 03 Hradec Králové

☎ +420 495 057 170

CTIA inspectorate – Jihomoravský and Zlínský

Kapitána Jaroše 5
602 00 Brno

☎ +420 545 125 911

CTIA inspectorate – Olomoucký and Moravskoslezský

Provozní 1
722 00 Ostrava

☎ +420 554 818 211

Advisory line

☎ + 420 222 703 404

All inspectorates are available via the

✉ e-filing service on www.coi.cz