The regional gap in GDP per capita increased in the Czech Republic over the last sixteen years. Over the period 2000-16, GDP per capita in Prague increased by 55%, 18 percentage points more than in Northwest, the poorest region of Czech Republic. The gap increased significantly up to 2008, remaining stable until 2014, and starting to increase again afterwards. Regional economic disparities in the Czech republic are in line with the OECD average.

With productivity growth of 2.5% per year over the period 2000-16, Moravia-Silesia slightly outperformed the growth of Prague. However, Moravia-Silesia still has the highest youth unemployment rate in the country (10.9% in 2017), although youth unemployment has fallen significantly since 2012 and is now below the OECD average. More generally, regional disparities in terms of productivity levels remains large in the Czech Republic, with productivity in Prague being 80% higher than in the Northwest region.

### Economic trends in regions

#### Regional gap in GDP per capita, 2000-16

- **Highest region:** Prague
  - 63,467 USD
- **Czech Republic:**
  - 31,913 USD
- **Lowest region:** Northwest
  - 22,018 USD

#### Index of regional disparity in GDP per capita, 2016

- **Top 20% richest over bottom 20% poorest regions**
  - Ratio

### Productivity trends, most and least dynamic regions, 2000-16

- **Prague:**
  - Highest productivity in 2016 (+2.4% average annual growth over 2000-16)
- **Moravia-Silesia:**
  - Highest productivity growth (+2.5% annually)
- **Northwest:**
  - Lowest productivity growth (+1.7% annually)

### Youth unemployment rate, 15-24 years old, 2007-17

- **Highest rate:** Moravia-Silesia
  - 10.9%
- **Czech Republic**
  - 7.9%
- **Lowest rate:** Prague
  - 3.7%

Source: OECD Regional Database.

Notes: (1) Figure on regional gap in GDP per capita: OECD regions refer to the administrative tier of subnational government (large regions, Territorial Level 2); the Czech Republic is composed of 8 large regions. (2) Figure on index of regional disparity: top (bottom) 20% regions are defined as those with the highest (lowest) GDP per capita until the equivalent of 20% of national population is reached, this indicator provides a harmonised measure to rank OECD countries, using data for small regions (Territorial Level 3) when available. (3) Productivity is measured as GDP per employee at place of work in constant prices, constant Purchasing Power Parities (reference year 2010).
Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 402 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

All Czech regions – except for the region Northwest – rank among the top 20% of the OECD regions in education (share of labour force with at least a secondary degree), with Prague being in the top 5%. The country shows large regional disparities in health, jobs and community, for the latter the Czech Republic has the third largest regional gap among OECD countries.

The top performing Czech regions fare better than the OECD median region in six out of the thirteen indicators: perceived social support network, employment and unemployment rates, broadband access, homicide rate and share of labour force with at least a secondary degree.

Source: OECD Regional Database. Visualisation: https://www.oecdregionalwellbeing.org

Notes: (1) OECD regions refer to the first administrative tier of subnational government (large regions, Territorial Level 2); Czech Republic is composed of 8 large regions. (2) Household income per capita data are based on USD constant PPP, constant prices (year 2010).
In the Czech Republic, **51% of the population lives in cities** of more than 50,000 inhabitants. The share of population in cities with more than 50,000 people is **34%** compared to **55%** in the OECD area.

Metropolitan areas in Czech Republic account for **45%** of national **GDP** and **38%** of **employment**. Between 2000 and 2016 they generated **52%** of the national **GDP growth**.

In terms of **GDP per capita**, **Prague** is in the richest quarter of 327 OECD metropolitan areas. **Air pollution** in Ostrava is among the highest 20% of OECD metropolitan areas.

**Source:** OECD Metropolitan Database. Number of cities: 15 in Czech Republic and 1138 in the OECD.

*Note: Cities are defined here as functional urban areas, which are composed by high-density urban centres of at least 50,000 people and their areas of influence (commuting zone). For more information, see: [http://www.oecd.org/cfe/regional-policy/functionalurbanareasbycountry.htm](http://www.oecd.org/cfe/regional-policy/functionalurbanareasbycountry.htm).*
Subnational government expenditure by function
As a share of total subnational government expenditure, 2016

Czech Republic
- Education: 28%
- Other: 22%
- Economic affairs: 19%
- Health: 13%
- General public services: 11%
- Social protection: 7%

OECD average
- Education: 25%
- Other: 15%
- Economic affairs: 14%
- Health: 18%
- General public services: 14%
- Social protection: 14%

Subnational expenditure per capita: USD 3,536 USD 6,817

Subnational government expenditure amounts to USD 3,536 per capita in the Czech Republic compared to an OECD average of USD 6,817. In the Czech Republic, this is equivalent to 25.8% of total public expenditure and to 10.2% of GDP. In comparison, across the OECD, subnational government expenditure accounts for 40.4% of total public expenditure and for 16.2% of GDP. Education and other functions (housing and community amenities, recreation, culture and religion; environment; public order and safety) are the two largest spending items for subnational governments in the Czech Republic. Together, they represent 50% of subnational expenditure compared to 40% in the OECD area.

In the Czech Republic, 41.2% of the total public investment was carried out by subnational governments compared to an OECD average of 56.9%.

Role of subnational governments in public investment
Subnational government public investment per capita, 2016

Czech Republic
- Total public investment: USD 1,107 per capita 3.2% of GDP
- Subnational government investment: USD 456 per capita 41.2% of public invest.

OECD average
- Total public investment: USD 1,278 per capita 3.0% of GDP
- Subnational government investment: USD 727 per capita 56.9% of public invest.

Source: OECD Subnational Government Structure and Finance Database.
Note: The function 'Other' includes housing and community amenities, recreation, culture and religion; environment; public order and safety.

OECD Regions and Cities at a Glance 2018

The 2018 edition of OECD Regions and Cities at a Glance shows how regions and cities contribute to national growth and the well-being of societies. It updates its regular set of region-by-region indicators, examining a wide range of policies and trends and identifying those regions that are outperforming or lagging behind in their country.

Consult this publication on line: [https://oe.cd/pub/2n9](https://oe.cd/pub/2n9)