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Report Highlights:

The Czech Republic is home to 10.7 million consumers and is a great market for companies looking to expand beyond traditional markets in western Europe to the emerging markets in the east. This Exporter Guide provides an economic and market overview of the Czech Republic, as well as practical tips for U.S. exporters for doing business. Although locally produced and EU-imported agricultural products dominate the Czech market, there are good opportunities for U.S. products, particularly for high end foodstuffs.

Market Fact Sheet: Czech Republic

Executive Summary

The Czech Republic is a good entry point for U.S. companies expanding beyond traditional markets in western Europe to the emerging markets in the east. As a European Union (EU) member, the Czech Republic complies with EU market entry regulations. In 2021, economic growth reached 3.3 percent. The Czech Republic is 30-40 percent self-sufficient in food production. Imports of agricultural and food products totaled \$11.6 billion. Top suppliers are Germany, Poland, Italy, and The Netherlands.

Agricultural Imports from the USA

In 2021 imports of agriculture and related products (HS chapters 01-24) from the United States totaled \$98 million, with consumer-oriented products accounting for \$73 million. Meat (especially beef) and meat products, dried nuts and fruits, chocolate snacks, coffee and cocoa, wine and spirits, and frozen fish are the most widely imported consumer-oriented products from the USA to the Czech Republic.

Food Processing Industry

The food and beverage industry in the Czech Republic accounts for 7 percent of GDP and for 8 percent of employment. In 2020, the 11,000 companies in the sector generated total sales of \$18 billion and employed 110,000 people throughout the country. The major sub-sectors are meat processing, dairy, and fodder production. Beverage production is dominated by beer brewing and the production of beer ingredients, particularly malt.

Food Service Industry (HRI)

The hospitality sector employs almost 200,000 people in more than 21,000 restaurants and 5,500 hotels. Although the industry was one of the sectors most severely impacted by the COVID-19 pandemic and is still struggling with a lack of workforce, it maintains its reputation as an appealing business for Czech entrepreneurs. The sector began to gradually recover in 2022, with some segments reaching pre-pandemic sales numbers.

Food Retail Industry

The industry profited from the closure of many foodservice outlets during the COVID-19 pandemic and its turnover for 2021 is forecast at \$20 billion. Whereas the total number of small independent groceries continues to decrease every year, large international chain retailers operate 1,600 stores and keep expanding. Internet retail remains the fastest growing channel. The market share of online shopping for food is 4.2 percent - close to the European average (4.4 percent). Although still limited to urban areas, online shopping for food has created a much more competitive market, challenging all major chain retailers to expand or to enhance consumers' shopping experience.

Quick Facts CY 2021

Imports of Agricultural Products from USA

\$98 million (TDM)

Imports of Consumer-Oriented Products from USA

\$73 million

List of Top 10 Sales Value Agri Products imported to the Czech Republic from the World

- | | |
|--------------|-----------------------|
| 1. Pork Meat | 2. Bread & Pastry |
| 3. Cheese | 4. Animal Feed Preps |
| 5. Chocolate | 6. Poultry |
| 7. Coffee | 8. Wine |
| 9. Beef | 10. Distilled Spirits |

Czech Republic Retail Brands (Companies)

- 1) Kaufland (Schwarz) 2) Albert (Ahold)
 3) Lidl (Schwarz) 4) Tesco (Tesco Plc)
 5) Penny Market (Rewe) 6) Coop
 7) Billa (Rewe) 8) Globus (Globus Holding)
 9) Makro Cash&Carry (Metro AG)

GDP/Population

Population (millions): 10.7
 GDP (billions USD): 261.2
 GDP per capita (USD): \$24.41
 2021 Economic Growth Rate: 3.3%
 2022 Economic Growth rate (estimate): 4%

Exchange rate

1 USD = 23.38 Czech Crown (11/15/2022, Czech National Bank)

Sources: Trade Data Monitor, Czech Statistical Office, Euromonitor Intl, Czech National Bank, Czech Ministry of Industry and Trade

SECTION I DETAILED MARKET OVERVIEW

The Czech Republic in a Nutshell

The Czech Republic is a small country in Central Europe, bordering Germany to the west, Poland to the north, Slovakia to the east and Austria to the south. Prague, the country's capital city with a population of 1.2 million, is in the center of the country, and is the major hub for institutions, trade, and culture.

The Czech Republic is a parliamentary democracy with one of the most advanced economies among Central and Eastern European countries (CEE) countries. An open investment climate is a key element of the economy. Located in the center of Europe, it is a gateway to both eastern and western markets, combining a skilled labor force, a good work ethic, and greater use of technology. It features a high degree of entrepreneurship, good conditions for doing business, and a high percentage of English-speaking population in urban areas.

Overall Business Climate

The Czech economy is medium-sized, open, and export-driven. It is highly integrated into global supply chains. As such it is heavily dependent on foreign demand, especially from the Eurozone. More than eighty percent of Czech exports go to other EU member states, particularly Germany. Similarly, top import suppliers' imports are Germany, Poland, and Slovakia. For the first time in 11 years, the Czech Republic reported a foreign trade deficit of almost CZK 1.46 billion (USD 62.4 million) in 2021. The deficit was mainly due to high oil and gas prices.

According to the latest economic outlook of the Czech National Bank, the Czech economy will grow by 4 percent in 2022. The economy continues to find ways to mitigate the cumulative negative impacts of the COVID-19 pandemic, from which it is still recovering, and the war in Ukraine. However, inflation grew significantly in the summer and early fall of 2022 reaching an unprecedented 18 percent in September. This inflation reflects domestic demand pressures and strong, ongoing growth in costs. The latter is due to escalating gas and electricity prices on international exchanges and persisting issues in global supply chains. The increase in energy prices on exchanges to exceptional highs was driven by persisting high uncertainty regarding future gas supplies from Russia, which continues its aggression in Ukraine and has stopped supplies to the EU through the Nord Stream 1 pipeline. The war is also reflected in a continued rise in food prices due to soaring prices of agricultural commodities fueled by increasing energy costs and by the role of Ukraine in global wheat production. An easing of growth in fuel prices in August and September 2022 reflected a correction in oil prices and a drop in margins and prices (especially of petrol) at refineries and filling stations.

The evolution of inflation in Q3 2022 signals the possibility of inflation peaking at a somewhat lower level than predicted by the Czech National Bank. A moderation of price growth will be fostered in the subsequent period by an easing of the dynamics of production costs, a decline in household purchasing power, and the stabilization effect of the previous monetary policy tightening helping to cool domestic demand. According to the forecast, the downward trend in inflation will become stronger in the next year due to the above-mentioned factors. It is expected to decrease to less than 10 percent in 2023 and to return to close to the 2 percent target over the monetary policy horizon, i.e., in the first half of 2024 (*Source: Czech National Bank*).

Given its high participation in global trade, the Czech economy is highly exposed to any global economic discrepancy or crisis. Tourism, hospitality, logistics, and automotive production, the most vulnerable sectors, are already seeing layoffs and shutdowns. As a result, economic difficulties will put more stress on the country's social security system, further deepened by an aging population.

Population and Key Demographic Trends

The Czech Republic has a population of about 10.7 million. In 2022, it took in about 300,000 Ukrainian refugees and together with the 200,000 Ukrainians permanently residing in the country before Russia's invasion of Ukraine, makes this nationality by far the largest minority group in the country. The scale and pace of this refugee influx is altering Czech demographics while compensating for the natural decrease in population

The Czech population is aging even more rapidly than in other European countries as the population of 20 to 39-year-olds declines. More than a quarter of the population in 2030 will be 65 years or older (it was 20.6 percent in 2021). Between 2009 and 2021, the number of households in the Czech Republic grew from 4.1 million to 4.5 million. This growth is largely due to the increase in one-person households. This most rapidly growing group of consumers is expected to increase demand for smaller portions, good price-for-the-value, and convenience food products.

The Czech Republic is characterized by wide population dispersion. Over 10 percent of the population is centered in Prague and the remaining majority of Czechs live within 30 minutes of other major commercial/industrial hubs (Brno, Plzen, and Ostrava).

The country is one of the most equal societies in Europe in terms of disposable income. However, there are significant differences among regions as well as industry sectors. The capital city of Prague tops the purchasing power rankings. Inhabitants of Prague have more than 30 percent above the national average for their spending and savings. However, it is still 13 percent below the European average. The two bordering districts of Prague-West and Prague-East also have above-average purchasing power, as does the Czech Republic's second largest city, Brno.

In general, demographic shifts such as the long-term trend of moving to urban areas and an increasingly aging population are reshaping general consumer lifestyle and purchasing decisions.

Table 1: Advantages and Challenges for U.S. Exporters on the Czech Market

| Advantages (strengths and market opportunities) | Challenges (weaknesses and competitive threats) |
|--|--|
| The Czech Republic is an important gateway for doing business in Central and Eastern Europe markets. | Local importers prefer to do business with small orders and the growing trend of single-portion packaged food. Many U.S. exporters prefer to manufacture/export larger quantities. |
| One of the largest markets in Eastern Europe. | Czechs are price-sensitive consumers. Due to extra transportation costs and import tariffs U.S. exporters face strong competition from suppliers from other EU member states. |
| Change in food consumption habits towards new trends, particularly among younger generations and in tourist areas. | General lack of U.S. brand awareness requires a long-term business plan and investment in market promotions. |
| Developed distribution system, highly integrated with Germany. | Conservative consumers demanding local and low-price products. |
| Growing segment of consumers seeking out high quality rather than just low-price products and services, particularly in major urban areas. | Czech language labelling requirements. |
| Growing demand for high quality pet food, Czechs rank first in number of pets per capita in the EU. | U.S. products may suffer from negative perceptions linked to fast food and unhealthiness. |
| As a landlocked country with climate limits, it needs to import products like seafood, tropical fruits and nuts, red wine etc. | |

SECTION II EXPORTER BUSINESS TIPS

Local Business Customs and Trends

Most, particularly younger, people in large cities comfortably speak and write in very good English and have a high level of education (Masters or bachelor’s degree). They are out-going, open-minded, and like traveling internationally.

Although doing business does not require formal ‘wining & dining,’ most Czechs like “to take their time” to get familiar with a business partner and their company’s products. Face-to-face contact is very important for developing and maintaining a long-term business relationship. Czechs do not like to be pushed into an immediate purchase or a binding decision at the first introductory meeting. They also typically prefer to get the job done during regular working hours since a healthy ‘work-life’ balance trend is increasingly important.

The Czech market offers good opportunities for U.S. exporters of selected products for the local food processing and food service industries as well as consumer-oriented products. Local food retailers, foodservice companies, and wholesalers usually do not buy directly from the United States. Instead, they work with

specialized local or even more often foreign (German, Dutch) traders. These traders look for long-term partnerships rather than a one-off business transaction.

The Czech Republic has a developed distribution system for food and beverage segments. A good market entry strategy is to find and support a strong Czech partner or distributor. The Czech Republic is geographically small with most decision-makers concentrated in the capital city of Prague. An agent or distributor based in Prague can offer good coverage for the entire country, and in many cases for the Slovak market as well. In most cases targeted marketing campaigns are highly recommended when promoting a new consumer product.

Most Czechs are cost-conscious shoppers. A visible shift in the consumer market, including food, towards prestigious name brands over low-cost competitors, has been recently slowed down by the current global economic uncertainty and the unprecedented inflation rate. As a result, price remains the major purchasing factor for most Czech consumers, although awareness of quality, health benefits, and food safety issues is increasing.

The VAT rate is currently 15 percent on all food products, except products classified as essential for child nutrition (reduced to ten percent).

SECTION III IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Most Czech food legislation is harmonized at the EU level. Complete information on EU import rules for food products may be found at:

<https://www.usda-eu.org/trade-with-the-eu/eu-import-rules/>

Where EU regulatory harmonization is not yet complete or absent, imported products must meet existing Czech legal requirements.

See the latest Food and Agricultural Import Regulations and Standards (FAIRS) GAIN reports -

The Czech Republic, which can be found on the USDA GAIN database <https://gain.fas.usda.gov/#/search>.

Harmonized certificates and information related to trade with commodities that are subject to veterinary controls are available on-line at the website of the State Veterinary Administration: <https://en.svscr.cz/trade-with-vet-commodities/general-information/>

SECTION IV MARKET SECTOR STRUCTURE AND TRENDS

Key Developments in the Food Industry

Growing Interest in Authenticity

Consumers in cities, particularly Millennials, seem to be willing to spend more on authentic, novelty, and/or sustainable products. They like to discover the story behind the product or the food service provider and to subsequently share their impressions and experience on social media.

New Marketing Channels

As Czech consumers are looking for relevant information on novel food products, cooking tips, new shopping and dining experiences, and unusual food combinations, up-to-date marketing approaches play a crucial role. Although traditional media are still important, particularly among older and rural populations, social media is the main source of information for younger generations. This new trend is apparent when following social media stories posted by young people. Followers are no longer impressed by new smart phones, but rather by unusual travel experiences, unique home-made or local cuisine tips, rediscovered cooking ingredients, or “hidden” food service gems.

Retail

The Czech food & grocery retail market (all food products, both packaged and unpackaged, all beverages, tobacco, household products) had total revenues of \$29.8 billion in 2020, representing a compound annual growth rate (CAGR) of 4.7% between 2016 and 2020. The food segment was the market's most lucrative in 2020, with total revenues of \$18.3 billion, equivalent to 61.5% of the market's overall value. The value of the Czech food and groceries market grew by 5.9% in 2020, because of the COVID-19 pandemic, with increased demand driven by precautionary buying and a spending shift from foodservice channels.

In general, consumers' shopping behavior was significantly influenced by the pandemic. People went grocery shopping less frequently and consolidated their shopping lists into larger purchases. Major retail chains, including discounters, continue to invest in modernizing and up-to-date technologies such as installation of self-service pick-up boxes, time saving scanning of shopping baskets, or new mobile applications.

All leading food retailers in the Czech Republic are part of large German or British retail groups. The top three companies (*Schwarz Group, Rewe, Ahold*) have a 59 percent market share. With a revenue of \$2.5 billion, *Kaufland* (Germany) was the biggest player in the grocery retail segment in 2020. After growing its revenues by \$370 million in 2020, *Lidl* (German) became the country's second biggest grocery retailer and one of the leading discounters.

The Czech Republic is experiencing an internet retail boom, including online shopping for all food categories. The trend began in 2017 and was strengthened by the COVID-19 pandemic. Grocery and food service delivery are the most popular business, challenging companies to focus on innovation and a customer-care approach. For this reason, establishing an online presence through food and drink e-commerce is the priority for discounters, one of the most dynamic grocery retailing channels.

E-Commerce

E-commerce retail continues to gain in popularity and its share of retail sales is 15 percent, the largest of all Central European countries. The online purchasing share of all food sales retail value is 4.2 percent, which is close to the European average (4.4 percent).

The largest Czech online food retailer *rohlik.cz* reached EUR 490 million in sales from May 2021-April 2022, which is a 53 percent year-over-year increase. The company started in 2014 and most retail experts did not believe it would succeed as the Czech market was seen as too small to keep such a business concept profitable. However, not only has the company been reporting 50-70 percent sales increases each year since its founding, but it has also started to expand into other EU countries. This includes Hungarian *kifli.hu* launched in December 2019, *gurkerl.at* in Austria in 2020, and *knuspr.de* in Munich and Frankfurt, Germany (launched in 2021). The company is about to expand into Italy, Romania, and Spain. Currently, *rohlik.cz* has about 1 million active customers and in 2021 joined the [List of Unicorn Companies](#) (a global list of startup companies with a valuation of over \$1 billion). It is the first and sole Czech company on this list.

Private Labels

Older consumers, particularly in smaller towns or rural areas, remain extremely price-sensitive, with many actively seeking out discounts and special offers when shopping for food. Seniors are the main target for advertising flyers regularly issued by key retailers. Retail chains in the Czech Republic have recognized the growing importance of private labels, which have become a very important communication and competition tool. In the past, customers used to purchase these products primarily for their low cost. However, all retailers recently modified their marketing strategies to change the image of private labels which are increasingly perceived as good price-value bargains even for less price-concerned shoppers.

Food Service Industry

All food service industries were hard hit by the COVID-19 pandemic, with many businesses having to either reduce staff or remain closed for almost 2 years. This was especially apparent in tourism-focused cities such as Prague. While pre-COVID revenues have not yet been fully reached, the Czech Association of Hotels and Restaurants considers the 2022 summer season to be the point when occupancies began to revive. For example, the 54 percent of average occupancies at four-star hotels in Prague during January-September 2022 is a solid number, even when compared to 78 percent for the same period in 2019. Additionally, the average room price (EUR 95) at this lodging segment has already reached the 2019 value. The industry is currently struggling with the lack of a professional workforce, as many chefs and waiters decided to change careers to decrease employment uncertainty during the long pandemic period. Nevertheless, the sector keeps its reputation as an appealing startup business opportunity for Czech entrepreneurs and 2022 finally launched a gradual comeback to pre-pandemic numbers, in terms of revenue, occupancy, and other factors.

Pet Food Industry

Czechs are on the top of the list of the number of household pets per capita in the EU and the pet food market is growing. As disposable incomes rise, pet owners look for well-being products and are willing to spend more for higher quality products. This trend, together with a growing pet-owner population, will drive an increase in sales of pet products. Specialized pet shops are the largest distributor of pet food, followed by hypermarkets. Internet retail has recently become a popular channel for pet care products, extending a very competitive landscape in this sector.

Conservative Versus Modern Taste

Traditional Czech cuisine contains a lot of protein, saturated fat, and carbohydrates, e.g., pork, dumplings, and thick gravies. The changing lifestyle of Czech consumers has led to increased interest in functional and healthier food, including more fresh fruit and vegetables, poultry, fish, wholegrain bakery products, cereals, and rice. This lifestyle development is typical for urban and younger (particularly Millennials) populations. TV cooking shows are very popular and contribute to eating pattern changes while making Czechs more open-minded when it comes to experimenting with food and trying new tastes.

Food Processing Industry

Food and beverage production is an important industry accounting for 7 percent of the GDP. The most important subsectors include meat, dairy, and milling/bakery ingredients. For the beverage industry, ingredients for brewing beer are top products.

SECTION V. AGRICULTURAL and FOOD IMPORTS

Agricultural & Food Import Statistics

Although locally produced and EU-imported agricultural products dominate the Czech market, there are good opportunities for U.S. products, particularly at the upper end of the market.

In 2021 the total value of U.S. exports to the Czech Republic was USD 5.2 billion. Agricultural products accounted for 1.9 percent or USD 98 million of these exports-

Many products imported to the Czech Republic are transshipped from other EU countries, particularly from the Netherlands and Germany. This means many products imported to the Czech Republic are not included in U.S. - Czech export statistics since the first point of entry into the EU is most likely the port of Rotterdam or Hamburg.

Food preparations, nuts, beef, and hops are all examples of transshipped agri-food products that are increasing in availability on the Czech market. Please refer to the Table 3 for top U.S. agricultural products exported to the Czech Republic in 2021 in terms of the sales value. The table also indicates the percentage increase/decrease of the exports between 2021 and 2022 (January-October period).

Czech consumers have discovered the tastiness of chilled high-quality U.S. beef which has become a very promising prospective U.S. product for the Czech market. After the temporary decline of sales in 2020 caused by the COVID-19 pandemic, growing sales numbers were reported in 2021 and 2022, both in USD and amount (weight) values.

Table 2: Exports/Imports of Beef to the Czech Republic (HS code: 0201)
Unit: Sales Value (USD thousands)

| | 2018 | 2019 | 2020 | 2021 | 2022 (Estimate based on Jan-Aug 2022 data) |
|----------------------------|---------|---------|---------|---------|---|
| Total Exports | 52,700 | 54,403 | 55,703 | 58,147 | 77,000 |
| Total Imports | 186,000 | 181,872 | 155,900 | 189,000 | 216,000 |
| Imports from the US | 2,572 | 2,403 | 1,587 | 2,719 | 3,900 |
| Exchange Rates | 21.941 | 22.165 | 20.754 | 21.417 | 23.38 |

Source: Czech Statistical Office; Bureau of Fiscal Service, U.S. Department of the Treasury

Table 3: Top 20 U.S. Products Exported to the Czech Republic in 2021 (Sales Value, USD)

| HS Code | Description | | | | January-October | | |
|--------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|
| | | 2019 | 2020 | 2021 | 2021 | 2022 | %Δ 2022/21 |
| 01-24 | Agri Sectors Total | 85,689,267 | 94,883,044 | 97,722,037 | 79,894,576 | 84,892,927 | 6.26 |
| 210690 | food preparations nesoi | 7,668,880 | 12,057,284 | 15,756,270 | 12,796,585 | 12,948,283 | 1.19 |
| 080212 | almonds, fresh or dried, shelled | 16,535,470 | 17,738,955 | 14,639,449 | 12,762,978 | 9,077,543 | -28.88 |
| 230910 | dog and cat food, put up for retail sale | 6,610,339 | 6,595,097 | 6,618,420 | 5,195,561 | 5,202,141 | 0.13 |
| 080251 | pistachios, in shell, fresh or dried | 3,557,041 | 3,943,156 | 6,109,451 | 4,833,135 | 7,111,355 | 47.14 |
| 210610 | protein concentrates and textured protein substances | 2,919,979 | 9,385,002 | 4,863,962 | 3,484,176 | 3,336,471 | -4.24 |
| 220830 | whiskies | 6,393,184 | 3,606,469 | 3,683,750 | 3,017,443 | 3,677,380 | 21.87 |
| 020130 | meat of bovine animals, boneless, fresh or chilled | 1,836,144 | 1,172,698 | 2,179,351 | 1,647,417 | 2,904,350 | 76.3 |
| 230990 | animal feed preparations (mixed feeds, etc.) | 1,620,451 | 1,343,358 | 1,635,076 | 1,296,927 | 2,516,673 | 94.05 |
| 071420 | sweet potatoes, fresh or dried, whether or not sliced or in the form of pellets | 1,113,615 | 1,244,289 | 1,622,333 | 1,543,525 | 1,207,931 | -21.74 |
| 200893 | cranberries | 1,696,235 | 1,445,731 | 1,424,696 | 1,288,825 | 959,120 | -25.58 |
| 121020 | hop cones, ground, powdered or in the form of pellets; lupulin | 609,947 | 726,188 | 1,208,774 | 1,018,872 | 3,313,755 | 225.24 |
| 130219 | vegetable saps and extracts, nesoi | 895,603 | 549,254 | 1,170,919 | 792,765 | 1,862,238 | 134.9 |
| 081110 | strawberries, frozen | 0 | 0 | 985,896 | 769,111 | 1,057,031 | 37.44 |
| 200811 | peanuts (ground-nuts), prepared or preserved, nesoi, including peanut butter | 667,937 | 764,479 | 978,628 | 576,773 | 558,894 | -3.1 |
| 220421 | wine of fresh grapes (other than sparkling wine) | 495,576 | 580,378 | 879,140 | 811,894 | 1,430,050 | 76.14 |
| 080232 | walnuts, fresh or dried, shelled | 80,347 | 544,691 | 850,835 | 834,548 | 1,490,453 | 78.59 |
| 100630 | rice, semi-milled or wholly milled, whether or not polished or glazed | 581,070 | 927,270 | 836,842 | 318,871 | 587,433 | 84.22 |
| 151620 | vegetable fats and oils and their fractions, not further prepared | 842,436 | 767,584 | 652,938 | 425,149 | 1,645,806 | 287.11 |
| 210390 | saucés and preparations therefor, nesoi; mixed condiments and mixed seasonings | 600,854 | 568,484 | 603,483 | 485,833 | 527,701 | 8.62 |
| 080252 | pistachios, shelled, fresh or dried | 1,039,582 | 1,166,982 | 538,080 | 362,179 | 1,119,342 | 209.06 |
| 180690 | cocoa preparations, not in bulk form, nesoi | 74,483 | 245,769 | 470,298 | 423,482 | 839,492 | 98.24 |

 Source: www.tradedatamonitor.com, www.czso.cz

Table 4: Food Imports – Prospects for U.S. Exporters

| Product Category/ HS Code | Total Czech Imports 2021 million \$USD | Czech Imports from the U.S. 2021 million \$USD | Market Attractiveness for U.S. Exporters |
|--|---|---|---|
| Tree Nuts & Dried Fruit/ 08, 2008 | 1,116 | 31.0 | Most tree nuts are used as ingredients by the food processing sector with almonds being the most important commodity within this category. |
| Edible Preparations/ 21 | 1,021 | 22.3 | The demand for special food preparations, such as protein concentrates, sauces, mixed seasonings, coffee & tea extracts/concentrates, baking powders, powdered soft drink mixes etc., is growing. |
| Fish and Seafood/ 03 | 315.4 | 13.4 | Despite preferring any meat to fish/seafood, Czech consumers enjoy U.S. fish products, particularly Alaska salmon or pollock. |
| Pet Food/ 2309 | 515.2 | 8.5 | About 46 percent of Czech households keep a dog or a cat, increasingly viewing them as family members. The country tops the list in number of pets per capita in the EU. Pet population growth and the pet humanization trend are driving sales of high-quality products. The demand for quality pet food is rising and most pet food ingredients are imported. |
| Wine & Spirits/ 2204, 2208 | 473.6 | 6.3 | The U.S. is a mainstay in the bourbon market and is seeing its share of wine growing as the popularity of California wines expands. |
| Beef Chilled/ 0201 | 188.9 | 2.7 | Despite a slight decrease in total beef consumption, the demand still outpaces local production. Czech consumers have discovered the tastiness of high-quality U.S. beef which has become a promising product mainly for high-end restaurants and grill houses. |
| Hop Pellets/ 1210 | 15.7 | 1.2 | Czechs have one of the highest per capita beer consumption levels in the world, at 129 liters in 2021. Although both Czech beer and hops are major export commodities, niche market opportunities for U.S. exports exist. This is mainly due to the growing popularity of local microbreweries and craft beer. Whereas twenty years ago 55 percent of all beer was consumed in hotels/pubs/restaurants (off-trade), nowadays 75 percent of the total beer consumption is purchased at shops (on-trade). |

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

Links of potential interest to U.S. food and beverage exporters are listed below:

| | |
|---|---|
| Foreign Agricultural Service Prague | https://cz.usembassy.gov/embassy/government-agencies/foreign-agricultural-service/ |
| Foreign Agricultural Service Washington | http://www.fas-usda.gov |
| USDA/FAS/Europe | http://www.fas-europe.org |
| U.S. Mission to the European Union | http://www.usda-eu.org |
| European Importer Directory | http://www.american-foods.org/ |

One tip for U.S. exporters is to approach the governmental trade promotion agency, [CzechTrade](#), that offers a business partner search assistance.

Please view our [Country](#) website for more information on exporting U.S. food and beverage products to the Czech Republic and Slovakia, including market and product “briefs” available on specific topics of interest to U.S. exporters. If you have questions or comments regarding this report, or need assistance exporting to the Czech Republic, please contact the U.S. Foreign Agricultural Service Office in Prague at the following address:

Foreign Agricultural Service
 U.S. Embassy Prague
 Trziste 15, 11801 Prague
 Tel: (420) 257 022 393; E-Mail: AgPrague@fas.usda.gov
 Homepage: www.fas-europe.org

Attachments:

No Attachments.