

EU2022.CZ, ECONOMY, POLICY AND STRATEGY

For your notes

J. Lipavský: CR will provide Ukraine with CZK 0.5bn

Wednesday, October 12 | ČIANEWS

The Czech Republic will provide Ukraine with approximately CZK 0.5bn annually for humanitarian, stabilisation, reconstruction and economic assistance between 2023 and 2025. Foreign Minister Jan Lipavský (Piráti) said that the programme of the ministries of foreign affairs and industry and trade was approved by the Czech government on October 12, 2022. Part of the aid builds on the long-term stabilisation and transformation work of the Czech Republic in Ukraine and the rest should contribute to the involvement of Czech companies in the reconstruction of the country. ■

Government approved launch of preparations for loanWednesday, October 12 | ČIANEWS | [Information Source](#)

The Government of the Czech Republic has approved the launch of preparations and assessment of the possibility of using financial resources from the RRF, which is the main pillar of the European Union's Next Generation Recovery Plan. The Czech Republic could borrow up to CZK 350bn from the European Commission. The loan could mitigate the economic and social impact of the coronavirus pandemic, revitalise the economy and, last but not least, help fundamentally accelerate the modernisation of the energy sector. In the context of the war in Ukraine, it will be necessary not only to increase allocations for existing measures, but also to focus on areas that have been neglected so far. The exact amount and areas to be covered by the loan are still to be discussed by the government. ■

European antimonopoly bodies discussed crisis, green policyTuesday, October 11 | ČIANEWS | [Information Source](#)

On October 10, 2022, as part of the Czech Presidency of the Council of the European Union, Prague hosted an international conference, European Competition Day, organised by the Office for the Protection of Competition (OPC). Representatives of the competition authorities of the EU Member States, representatives of the European Commission's Directorate General for Competition and other competition law experts discussed topical issues at the conference, in particular the role of competition policy in a greener and more sustainable Europe, the issue of double jeopardy, as well as important projects of common European interest. ■

J. Síkela negotiated with Equinor to increase gas supplies

Tuesday, October 11 | ČIANEWS

On October 11, 2022, Minister of Industry and Trade Jozef Síkela (for STAN) negotiated with the management of the Norwegian company Equinor about the possibility of increasing supplies of Norwegian gas to the Czech Republic. J. Síkela informed that the EU's cooperation with Norway will be crucial for future supplies of natural gas. ■

FinMin presents windfall tax parametersThursday, October 6 | ČIANEWS | [Information Source](#)

The Ministry of Finance (MF) has introduced a bill introducing a windfall profits tax. It is to apply from January 1, 2023 for a period of three years to exceptionally profitable companies in the energy production and trading, banking, petroleum and fossil fuel extraction sectors. The windfall tax will be a 60% tax surcharge applied to companies' excess profits determined as the difference between the tax base and the average of the tax bases over the last four years plus 20%. The MF expects to raise CZK 85bn in 2023, with a further CZK 15bn to be raised by the European price caps next year. In response, the Czech Banking Association said that the tax will have an impact on investors' assessment of the Czech Republic. Banks are still offering the government specific investments of at least CZK 50bn. According to the association, this is an extremely inefficient and unsystematic solution. Moreover, these are not extraordinary profits. The proposal compares this year's profits to the pandemic years when the economy was significantly subdued. ■

B9 presidents: Russian attack on civilians unpardonableTuesday, October 11 | ČIANEWS | [Information Source](#)

The presidents of the B9 countries (Czech Republic, Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Montenegro) demand that Russia immediately stop the attacks on civilian targets launched on October 10, 2022. They also consider unacceptable any threats by Russian officials to use nuclear weapons. In a statement released by Prague Castle, the statespersons further recalled that war crimes and crimes against humanity are not subject to any statute of limitations and are subject to the jurisdiction of courts around the world. ■

Rheinmetall to deliver Leopard 2 tanks, Buffel vehicleTuesday, October 11 | ČIANEWS | [Information Source](#)

Rheinmetall will deliver Leopard 2A4 tanks and a Buffel armoured recovery vehicle to the Czech Republic as part of the German government's Ringtausch equipment exchange programme. In return, the Czech army will transfer Soviet-era military equipment to Ukraine. The first vehicle is expected to be delivered in December 2022, with delivery of all vehicles to be completed by the end of 2023. Representatives of both countries and Rheinmetall agreed on October 11, 2022 in Prague. ■

Czech-Polish conference presented cross-border transport projects

Friday, October 7 | ČIANEWS | [Information Source](#)

The Czech-Polish conference dedicated to transport connecting the Hradec Králové Region (HKK) with the Polish Lower Silesian Voivodeship took place in Hronov. Among other things, the participants received information about the progress of preparatory work for the construction of a high-speed line from Prague to Wrocław via Hradec Králové. The railway administration is also preparing investment plans on conventional lines in the region. Among other things the introduction of the VRT to Hradec Králové, the double-tracking of the railway at Česká Skalice or the electrification of the line from Jaroměř to Trutnov. The space was also dedicated to information about the completion of the D11 highway. The HKK road maintenance investment portfolio currently includes 200 road projects worth around CZK 10bn. In the Giant Mountains, Orlické Mountains, and around Broumov and Náchod, road workers want to repair 23 bridges and 60 kilometers of roads for almost CZK 1.4bn. The key for these projects will be securing financing from European funds for cross-border cooperation in the future. Both parties plan to continue expanding facilities for cyclists (resting areas or charging stations for e-bikes). The Hradec Králové region also informed that the construction of cycle paths will continue, for example from Jaroměř to Kudowa Zdrój. ■

IHS Markit: European car industry to cut performance

Tuesday, October 11 | ČIANEWS | [Information Source](#)

European car manufacturing plants will reduce their production to 2.75-3 million units in Q4 2022 due to the economic crisis caused by the pandemic and war. According to a survey by IHS Markit, part of S&P Global, the initial outlook was for 4 to 4.5 million units produced. According to the survey, the Czech Republic and Germany are best prepared for production in the winter months. ■

External trade shows deficit of CZK 28.2bn

Friday, October 7 | ČIANEWS | [Information Source](#)

The balance of foreign trade in goods at current prices ended with a deficit of CZK 28.2bn in August 2022. It was CZK 0.4bn higher y/y. The balance with EU countries improved by CZK 30.9bn to CZK 71.9bn. The deficit with non-EU countries widened by CZK 31.2bn. Data from the Czech Statistical Office show that exports rose by 27.9% y/y to CZK 360.6bn and imports by 25.5% to CZK 388.8bn. In January-August 2022, the trade balance showed a deficit of CZK 127.7bn, while in the same period of 2021 it ended with a surplus of CZK 36.7bn. ■

Analysts: Restrictions on mortgage market can make apartments cheaper

Friday, October 7 | ČIANEWS

Developments in the construction industry will continue to be plagued by high prices and a lack of building materials for the rest of the year, which could continue to limit construction completion. In response to the statistical data, Komerční banka economist Kevin Tran Nguyen said that weaker demand for residential real estate due to higher interest rates and stricter criteria for granting mortgages has already been reflected in easing the dramatic rise in property prices. BHS economist Štěpán Křeček added that if less money goes from the mortgage market to the real estate market for a longer period of time, real estate prices may also fall. Nevertheless, the executive director of CENTRAL GROUP, Michaela Tomášková, pointed out that the new apartments have the potential to be a new driver of the construction industry and significantly support the economy. In the case of faster permitting of apartments and, of course, provision of sufficient areas, in her opinion, their prices could be reduced by up to 15%. ■

ÚP: Unemployment rate increased to 3.5 %

Monday, October 10 | ČIANEWS | [Information Source](#)

The Labor Office of the Czech Republic (ÚP) registered a total of 256,380 job applicants as of September 30, 2022, an increase of 4,627 month-on-month. There were 5,762 fewer of them year-on-year. Compared to August, the share of unemployed persons increased by 0.1 pp to 3.5 %. According to Eurostat data, the unemployment rate for August was the second lowest in the entire EU, at 2.6 %. The European Union average is 6 %. From the outbreak of the war until the end of September, a total of 131,704 persons from Ukraine with temporary protection obtained work in the Czech Republic. Some have already returned home or left their jobs. In September, 88,909 persons from Ukraine with temporary protection were working in the country. ■

Analysts: Layoffs will continue as the economy slows

Monday, October 10 | ČIANEWS

Based on the August and September developments, it seems that even after taking into account the arrival of citizens from Ukraine, the domestic labor market is starting to cool slightly. In response to the statistical data, the chief economist of the Czech Banking Association, Jakub Seidler, stated that, for the time being, these are partial indications and only the next few months will confirm whether there is really a turnaround in the domestic labor market. Petr Dufek, Chief Economist of Creditas Bank, added that with the slowdown in the economy, the trend of reducing the number of employees will continue. However, the dramatic layoff scenario that took place after the US financial crisis is unlikely. Raiffeisenbank analyst Vratislav Zámeš expects the unemployment rate to reach an average of 3.6% next year. ■

Import prices up 24.0%, imported gas costs 440% more

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Export prices rose 16.1% y/y in August 2022, up 18.5% after adjusting for exchange rate effects. The biggest impact was a 204.9% rise in mineral fuels. Electricity export prices rose by almost 300%. Prices of foodstuffs rose significantly by 24.0% (mainly cereals), chemicals by 19.6% and semi-finished goods by 18.0%. The Czech Statistical Office also reported that import prices increased by 24.0%, after exchange rate adjustment by 25.1%. The most important factor was the 180.4% increase in mineral fuel prices. Import gas prices increased by almost 440%. Food prices increased by 19.4% (especially meat and meat products), semi-finished goods by 14.5% and chemicals by 14.1%. On a month-on-month basis, export prices rose by 1.3% and import prices by 2.6%. Terms of trade totalled 98.7%. ■

For your notes

Analysts: Utility prices still have potential to raise inflation

Tuesday, October 11 | ČIANEWS

Inflation in September 2022 ended above market expectations, which had anticipated stagnation. Jakub Seidler, chief economist at the Czech Banking Association, said this in response to the statistical data, adding that the uncertainty relates mainly to how energy price increases will be reflected in final prices. Banka Creditas' chief economist Petr Dufek added that energy prices have not yet reached the capping level, while they are already increasingly spilling over into the prices of goods and services. Therefore, their inflationary potential is not fully exhausted. It will continue to push inflation upwards. Therefore, P. Dufek expects double-digit inflation at least until the middle of next year. Patria Finance's chief economist Jan Bureš stated that from the central bank's point of view, the development so far is in line with the forecast and the new figures will hardly be an argument for a majority change of opinion on interest rates. Either stronger pressure on the crown due to rapid rate hikes abroad or significantly higher domestic wage pressures could lead the current board to raise them. ■

IMF: Economic growth rate to fall below 2% in CR, SR

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Czech economic growth will slow down from 3.5% to 1.9% y/y in 2022 and slow down to 1.5% in 2023. This is according to the forecast of the International Monetary Fund (IMF). The unemployment rate will fall from 2.8% to 2.5%. Inflation will accelerate to 16.3% next year from 3.8% last year and reach 8.6% the following year. In Slovakia, GDP growth will fall to 1.8% this year from 3.0%. Unemployment will fall from 6.8% to 6.2%. Inflation will reach 11.9%, down from 2.8% in 2021. ■

Allianz: Assets per capita exceed EUR 24,000

Thursday, October 13 | ČIANEWS | [Information Source](#)

The gross financial assets of Czech households grew by 5.4% in 2021. It is slightly below the long-term average of the last decade (6.8%). Despite a record influx of EUR 5.4bn into shares and mutual funds, the class of assets represented by securities grew only 4.5%. Deposits increased by 5.4%. New increments dropped to one-half and totalled EUR 8.8bn. The share of new savings deposits decreased from almost 90% to nearly 50%. The debt increase grew to 8.8%. The indebtedness rate increased to 41%, which is significantly above the average of eastern EU member states, totalling 33%. According to the Allianz Group's Allianz Global Wealth Report 2022, net financial assets grew by 4.1%. They total EUR 24,380 per inhabitant. The Czech Republic is thus 27th in the ranking of the wealthiest countries. In the CEE region, it is behind Slovenia (26th). ■

Allianz: Average debt per person in Slovakia exceeds savings

Wednesday, October 12 | ČIANEWS

The financial assets of Slovaks increased by 10.4% in 2021 thanks to investments in shares and investment funds. This stems from the 13th study of the wealth of nations Allianz Global Wealth Report 2022. The net financial assets of the inhabitants of Slovakia amount to EUR 8,460 on average. Slovakia ranks 41st in the ranking of the richest countries. On average, Czechs (EUR 24,380), Hungarians (EUR 18,060s), Poles (EUR 11,250), and Bulgarians (EUR 11,410) have more financial assets. In contrast, the debts of Slovaks in 2021 grew the fastest in the last four years, namely by 8.2%. The average debt of a Slovak citizen is EUR 9,170, making Slovakia the only country in the region where debts per person exceed savings. ■

IP: Czech business environment is below average in EU

Wednesday, October 12 | ČIANEWS | [Information Source](#)

The condition of the Czech business environment corresponds to the 21st place in the EU, according to the October Czech Prosperity Index (IP), which is sponsored by Česká spořitelna and the Europe in Data project by Digital First Marketing Group. The Czech Republic fares worst in the assessment of the conditions for setting up a business, which are the least favourable in the EU. It takes up to 25 days to set up a business, the second longest time among European countries. At the same time, more administrative steps are required to start a company than in other countries. Compared to other Member States, the Czech Republic also has a relatively smaller number of start-ups, with only 131 per million inhabitants, which corresponds to 21st place in the EU ranking. The best conditions for entrepreneurship are in the Nordic countries. ■

CzechTourism: Number of foreign visitors in hotels grows

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Visitors to hotels in the Czech Republic in August 2022 were mainly foreign tourists, who numbered 737,427, up almost 90% y/y. They accounted for more than 50% of the domestic hotel clientele. Most of the arrivals were Germans (164,000), Poles (74,500), Slovaks (72,400) and Americans (37,000), according to data from the Czech Statistical Office published by CzechTourism. Its director, Jan Herget, added that foreign visitor arrivals were 24.4% lower compared to August 2019. This is due to a drop in tourists from Russia and China. Domestic hotels were used by 736,882 Czechs (-14.5%). The reason could be the current socio-economic situation. Petr Janeček, head of the CzechTourism Institute, added that there was a 23.6% increase compared to August 2019. ■

BC: Funds show losses, only real estate ones show profit

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Capital markets returned to a correction during September 2022, lasting for most of the year except July. According to the Broker Consulting (BC) Mutual Fund Index, the decline in values is evident in most funds. Equity funds fell to -10.04%, which contributed to the overall increase in annual losses (-24.82% on average). There was also a decline in bond funds (-3.51%), mainly due to interest rate hikes by the US and European Central Banks. Money market funds recorded a loss of -1.10%. Only real estate funds were profitable, gaining 5.19% over the year. ■

For your notes

LEGISLATION AND REGULATION

EP approves regulation of cryptocurrency trading

Wednesday, October 12 | ČIANEWS | [Information Source](#)

The Economic and Monetary Affairs Committee of the European Parliament (EP) has confirmed that trading in cryptoassets will get strong consumer protection rules thanks to the Markets in Crypto Assets (MiCA) regulation. It will divide cryptoassets into three groups according to their coverage and level of regulation. This will apply to both cryptocurrency issuers and traders. Finance Minister Zbyněk Stanjura (ODS) said that the Czech Republic took over the preparation of the MiCA proposal during the trilogue between the European Commission, the EU Council, and the European Parliament. According to him, its completion can be considered a success of the Czech Presidency. ■

MIRRI: EC approved Interreg SR-ČR with EUR 107m allocation

Thursday, October 6 | ČIANEWS | [Information Source](#)

The European Commission (EC) has approved the Interreg Slovakia-Czech Republic programme for the programming period 2021-2027. The programme budget of EUR 107m will finance projects that will improve the quality of life in the Slovak-Czech border region. The managing authority is the Slovak Ministry of Investment, Regional Development and Informatisation (MIRRI). On the Slovak side, the programme covers the territory of the Trenčín, Trnava and Žilina Administrative Regions. On the Czech side, the Zlín, Moravian-Silesian and South Moravian Regions. In the period 2014-2020, the programme supported 151 projects worth totally EUR 106m. ■

SUBSIDIES, INVESTMENTS, EU MARKET

MMR to spend CZK 3bn on cycle paths' construction and repair

Tuesday, October 11 | ČIANEWS | [Information Source](#)

The Ministry for Regional Development (MMR) will distribute almost CZK 3bn for the construction and reconstruction of cycle paths under two calls of the Integrated Regional Operational Programme (IROP). Minister Ivan Bartoš (Pirates) said that the new calls will contribute to the development and improvement of cycling transport and will connect the main cycling routes in the Czech Republic. The subsidies will also focus on accompanying infrastructure, such as parking spaces for bicycles or rest areas. ■

AURES sold 6.7% more cars, manages business processes

Tuesday, October 11 | ČIANEWS | [Information Source](#)

AURES Holdings Group, operator of the AAA AUTO, Mototechna, Auto Diskont and Driverama networks, sold 69,100 used vehicles in 9M 2022, up 6.7% y/y. Of the total, 38,100 cars were sold in the Czech Republic, 14,400 in Slovakia, 15,400 in Poland and 1,200 in Germany. The group also opened a new branch in Poznan, Poland, and moved its car centre in Ústí nad Labem to a new location with a larger capacity. AURES Holdings has also recently launched a new system for managing its business processes, aimed at speeding up customer service. ■

RegioJet transported 3.8m pax, transports Pepsi to HU

Tuesday, October 11 | ČIANEWS | [Information Source](#)

RegioJet carried 3.8 million passengers on board trains and buses from June to September 2022. This is 12% more than in the previous season. Growth was recorded especially on international routes. Trains carried one-third more clients, while buses carried twice as many. The carrier launched a regular international freight service on April 23, 2022. For mineral water producer Karlovarské minerální vody, it transports twenty-four fully loaded Pepsi beverage cars once a week to end customers in Hungary. So far, it has transported almost 28,000 t of goods. This has replaced 1,250 truck journeys. ■

CSG posted significant increase in revenues

Monday, October 10 | ČIANEWS | [Information Source](#)

Czechoslovak Group (CSG) reported an increase in sales and profit for 1H 2022, also owing to arms deliveries to Ukraine. The company informed about this in its half-yearly report, stating that the year-on-year growth in sales from CZK 7.1 to 13.8 billion and EBITDA from CZK 1.1 to 2.45 billion was also significantly driven by long-term export projects, especially in the Southeast Asia and North Africa regions and contracts for the armies of NATO member states. CSG expects to maintain the growth trend of sales and EBITDA throughout 2022. ■

Omnio seeks 20 developers; cooperates with Uber

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Omnio's development centre in Prague is currently looking for twenty new people. Omnio's platform enables passengers to easily search, compare and buy train and bus tickets, as well as air and ferry tickets in 37 countries. The Prague team is working e.g. on integrating the booking systems of individual carriers. The platform is now cooperating with Uber, to which it will provide its database of ground connections. Omnio reported that it is currently achieving double the turnover compared to the pre-Covid year 2019. ■

For your notes

Columbus Energy enters Czech PV and heat pump market

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Columbus Energy has entered the Czech market with the installation of photovoltaic power plants and heat pumps. It plans to install hundreds of PV and heat pumps in homes and businesses in the Czech Republic by the end of 2022. In 2023, 500 to 1,000 of these installations per month. The company currently employs 200 people in the Czech Republic. The company expects a significant increase in capacity at the beginning of 2023. The company offers customers assistance with subsidy processing. In cooperation with Estonian digital bank Inbank, it can also provide financing of up to 100% of the installation price. It also specialises in the installation of electric vehicle chargers and consultancy services. ■

Smartwings: Number of passengers grows by 120%

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Smartwings carried almost 4.6 million passengers in the first nine months of 2022, an increase of 120% y/y. From January to September, Smart Smartwings operated over 29,000 flights (+92%) not only from the Czech Republic, but also from eight foreign bases in seven countries. The largest number of passengers, over 2.7 million (+109.4%), flew to/from the Czech Republic. In the summer season, the company offered connections from five Czech airports (Prague, Brno, Ostrava, Pardubice and Karlovy Vary) to 70 destinations. During June-August, almost 3 million passengers (+100.6%) used Smartwings services and the company reached 97% of its 2019 pre-flight level. ■

API catalog builder Superface secured CZK 65m investment

Monday, October 10 | ČIANEWS | [Information Source](#)

Superface, which connects applications via API, raised CZK 65m in a seed investment round. Estonian capital fund Tera Ventures, led by lead investor Eamon Carey, invested in the startup, whose vision is to create the largest catalog of APIs with automated connection in the world. Caesar Ventures, Quantum Angels, Startup Istanbul and angel investors Nicolas Mohr, Michael Vath and Siim Teller have also recently joined. The startup was once again supported by the 42CAP and Tensor Ventures funds. Superface CEO Radek Novotný added that the investment will enable the company to focus on product market fit and increase market traction. ■

CREIF performance surpassed 4 %, occupancy at 98 %

Monday, October 10 | ČIANEWS | [Information Source](#)

The performance of the Czech Real Estate Investment Fund (CREIF) from the beginning of the year to August 31, 2022 reached 4.09 %. The value of assets under management is CZK 5.45bn. Average building occupancy is 98 %. The value of real estate in the fund is CZK 8.13bn. The average lease term for commercial space in the portfolio continues to grow and now exceeds five years. The expected return of the fund for 2022 and 2023 has increased to 6 %. CREIF focuses on investments in existing commercial real estate in the Czech Republic and Poland mainly in the areas of retail, logistics and light manufacturing. ■

KŠB assists Solitea in acquisition of Vasco and Gesteem

Friday, October 7 | ČIANEWS | [Information Source](#)

Law firm Kocián Šolc Balaščík (KSB) advised Solitea on the acquisition of Slovenian IT company Vasco računalniški inženiring and Gesteem Society. Vasco develops and sells enterprise IT systems. It will fall under the Slovenian company SAOP, which is owned by Solitea and brings together companies operating on the Croatian, Slovenian, and also Serbian markets. Gesteem is a major supplier of so-called business intelligence solutions and data warehouses. It operates in the Czech Republic, Slovakia, and the Netherlands. AK informed that the acquisition is subject to the approval of the Office for the Protection of Competition (ÚOHS). ■

První novinová společnost is distributor of Action flyers

Monday, October 10 | ČIANEWS

The European discount chain Action has chosen První novinová společnost for the regular distribution of its flyers. The goal is to support sales in 33 stores throughout the Czech Republic. The Dutch chain entered the Czech market in 2020 and has been growing steadily since then. As ČIANEWS reported, the company focuses on sustainable operations and wants to reduce absolute CO2 emissions from its own operations by 50 % by 2030 compared to 2020. By 2024, none of its stores will use gas. ■

JHM will announce tender for PV plant

Wednesday, October 12 | ČIANEWS | [Information Source](#)

On October 12, 2022, South Moravian councilors approved the awarding of a public contract for the purchase of photovoltaic power plants (PVE). The implementation will take place within the framework of the New Renewable Sources in Energy (RES+) support program. The subject of the combined five projects is a total of 27 objects of subsidized organizations of the South Moravian Region (JHM) with an installed capacity of up to 1 MWp. The expected value of the tender is CZK 5.7m without VAT. ■

BIG to prepare Vltava Philharmonic architectural study

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Representatives of the City of Prague have concluded a contract with the Danish studio Bjarke Ingels Group (BIG), the author of the winning design of the Vltava Philharmonic. They will now have nine months to refine the competition design into a detailed architectural study. The public can again be involved in the process, with design participation starting the week of October 17. In the building, which will be built in Prague's Holešovice district, visitors will also find a creative hub, the music department of the Prague City Library, and educational and multifunctional spaces for use by schools, clubs or individuals. The building is expected to be completed in 2032. ■

For your notes

Puma modernised store in FAPO, now sized 337 m2

Tuesday, October 11 | ČIANEWS | [Information Source](#)

German brand Puma opened an expanded and modernised store in the Fashion Arena Prague Outlet (FAPO) at the end of September 2022. The store area now totals 337.25 m2. Customers can choose from a wider range of men's, women's and children's sports and leisurewear and equipment. FAPO director Lenka Čapková said that 2022 is a year of changes and adjustments to the sales areas of key brands for the outlet centre. The Puma store is now located in a new location as the expansion of the original space was no longer possible. Customers will find it next to the LiuJo store. ■

Tanemo remain's MMB's largest shareholder

Monday, October 10 | ČIANEWS | [Information Source](#)

Tanemo (owned by PPF Group) remains the largest shareholder of MONETA Money Bank (MMB) with 29.94 %. It is followed by Manecomte Limited with 10.39 %, Mythessa Holdings Limited with 9.27 % and Chase Nominees Limited with 3.41 %. Stakes of 2 % or more are also held by Brown Brothers Harriman Co. (2.48 %) and State Street Bank and Trust Company (2.39 %). The shareholder structure valid as of September 30, 2022 was published by MMB. ■

Dozens of crossings disappeared from SŽ tracks due to safety

Friday, October 7 | ČIANEWS | [Information Source](#)

The Railway Administration (SŽ) continues to reduce the number of crossings on its network. Since the beginning of 2022, almost seven dozen railway level crossings with other roads have already been cancelled. In addition to modifications leading to a higher level of security at railway crossings, according to the company, the reduction in their number represents another important way to increase the safety of both railway and road traffic and their smoothness. At a similar pace as this year, the cancellation of crossings should continue in the following year. ■

Coca-Cola built fully automated warehouse

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Coca-Cola HBC Czech Republic and Slovakia built a fully automated warehouse in 2021, consolidating production and distribution capacities into one location. At the production facility, the company has built a no-impact area (wetland) that will capture rainwater in nature. The soft drinks maker also said in its annual report that net sales increased from CZK 6.84bn to CZK 6.99bn year-on-year. Profit after tax amounted to CZK 21.06m. Globally, the company has committed to achieving carbon neutrality by 2040. ■

Kronospan CR eco-friendly production, exports 71% of production

Friday, October 7 | ČIANEWS | [Information Source](#)

In 2022, Kronospan CR continues to green production and increase operational efficiency. The annual report of the chipboard and flooring manufacturer also shows that in the financial year ending September 30, 2021, it increased its net turnover to CZK 5.79bn from CZK 4.12bn in the previous period. Profit after tax increased to CZK 1.23bn from CZK 434.03m. The total amount of operating investments reached CZK 183m. Finances were aimed at the product line, modernization of diagonal saws, revitalization of the roofs of the halls, or the greening of production (anti-noise measures, reduction of water consumption). The company exported 71% of its production mainly to Germany, Austria, Poland, and Hungary. ■

AK Glatzová advised PFC on acquisition of Acond

Friday, October 7 | ČIANEWS | [Information Source](#)

Law office Glatzová & Co. provided comprehensive legal advice to the investment group Pale Fire Capital (PFC) in the purchase of a stake in Acond. That investment will help build a new plant, multiply production capacity and expand abroad. As ČIANEWS has already reported, Acond plans to produce tens of thousands of pumps per year by 2025. The acquired share by PFC is 24.3%. Through it, the investor wants to help households get rid of their dependence on primarily Russian gas and reduce energy consumption. ■

Superface wins EUR 2.6m in seed investment round

Friday, October 7 | ČIANEWS | [Information Source](#)

Czech startup Superface has received a seed round investment of EUR 2.6m. It deals with automation of corporate software communication. It tries to skip the need to use various application programming interfaces (APIs). The main investors of the round were Estonian fund Tera Ventures and Eamon Carey. ■

Urban Brands plans to open two more JOTT stores

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Urban Brands plans to open two more JOTT fashion stores in the coming months. The first brick-and-mortar and flagship store will open in September 2022 in Prague's Westfield Chodov shopping centre. CEO Tomáš Žaloudek specified that the next two stores will be a key sales channel, which will be complemented by sales on the company's own e-shop. Urban Brands has acquired JOTT's representation for the Czech Republic, Slovakia, Austria, Hungary and Romania. The Marseille-based brand currently has 15 stores across Europe and is opening new ones. In addition to Prague, in these months also in Bratislava, Vienna, Warsaw, Lisbon and Amsterdam. The L Catterton fund, part of LVMH (Moët Hennessy Louis Vuitton SA), entered JOTT as an investor in 2021. ■

For your notes

2nd ship with LNG for CR arrived in Eemshaven

Monday, October 10 | ČIANEWS | [Information Source](#)

The LNG terminal in the Dutch Eemshaven, put into operation after the start of the war in Ukraine, is receiving tankers with liquefied gas according to the planned schedule. The Maran Gas Delphi tanker arrived from the United States with 170,000 m3 of LNG (100 million m3 in gaseous state) for the Czech Republic. Conversion of the pumped LNG into gaseous form is currently underway. It then flows into the transport system. ČEZ Group informed about this, stating that Shell is the supplier of liquefied gas for the second ship. ■

ČEZ plans to build RES with output of 6 GW

Friday, October 7 | ČIANEWS

Photovoltaic power plants in the Czech Republic currently have a capacity of over 2 GW. ČEZ Group informed that by 2030 it plans to build new renewable sources with a capacity of 6 GW, led by photovoltaics. According to the Solar Power Europe association, it can also be assumed that the conflict in Ukraine and the efforts to strengthen energy security will further accelerate the continent's transition to renewables and a stronger dominance of photovoltaics. Current European PV capacity is about 170 GW, but this is set to almost double by 2025, reaching 672 GW in 2030. ■

STC plans to relocate road for CZK 123m

Friday, October 7 | ČIANEWS | [Information Source](#)

The Central Bohemian Region (STC) is planning to build a relocation of the II/125 road between Vlašim and the settlement of Jinošov. The construction with a length of about 1.7 km should cost more than CZK 123m including VAT. It could be completed in 2026. The reconstruction of the III/3314 road between Předměřice nad Jizerou and Čihadly should cost more than CZK 53m including VAT. The reconstruction of the more than two-kilometre long section of the road III/24210 Dolíněk - Panenské Břežany could be completed in 2024. The estimated cost is CZK 53m including VAT. The Region informed that the construction of new buildings will depend on obtaining European or national subsidies. Approved projects are currently in the regional stack of construction projects. ■

Ebury expands team, targets Slovakia, bets on Asia

Thursday, October 6 | ČIANEWS | [Information Source](#)

Ebury, which specialises in hedging foreign exchange risk, managing currency accounts and trading in more than 130 global currencies, plans to double its headcount from the current 20 by the end of 2023. Trade with Asia is expected to drive growth. The company's chief commercial officer, Tomáš Kudla, said there is strong demand in the Czech Republic and Slovakia for securing and facilitating transactions with countries outside the eurozone, be it China or other Asian countries. The company is currently building a dedicated team for Slovakia in its Ostrava office. The company's personnel expansion is expected to take place mainly in Prague, where Vojtěch Brožík has become the head. ■

CERVA exported 62 % of production

Monday, October 10 | ČIANEWS | [Information Source](#)

In 2021, the structure of the product range sold by CERVA GROUP began to return to its pre-pandemic form. The most significant change was the decrease in sales of respirators and masks (by 50% year-on-year). Apparel sales increased with the launch of workwear collections with higher added value. The export volume remained roughly at the level of 62% of production. The company announced this in its annual report, stating that it reported a turnover of CZK 2.64 billion and an operating profit of CZK 84.89 million. ■

TRENDS, DIGITALISATION AND INNOVATION

ČD will launch new connections to Vienna and Zurich

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Czech Railways (ČD) in cooperation with its foreign partners will offer a new connection from Prague to Vienna via Tábor and from Prague to Zurich via Dresden and Basel in the timetable in 2023. There will also be more connections to Žilina, an extension of the direct connection between Prague and Krakow and, in the north, a new destination in the German port city of Rostock. According to the carrier, the timetable will mark a gradual return to shorter journey times on corridors where major investments have been completed. ■

NG Retail modernized Tescoma's cash register system

Monday, October 10 | ČIANEWS | [Information Source](#)

The developer and supplier of specialized software for retail NG Retail, a member of the Czech investment group DT-holding, has successfully completed the modernization of the cash register system and the provision of a unified POS solution in all Tescoma stores in the Czech Republic, Hungary and Poland. Sales Director of NG Retail, Peter Semančík, stated that the state-of-the-art cash register and logistics solution POS NG primarily brings clarity and simplicity in the field of sales, elimination of losses, overall acceleration of sales processes and increased control over daily processes at the store. ■

For your notes

ČD tests mobile signal repeater

Friday, October 7 | ČIANEWS | [Information Source](#)

ČD - Telematika has equipped a selected ČD railjet set with a mobile signal repeater. It will enable the use of high-quality voice and data services along the entire route. The technology used supports a wide range of frequencies used by mobile operators in the Czech Republic and abroad, not only in the currently deployed 5G frequencies. The pilot project will be tested in operation for six months on the Ex3 long-distance line from Prague via Brno and Břeclav to Vienna and Graz. ČD CEO Michal Krapinec believes that the project will be successful and that the national carrier will be able to secure funding for the serial installation of repeaters in other complete long-distance transport units. He added that the Czech Republic will be the third country in Central Europe, after Germany and Austria, where good availability of mobile signal for telephone and data transmission inside trains will become commonplace. ■

Stora Enso open lines for CLT panels for EUR 79m

Friday, October 7 | ČIANEWS | [Information Source](#)

Stora Enso has commissioned a new line for the production of cross-laminated panels (CLT) at its plant in Ždírec nad Doubravou on October 7, 2022. The company has invested EUR 79m in its construction. The planned annual capacity of the plant will be approximately 120,000 m³ when fully operational. The total capacity of the wooden building materials supplier will reach 490,000 m³. CLT panels represent a modern and sustainable building product that enables precise and fast construction. The company reported that the facility will also create more than 100 new jobs. ■

NEWS FROM SLOVAKIA

MF SR: EU fund drawing rate reached 62%

Tuesday, October 11 | ČIANEWS | [Information Source](#)

As of August 31, 2022, Slovak Ministry of Finance (MF SR) registers the subsidy absorption at the level of 61.89%, i.e. EUR 8.98bn out of EUR 14.50bn, of the total allocation of 10 operational programmes in the period 2014-2020. Based on the state of declared expenditure, the N+3 milestone of EUR 1.77bn for 2022 has been met for six operational programmes. ■

Slovak FinMin presents 2023-2025 draft budget

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Slovak Ministry of Finance (MoF) presented the final draft of the public administration budget for the years 2023 to 2025 at the meeting of the Economic and Social Council of the Slovak Republic. According to ministry, the budget was prepared in an extremely complicated period of culminating crises. The main objective of the budget for 2023 is therefore to compensate as significantly as possible for the negative impact on the Slovak population. The budget therefore includes one-off compensatory resources of EUR 3.5bn for the population, companies and public institutions to help cope with the huge increase in energy prices. At the same time, it provides for significant investment incentives in the economy of EUR 2.3bn and total investment of EUR 7bn. ■

MH SR appointed SPP's new board

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Slovak Ministry of Economy (MH SR), as the sole shareholder of Slovenský plynárenský priemysel (SPP), has appointed Miroslav Kula as Chairman of the Board of Directors of SPP with effect from October 10, 2022. Marián Široký became the new Vice-Chairman of the Board of Directors and the other members are Peter Kučera, Eduard Macejka and Slavomír Vorobel. Even with the new management, SPP's key task remains to ensure security of energy supply for the needs of customers in Slovakia and to complete measures aimed at mitigating the impact of high energy prices on households or other vulnerable customers in 2023. ■

Košice region will repair the road to Herľany

Monday, October 10 | ČIANEWS | [Information Source](#)

The Košice self-governing region started stage II of the reconstruction of road II/576 in the section Bohdanovce - Herľany. The repair will be covered by funds from the Integrated Regional Operational Program in the amount of over 6.91 million euros. The region will put the 18 km long section into operation in the summer of 2023. ■

For your notes