

EU2022.CZ, ECONOMY, POLICY AND STRATEGY

 For your notes

J. Síkela: Companies will receive compensation

Wednesday, August 31 | ČIANEWS

Industry and Trade Minister Jozef Síkela (STAN) is preparing a compensation programme for companies in the manufacturing industry. Minister Síkela announced this after the government meeting, adding that he plans to present the aid proposal, which should draw up to CZK 28bn from the state budget, to the cabinet in September. Companies with operating losses caused by energy prices should be eligible for support. Compensation should amount to up to 30% of eligible costs for ordinary companies, up to 50% for energy-intensive companies and up to 70% for particularly energy-intensive operations. The maximum amount of aid should be EUR 2 million. The Ministry of Industry and Trade will also declare an emergency in the heating sector from September 5. This will allow heating plants to use fuels other than natural gas and they can already start supplying themselves with coal, light fuel oils and other fuels. ■

SP: Govt must deal with energy prices, firms face threat

 Tuesday, August 30 | ČIANEWS | [Information Source](#)

The government must resolve the impact of energy prices on companies as soon as possible, according to the Confederation of Industry and Transport (SP). SP is taking action at all levels and urges the adoption of emergency measures. In meetings with the Ministry of Industry and Trade in particular, the SP repeatedly stresses that the year-on-year increases in electricity and gas prices threaten competitiveness and, unless adequate measures are taken, the existence of European and Czech industry. The confederation is also continuing its work to reduce the risks associated with gas supply. This includes amending the Energy Act and relevant decrees. ■

HK supports energy capping; 20% companies to lay off

 Wednesday, August 31 | ČIANEWS | [Information Source](#)

Nearly one-fifth of firms will cut staff by the end of the year. Rising input and energy prices are leading them to do so. The President of the Chamber of Commerce (HK), Vladimír Dlouhý, pointed out that up to 27% of companies with over 500 employees will proceed to layoffs, according to the association's survey. These will be mainly companies in the construction and manufacturing industries. The prices are mainly affecting energy-intensive industries such as bakeries, glassworks and metallurgical plants. He added that new contracts with energy suppliers are sometimes already beyond the financial means of companies. According to HK, price capping is now necessary, preferably at European level. However, the government should prepare its own backup solution. According to the Chamber, the introduction of a special tax on extraordinary profits would ultimately only increase inflation. ■

1st task for commissioner is to support energy industry from RRF

 Wednesday, August 31 | ČIANEWS | [Information Source](#)

Prime Minister Petr Fiala's (ODS) government established at its session on August 31, 2022 a new position of Government Commissioner for Strengthening Resilience and Modernising the Economy. The government appointed the former director of the CzechInvest agency, Tomáš Hruša, to the post. His first task will be to prepare documents for the government's decision on the possible use of a loan for the modernisation of the domestic energy sector from the European Recovery and Resilience Facility (RRF) and to coordinate the use of money from European sources. ■

Regions calls for dealing with energy crisis at EU level

 Friday, August 26 | ČIANEWS | [Information Source](#)

The Association of Regions calls on the government to initiate negotiations on the solution of energy price regulation at the level of the European Union. The Association sees the solution in the Spanish approach of regulation and setting affordable prices for production on the side of the so-called last MW producers, which are gas and coal-fired power plants. The difference above this level will be covered by the state, which should retroactively tax these producers' profits with a special tax. The Association sees as a necessary step the purchase of minority shares in ČEZ by the state up to 100%, which would enable the Czech Republic to implement a number of measures more efficiently. ■

Regions propose cap on energy prices for institutions

 Saturday, August 27 | ČIANEWS | [Information Source](#)

The Association of Regions proposes to cap energy prices for public administration and companies. Pardubice Region governor Martin Netolický (ČSSD) provided the information after the association's meeting. The current prices of up to CZK 20,000 per megawatt-hour are unaffordable. According to the proposal of the association, which was presented by its chairman Martin Kuba (ODS), there should be a state trader towards the public administration, which runs schools, hospitals, social care institutions and other key institutions in the field of state infrastructure. It should supply them with a pre-defined volume of electricity at a set price. The meeting between the Czech Prime Minister and the German Chancellor is to be crucial with regard to energy prices. According to M. Netolický, the current steps by the Ministry of Industry and Trade are incomprehensible and do not come quickly. ■

NKÚ: CR's debt grew the fastest, had fewest unemployed

Monday, August 29 | ČIANEWS | [Information Source](#)

In its opinion on the draft state final accounts of the Czech Republic for 2021, the Supreme Audit Office (NKÚ) notes that the Czech Republic was the fastest-growing country in the European Union last year. The budget deficit of almost CZK 420bn surpassed by CZK 52bn the worst result up to that point from 2020. The share of public debt in relation to GDP increased by 4.2 pp year-on-year. The Czech Republic ranked among the countries with the lowest rate of economic growth, when its GDP grew by 3.3 % y/y. Only Slovakia and Germany reported lower GDP growth. On the other hand, the Czech Republic records the lowest unemployment rate in the EU, at 2.8 %. ■

Gartner: CIOs of multinationals should address digital geopolitics

Wednesday, August 31 | ČIANEWS | [Information Source](#)

A total of 70% of multinational companies will reassess their country operations by 2026 in order to reduce their geopolitical vulnerability. Furthermore, a survey by information technology consultancy Gartner found that 41% of boards of directors consider geopolitical power shifts and upheavals to be one of the biggest risks with a potential impact on corporate performance. In the context of these challenges, CIOs (Chief Information Officers), especially in multinational organisations, should embrace the topic of digital geopolitics. ■

VRP: MF's August macro-prediction is optimistic

Tuesday, August 30 | ČIANEWS | [Information Source](#)

Even if energy prices retreat from their current historical highs, their levels are likely to hamper economic performance in Europe more intensely and for longer than previously expected. This was stated by Pavel Sobišek, Chief Economist at UniCredit Bank and Chairman of the Committee on Budgetary Forecasts (CBR). The Committee described the August macroeconomic forecast of the Ministry of Finance (MF) for 2022-2023 as optimistic in terms of the likelihood of its fulfilment. The majority of the committee members saw risks mainly in household consumption, which could slow down even further against the assumptions of the forecast, and in fixed capital formation in the business sector or inventory formation. The forecast for general government revenue was assessed as realistic. ■

Grafton: 78 % of employees happy with work from home

Monday, August 29 | ČIANEWS | [Information Source](#)

78 % of employees are satisfied with working from home. Roughly 39 % can no longer imagine their work without this option. As the main advantage of a home office, they most often mention saving time and money, almost 50 % of respondents also state that, thanks to working from home, they are better able to take care of the household. This follows from a survey by the staffing agency Grafton Recruitment (Grafton) in 25 countries, with the fact that, on the other hand, the disadvantages include the absence of social contact and also a greater tendency to procrastinate (41 %). The hybrid way of working is becoming the standard especially in IT, business services, media, creative professions, telemedicine and education. ■

Kiwi: No. of foreign tourists in CR up 2.5x

Saturday, August 27 | ČIANEWS | [Information Source](#)

During the summer holidays of 2022, the number of foreign tourists in the Czech Republic increased by an average of 2.5 times year-on-year, even surpassing the pre-pandemic level by 91%. This is according to Kiwi.com data. Average domestic ticket prices are down by almost 20% compared to 2019. Compared to last year, they are up 41%. Almost half of tourists spent less than three days in the Czech Republic (46%), while another third extended their stay to six days (30%). Customer Experience Director at Kiwi.com Eliška Řezníček said that Europeans, Americans and Chinese are the most frequent visitors to the Czech Republic. ■

Savills: Warehouse cost growth in Prague contradicts trend

Tuesday, August 30 | ČIANEWS | [Information Source](#)

Warehousing costs in Prague have increased by 35.8% y/y. The increase is a result of the extremely low vacancy rate, which is still around a historic low (Q2 2022: 1.4%). The supply of vacant warehouse space in the city has been extremely limited for a long time and demand is high. The fact that Prague has become a nearshoring hub for many European companies is also influencing the increase in rents. The consultancy company Savills CZ informed that the trend in the world is completely out of line. Globally, these costs have increased by 8.4% on average, in Europe by 6.7% and in the USA by 20.1%. ■

LEGISLATION AND REGULATION

Government approves anti-bureaucratic package

Wednesday, August 31 | ČIANEWS | [Information Source](#)

The government supported the anti-bureaucratic package of Minister for Legislation Michal Šalomoun (for the Pirates). The package of 20 measures aims to simplify the life of entrepreneurs, traders and citizens and reduce the number of redundant and obstructive measures. This is the first series of measures, which will be followed by other anti-bureaucratic packages. M. Šalomoun said that the inspiration came from neighbouring Slovakia, where the fifth package of simplification measures has already been prepared. He added that although the government's priority is to solve the energy crisis, it is also necessary to address the bureaucratic burden. ■

For your notes

EC president refused to suspend trading with allowances

Wednesday, August 31 | ČIANEWS

European Commission (EC) President Ursula von der Leyen has rejected Polish Prime Minister Mateusz Morawiecki's proposal to suspend the CO2 emissions trading scheme, arguing that it contributes only 6% to the overall price of energy. She stated that the real driver of energy prices is gas, mainly Russian gas, the price of which has increased by 580% y/y, while the price of emission allowances has increased by 58%. The EC President also announced that the aim is to work on a long-term structural reform of the electricity market. ■

Ministers support guarantees for war-affected exporters

Wednesday, August 31 | ČIANEWS | [Information Source](#)

The government supported the draft amendment to the law on insurance and financing of exports with state support and approved the amendment to the law on the Supreme Audit Office. The norms are to allow for greater liquidity support for companies affected by the impact of Russian aggression on Ukraine in the form of subsidised state guarantees for investment loans or working capital loans through the Export Guarantee and Insurance Corporation (EGAP). The amendment is to ensure that loan guarantees under the conditions that applied due to the Covid-19 pandemic can be used in other emergencies by government decision. ■

MZe: Farmers will be able to sow empty fields per EC exemption

Friday, August 26 | ČIANEWS | [Information Source](#)

Agriculture Minister Zdeněk Nekula (KDU-ČSL) has decided to adopt two exemptions that allow the sowing of fields that would otherwise have to lie fallow for ecological reasons in 2023. Farmers will also not have to grow a different crop on one plot of land than in the previous year. The exemptions have been prepared by the European Commission (EC) for 2023 to help farmers facing soaring input prices. The minister said the EU had not yet approved the Czech Republic's draft Strategic Plan for the Common Agricultural Policy. Thanks to the exemptions, farmers will also have time to plan their farming and sowing practices in the longer term, the Czech Agriculture Ministry informed. ■

ÚOHS: EC adjusted reference and discount calculation rate to 6.95%

Tuesday, August 30 | ČIANEWS | [Information Source](#)

The European Commission (EC) has adjusted the base rate for calculating the reference and discount rates in the Czech Republic. The new base rate is 6.95% as of September 2022. The Office for the Protection of Competition (ÚOHS) informed that these rates are used as a substitute for the market rate to calculate the grant equivalent of aid. They are also used to check compliance with the de minimis rule and block exemption regulations. ■

SUBSIDIES, INVESTMENTS, EU MARKET

MPSV: ČR 4th in EU with CZK 177bn to help citizens

Monday, August 29 | ČIANEWS | [Information Source](#)

The Ministry of Labor and Social Affairs of the Czech Republic (MPSV) has allocated CZK 177bn to help citizens deal with the current crisis caused by Russian aggression in Ukraine. This was stated by Minister Marian Jurečka (KDU-ČSL), who said that the Czech Republic is in 4th place within the EU in terms of providing support. In connection with rising housing costs, in addition to the energy tariff, people can also apply for housing allowance online. For example, a family of four with two small children living in rented accommodation in a regional town can receive up to CZK 19,273. A single mother can get CZK 18,813. ■

STAN advocates CZK 28bn for companies in line with EU

Wednesday, August 31 | ČIANEWS | [Information Source](#)

In response to the failure of the energy market and the possible escalation of problems that the rise in energy prices could cause, STAN has presented a series of measures that it wants to promote within the government. These include an increase in the energy-saving tariff for households from CZK 4,000 to CZK 10,000. The government will also provide assistance to companies and entrepreneurs, as well as setting up a state energy trader. Supporting households would require a total of CZK 54bn. STAN proposes to invest around CZK 28bn in support for companies, thanks to the activation of the so-called temporary framework, which, in accordance with EU rules, allows for assistance to companies facing the effects of war. ■

EGAP insured agro export for CZK 26bn, recently Bernard

Saturday, August 27 | ČIANEWS | [Information Source](#)

In the 30 years of its existence, the Export Guarantee and Insurance Corporation (EGAP) has supported the export of domestic food and agricultural enterprises for more than CZK 26bn. Most recently, it insured brewery Pivovar Bernard's supplies to Georgia. With the help of the export insurance company, Czech companies have built five breweries abroad. So far, EGAP has guaranteed Czech exports to 130 countries worldwide exceeding CZK 1bn. The Turkish Alpaslan 2 power plant project completed last year, worth USD 600m, represents the largest Czech investment in Turkey since 1989 and the largest Czech post-1989 investment in hydropower. ■

ŠKODA invests EUR 6.3bn in e-mobility and digitalisation

Wednesday, August 31 | ČIANEWS | [Information Source](#)

ŠKODA AUTO is investing a further EUR 5.6bn in electromobility and EUR 700m in digitalisation over the next five years. The carmaker revealed its plans as part of its Next Level - ŠKODA Strategy 2030, which includes a new brand identity, design language, logo and a change in corporate identity. It will launch three pure electric models by 2026. Others will follow. One of the new models will be based on the Vision 7S study. The share of pure electric cars in ŠKODA's European sales is set to rise to more than 70% by 2030. ■

For your notes

Genesis Capital, Integral Venture Partners acquire BORCAD

Tuesday, August 30 | ČIANEWS | [Information Source](#)

Genesis Private Equity Fund IV (GPEF IV), the newest fund of the Genesis Capital group, and Evolving Europe Principal Investments I (EEPI I), a private equity and growth fund of Integral Venture Partners, have jointly acquired 100% of BORCAD cz. The latter is a European manufacturer of rail technology, offering a range of products for car interiors. It has produced nearly 500,000 seats over 30 years. It employs 250 people. Genesis Capital Equity sees the investment as an opportunity to realise the growth potential in this sector. This is the first investment in the Czech Republic for Integral Venture Partners. The transaction will be completed by mid-September. ■

PET Baltija acquires Czech Tesil Fibres

Tuesday, August 30 | ČIANEWS | [Information Source](#)

PET Baltija has bought 100% of Tesil Fibres from Silon. The Latvian company expects to increase its turnover by more than 50% from the acquisition. Tesil Fibres, which is based in Plana nad Lužnicí, supplies its products primarily to the European market for entities operating in the automotive, textile, drugstore and furniture industries. In 2021, it achieved a turnover of EUR 27m. PET Baltija is engaged in the recycling of polyethylene terephthalate in the Northern European market. It belongs to the Eco Baltia Group, whose unaudited revenue for 2021 was EUR 150m. ■

SŽ to receive CZK 3bn from SFDI, also for RRF EU projects

Tuesday, August 30 | ČIANEWS | [Information Source](#)

The Committee of the State Fund for Transport Infrastructure (SFDI) has approved an increase in the budget of the Railway Administration (SŽ) by more than CZK 3bn. Subsidies for investment construction will increase by CZK 2.761bn to CZK 40.475bn. The funds for ensuring the operability of lines will also increase. The original CZK 14.385bn will increase by another CZK 650m. SŽ will use this money to continue the works covered by the EU's Recovery and Resilience Facility (RRF). Part of the newly allocated money will also be used to deal with the consequences of unexpected events. ■

Colliers: Commercial property investment to top EUR 9bn

Tuesday, August 30 | ČIANEWS | [Information Source](#)

Commercial real estate investment volumes in CEE will reach a full-year volume of between EUR 9.0bn and EUR 10.0bn by the end of 2022. Colliers' regional director Kevin Turpin said that in H1 2022 alone, investments amounted to around EUR 5.3bn, up 8.5% y/y. Poland accounted for 56% of the result, followed by the Czech Republic at 16% and Hungary at 12%. Investors remain cautious given geopolitical and economic sentiment and increased costs. Domestic capital from CEE was the most active in H1 with a 40% share of total volumes. Czech (20% of intra-regional volumes) and Hungarian capital (11%) were the drivers. ■

PKP Cargo: Income up by 20 %, eastern flows weaker

Monday, August 29 | ČIANEWS | [Information Source](#)

PKP Cargo reported revenues from contracts with customers in the amount of PLN 2.45bn for 1H 2022. This represents an increase of 20 % y/y. EBITDA increased by 64 % to PLN 371.5m. EBITDA reached PLN 219.1m in 2Q 2022 alone. PKP Cargo trains transported 51 million tons of cargo, which is almost 2.5 million tons more than a year ago. Black coal (25.5 million tons) and aggregates and building materials (10 million tons) predominate in transport. Chairman of the board Dariusz Seliga said the group's activity was affected by the war in Ukraine, when sanctions against Russia and Belarus reduced the flow of goods from the east. ■

IROP to support ambulance bases, equipment with CZK 1.8bn

Wednesday, August 31 | ČIANEWS | [Information Source](#)

The Integrated Regional Operational Programme (IROP) 2021-2027, administered by the Ministry for Regional Development (MMR), will support the activities of regional ambulance services with an amount exceeding CZK 1.8bn. The aim is also to reduce energy dependence on external supply of emergency bases, to build specialised workplaces and education and training centres or to increase the capacity of information and communication technologies of the Integrated Rescue System. More than CZK 933 m is available in Call No 12, intended for less developed regions. In Call No 13 for the so-called transition regions, the allocation exceeds CZK 932m. ■

JHM introduced first of 37 Škoda trains for CZK 6.7bn

Monday, August 29 | ČIANEWS | [Information Source](#)

The South Moravian Region (JHM) presented the first of a total of 37 new trains it purchased from Škoda Group. Electric railway units will leave Brno for the first time in autumn 2022. The financial volume of the entire project is CZK 6.65bn excluding VAT. The region will draw a subsidy for it from the EU Transport Operational Program in the amount of CZK 5.5bn. The trains are equipped with the European ETCS security system. JHM Governor Jan Grolich (KDU-ČSL) said that the region is the first region in the Czech Republic that bought its own trains. They will replace old sets that have often been in service for over 50 years. ■

ZLK and TUB to support doctoral students, migration of experts

Wednesday, August 31 | ČIANEWS | [Information Source](#)

The Zlín Region (ZLK) and the Tomáš Bata University in Zlín (UTB) want to deepen their cooperation. It will primarily focus on supporting doctoral and postdoctoral students or the migration of experts from the Czech Republic and abroad to the region. The partnership should also strengthen in the area of research and development of research infrastructure, preparation of new and innovation of existing study programs. ■

For your notes

Halla earned CZK 245m; share of exports exceeded 72%

Monday, August 29 | ČIANEWS | [Information Source](#)

The manufacturer and innovator of lighting fixtures, Halla, earned almost CZK 245m in 2021, which is a year-on-year increase of more than 22%. It is the most since 2018 and the fifth most successful result ever. The most significant contribution was made by exports, whose share exceeded 72%. Director and member of the board of directors, Daniel Černý, specified that the company is particularly successful in the markets of the EU, Great Britain, Switzerland, as well as in Israel, Canada, Latin America and New Zealand. In total, last year the company illuminated more than 3,500 new projects, for which it supplied over 30,000 light fixtures. It invested almost CZK 4.5 million in research and development. ■

ŘSD concluded contract with COLAS CZ and Colas Hungária Zrt

Friday, August 26 | ČIANEWS | [Information Source](#)

The Road and Motorway Directorate (ŘSD) concluded on August 22, 2022, a contract for work D1 Repair of AB roadway on km 296.3-341.5 P+L with COLAS CZ and Colas Hungária Zrt for CZK 307.69m. This stems from its publication in the Register of Contracts on August 25, 2022. ■

CTP's interim dividend for H1 22 is EUR 0.22 per share

Tuesday, August 30 | ČIANEWS | [Information Source](#)

Property developer CTP's interim dividend for H1 2022 has been set at EUR 0.22 per ordinary share. The amount represents an amount equal to 75% of adjusted earnings under EPRA standards. A total of 59% of shareholders wish to pay the interim dividend in cash. The remaining 41% want payment in the form of shares. ■

PPF wants to invest USD 260m into Allwyn of KKCG group

Tuesday, August 30 | ČIANEWS | [Information Source](#)

PPF wants to invest USD 260m in the lottery company Allwyn, which belongs to KKCG Group. As part of the transaction, it will acquire up to 26 million Allwyn shares. The deal was announced by Cohn Robbins Holdings (CRHC - to be merged with Allwyn), in which PPF holds about 4 million shares. If PPF Investment Group buys all the intended Allwyn shares, its stake would reach 4.99%. ■

ČSOB to cut gas consumption by 15%, install PVPPs

Wednesday, August 31 | ČIANEWS | [Information Source](#)

The Czechoslovak Commercial Bank (CSOB) has saved almost 40% of its electricity over the last 10 years. Marcela Suchánková, a member of the Board of Directors of ČSOB responsible for building management, said. The group purchases electricity only from renewable sources. The installation of LED lighting with occupancy sensors has helped save 50% of the electricity consumption for lighting. Based on recommendations from the EU and the Czech government, the Group has committed to reducing gas consumption by 15%. As a result, it will focus more on the use of air conditioning systems for cooling and heating. At the same time, the installation of photovoltaic panels with a capacity of 110 kWp will continue. ■

Pipedrive launched Campaigns, employs 51 in Prague

Monday, August 29 | ČIANEWS | [Information Source](#)

Estonian startup Pipedrive, which developed a sales CRM platform for merchants, already has 1,000 employees of 50 nationalities. Half of the management and at the same time 40% across the company are women. Currently, the company has 10 branches in eight European countries and the USA, and 51 people work in the Prague office. In addition to the number of colleagues, Pipedrive is also expanding its portfolio of tools covering the entire sales cycle and recently launched the Campaigns marketing tool. ■

České Budějovice Airport to be controlled by ŘLP

Saturday, August 27 | ČIANEWS | [Information Source](#)

The operation of the České Budějovice Airport will be managed by the state enterprise Air Navigation Services (ŘLP). The South Bohemian Region agreed on this with the Minister of Transport Martin Kupka (ODS) and ŘLP on August 25, 2022. The region further informed that ŘLP will also take steps to complete the certification for AFIS IFR operation allowing full use of the airport, for example landing international flights even in bad weather. ■

Campiri has 200 partners in P2P program, offers insurance

Saturday, August 27 | ČIANEWS | [Information Source](#)

Campiri customers have booked over 800 nights in private owners' caravans so far in 2022. More than 200 partners have joined the P2P programme. Owners who list their caravan on the rental platform can in some cases earn several hundred thousand crowns a year. Campiri has now come up with an insurance policy created in cooperation with the insurtech company Tuito, which will offer caravan owners and customers favourable conditions. For those interested in renting a caravan, this also means that they will not have to deal with additional documentation and the insurance will be included in the rental price. ■

PAK reconstructs school in Svitavy, installs PVPPs

Saturday, August 27 | ČIANEWS | [Information Source](#)

The Pardubice Region completed the renovation of the kitchen, dining room and entrance atrium of the Secondary Medical School (SZŠ) in Svitavy. Previously, it had implemented energy-saving measures in the building with the contribution of European funds. He renovated the basement and sanitary facilities. The investment measures required a total of more than CZK 43m. The region has completed some energy-saving measures in most of the school buildings. It will increasingly focus on the installation of photovoltaic power plants. ■

For your notes

ILA posts CZK 1.13bn turnover, financed CZK 2.60bn

Wednesday, August 31 | [ČIA NEWS](#) | [Information Source](#)

IMPULS-Leasing-AUSTRIA (ILA) reported a net turnover of CZK 1.13bn for 2021. The after-tax result increased y/y to CZK 20.72m from CZK 11.19m. During the period, the company financed movable assets through lease and business loan with an upfront debt of CZK 2.60bn, up 14% y/y. This is according to the annual report published in the Companies Registry on August 30, 2022, adding that due to the COVID-19 pandemic, ILA allowed some tenants to extend their contracts and reduce or defer repayments. ■

Mubea SBS invested into technologies for new hall

Monday, August 29 | [ČIA NEWS](#) | [Information Source](#)

In line with its strategy, Mubea Stabilizer Bar Systems (Mubea SBS) is investing in innovations that will reduce friction and reduce fuel consumption. The annual report for 2021 also shows that the auto parts manufacturer increased its net turnover y/y from CZK 2.92bn to CZK 3.28bn. The operating profit was CZK -171.08m. The failure to achieve the planned turnover was caused by the missing chips, and in 4Q 2021 the company began to struggle with the increase in commodity and energy prices. It invested in manufacturing technology to fill the new production hall, in line with the plan to build the largest stabilizer plant in the world. ■

Changhong posts CZK 6.32bn turnover, will support B2C

Saturday, August 27 | [ČIA NEWS](#) | [Information Source](#)

Changhong Europe Electric plans to cease trading in Romania, Portugal or Hungary. It will concentrate on the German market and expand in France and the Czech Republic. It wants to implement an internal integrated system to support B2C trade. The LCD TV manufacturer and importer's annual report also shows that it has increased its net sales to CZK 6.32bn for 2021 from CZK 3.0bn in the previous period. ■

Prologis again prepared Health Days for park employees

Tuesday, August 30 | [ČIA NEWS](#) | [Information Source](#)

As part of its PARKlife initiative, Prologis is putting an emphasis on employee health across Central Europe. It has also prepared Health Days - a programme of free consultations with experts on cancer prevention and healthy eating - for park employees in the Czech Republic and Slovakia in June 2022. ■

TRENDS, DIGITALISATION AND INNOVATION

VGP had EUR 153m profit, demand for solar projects up

Wednesday, August 31 | [ČIA NEWS](#) | [Information Source](#)

VGP reported a net profit of EUR 153.1m for H1 2022. Newly signed and renewed lease contracts amounted to EUR 35.4m. Total annualized rental income amounts to EUR 281.1m. As of June 30, 2022, there were 40 projects under construction, covering 1.35 million m². The European logistics and semi-industrial real estate provider noted that volatile energy markets have increased tenants' desire to switch to renewable energy consumption. It is therefore launching - in addition to established bastions in Germany and the Netherlands - solar projects in almost all regions based on direct demand. ■

Aero and LOTN signed contract on L-39NG cooperation

Monday, August 29 | [ČIA NEWS](#) | [Information Source](#)

Aero Vodochody Aerospace signed an agreement on strategic cooperation on the production of the L-39NG training aircraft with the Slovak company Letecké opravovne Trenčín (LOTN). Aero CEO Viktor Sotona said that the partnership would include moving the production of some parts of the aircraft to Slovakia, including the provision of other services. This would make LOTN one of the most important suppliers. In the case of the use of the L-39NG by the Slovak Air Force, the cooperation will be extended to include the logistical support of aircraft in Slovakia or the securing of the ground training system. Alternatively, it will involve involvement in other development projects. ■

Země živitelka target ecology, featured 600 exhibitors

Wednesday, August 31 | [ČIA NEWS](#) | [Information Source](#)

Agrosalon Země živitelka (Earth the Breadwinner) was visited by 114,501 visitors and 600 exhibitors, including foreign ones, presented themselves. The theme of the 48th edition of the exhibition was the future of the Czech landscape with an emphasis on environmental protection, nature, natural resources, biodiversity, climate and the promotion of organic production in agriculture. Technical innovations were also presented. ■

Zásilkovna installed 3,000 Z-Boxes in CR, 1,049 in Slovakia

Wednesday, August 31 | [ČIA NEWS](#) | [Information Source](#)

Delivery company Zásilkovna installed the 3000th Z-box delivery box in the Czech Republic. At the beginning of August 2022, it also launched the largest ever Z-Box with 12 columns, which can hold 120 parcels. It has agreements with more than 50% of municipalities with up to 1,500 inhabitants to install Z-Boxes. There are 1049 Z-Boxes in Slovakia and 407 in Hungary. In total, there are 4,456 boxes within the Packeta Group in Europe. ■

For your notes

NEWS FROM SLOVAKIA

Poland and Slovakia opened north-south gas pipeline

Monday, August 29 | ČIA NEWS | [Information Source](#)

Poland and Slovakia have opened a new north-south gas pipeline connection that will strengthen the energy security of Slovakia and bring benefits and independence for the entire Central and Eastern Europe (CEE) region. The connection is almost 170 km long, of which 103 km goes through Slovak territory, from Výrava to the natural gas compressor station in Veľký Kapušany. Up to 13.4 million m³ of gas could flow daily from Poland to the Slovak Republic and up to 15.6 million m³ in the opposite direction to Poland. The commissioning of the gas pipeline for commercial purposes is expected in October 2022. The Ministry of Economy of the Slovak Republic informed about it. ■

ZCHFP called on government to cap energy prices

Friday, August 26 | ČIA NEWS | [Information Source](#)

The Slovak Association of Chemical and Pharmaceutical Industry (ZCHFP) strongly urges the government to act urgently to cap energy prices. At the same time, it asks to release support from the Environmental Fund to companies registered in the EU ETS (European Emissions Trading System). The Union informed that otherwise there will be production disruptions and collapse of more companies, including those belonging to critical infrastructure. Thousands of jobs and revenues to the national budget, municipalities and family budgets are at risk, according to the ZCHFP. ■

NPPC disbursed 95% of emergency aid to food producers

Friday, August 26 | ČIA NEWS | [Information Source](#)

The National Agricultural and Food Processing Centre (NPPC) has paid out almost EUR 7.52m to applicants for exceptional food aid, representing 95% of the subsidy package. So far, the NPPC has processed 413 out of 434 eligible applicants. This was announced by the Ministry of Agriculture and Rural Development. ■

RRZ: Sustainability of public finances in SR down

Monday, August 29 | ČIA NEWS | [Information Source](#)

According to the Council for Budget Responsibility (RRZ), the long-term sustainability of public finances in the Slovak Republic has deteriorated after two years. Even before the pandemic, the indicator reached the level of high risk and showed the worst result since 2013. Even according to the calculations of the European Commission, the state of public finances in Slovakia was the worst in the EU. The situation was negatively affected by the conflict in Ukraine in particular. According to Eurostat data, public debt reached 63.1% of GDP at the end of 2021 and increased by 14.9 percentage points compared to 2019. ■

Prices in industry in Slovakia up 43%, energy prices up 80%

Friday, August 26 | ČIA NEWS | [Information Source](#)

Industrial producer prices in the Slovak market rose by 42.9% y/y in July 2022. Prices in electricity and gas supply increased the most (+79.6%) and in mining and quarrying by 32.2%. Export prices showed an increase of 21.6%, according to the Slovak Statistical Office. Prices of agricultural producers increased by 49.5%. Construction works increased by 14.4% and building materials by 24.1%. ■

ČEZ Foundation supported ProCit and St. Lazarus Hospice

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Multi-genre marathon Festival on the Street also hosted the charitable Orange Wheel of the ČEZ Foundation. Visitors could support the civic association ProCit or St. Lazarus Hospice. A total of CZK 102,274 was redistributed according to points earned. 108 people took turns in the saddles, including tourists from Germany and Spain. ■

For your notes