

Voluntary Report – Voluntary - Public Distribution

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Report Name: Czech Government Increased Agricultural Subsidies

Country: Czech Republic

Post: Prague

Report Category: Agricultural Situation, Agriculture in the Economy, National Plan, Policy and Program Announcements, Agriculture in the News, Livestock and Products, Dairy and Products, Wood Products

Prepared By: Jana Mikulasova

Approved By: Emily Scott

Report Highlights:

The Czech government approved an additional increase 4.3 billion CZK (\$174 million) in agricultural subsidies to mitigate the impact of the COVID-19 crisis on Czech farmers.

The Czech Ministry of Agriculture considers agricultural and food production strategic and seeks to maintain normal levels as much as possible. Minister of Agriculture, Miroslav Toman, requested from the Czech government additional funds that will increase the current budget of the subsidy programs of the Support and Guarantee Agricultural and Forestry Fund (PGRLF), as well as the Rural Development Program.

The Czech government approved the increase on March 26, 2020. The Rural Development Program budget will receive additional 3.3 billion CZK (\$133 million) and the PGRLF budget will increase by 1 billion CZK (\$40.4 million). The largest amount of 2.3 billion CZK will go to investments for agricultural companies, 600 million CZK will be used for improvement of animal welfare, and 400 million CZK will be used in forestry for purchasing of equipment (machinery) to fight the bark beetle outbreak.

One billion of Czech Crowns (\$40.4 million) will go to the Support and Guarantee Agricultural and Forestry Fund, which will be able to refund part of the prescribed interest from the agri- and forestry-businesses loans. Postponing of loans repayments will be also an available option for agricultural and forestry businesses and will be approved on case-by-case basis.

Attachments:

No Attachments.