

## EU2022.CZ, ECONOMY, POLICY AND STRATEGY

For your notes

**MPO: EC should extend Temporary Crisis Framework**Friday, September 9 | ČIANEWS | [Information Source](#)

The European Commission is to extend without further delay the Temporary Crisis Framework enabling public support for companies affected by the consequences of Russian aggression against Ukraine. It was obliged to do so, among other things, by an extraordinary EU meeting of the Council of Ministers for Energy (TTE) convened by the Czech Minister of Industry and Trade, Jozef Síkela (for STAN). Some of the ministers also opened up the issue of emission allowances. The Ministry of Industry and Trade of the Czech Republic stated on September 9, 2022 that the negotiations will probably be aimed at releasing allowances from the market reserve. The Czech Presidency also discussed this topic during the informal ECOFIN Council meetings held in Prague. ■

**Govt wants to spend 2% of GDP on defence in 2024**

Thursday, September 15 | ČIANEWS

The government would like to try to implement the commitment made in the government's programme declaration to spend 2% of the Czech GDP on defence in 2025 as early as 2024. Prime Minister Petr Fiala (ODS) said after a meeting with Defence Minister Jana Černochová (ODS) focusing on Czech Republic's long-standing promise to the NATO alliance that the correctness of the investment in the army was confirmed by the conflict in Ukraine. According to the PM, the modernisation of the army and at the same time the supply of military equipment to Ukraine is succeeding thanks to donations from allies and also thanks to the cooperation of the Ministry of Defence with the Czech arms industry. ■

**M. Bek: C President's speech is in line with Czech Presidency**

Wednesday, September 14 | ČIANEWS

The Minister for European Affairs of the Czech Republic Mikuláš Bek (for STAN) considers the speech on the State of the European Union by the President of the European Commission (EC) Ursula von der Leyen from September 14, 2022, to resonate with the priorities of the Czech Presidency. M. Bek further stated that he considers it essential to tirelessly help Ukraine, end energy dependence on Russia and reform the energy market, relieve citizens and businesses, strengthen Europe's resource self-sufficiency, and protect democracy and European values. ■

**MF: ECOFIN Council discussed harmonization of direct taxes**Monday, September 12 | ČIANEWS | [Information Source](#)

EU Finance Ministers discussed the harmonisation of direct taxes at the ECOFIN Council meeting in Prague. Finance Minister Zbyněk Stanjura (ODS) said that the Czech Republic, as the presiding country, had opened a debate on whether a more effective way could be found for some of the measures taken across the EU in the field of direct taxation. For example, recommendations or sharing of best practices instead of introducing blanket directives. According to Z. Stanjura is less able to take into account the specifics of individual countries. In such situations, there is a risk that the directive will bring only small benefits, which will be outweighed by administrative costs for companies and the state. ■

**MRR: Adjusted rules for EU funds sent to EP**Thursday, September 15 | ČIANEWS | [Information Source](#)

The European Parliament's Regional Development Committee decided on September 15, 2022, not to add its own amendments to the European Commission's proposal for a comprehensive set of measures governing the rules for the use of European funds (FAST-CARE). According to Regional Development Minister Ivan Bartoš (Pirates), the proposal reflects many of the Czech suggestions. The minister appreciated that the EC proposal increases the amount of pre-financing in the new programming period. This will help the Czech Republic's cash flow. On the other hand, the EC did not include some key suggestions from the member states, such as extending the date for eligibility of expenditure for projects ending in the 2014-2020 period. The final form of the text will be known after the procedural completion of the approval of the proposal between the EU Council and the European Parliament. Czech Ministry of Regional Development has said that this could happen during the Czech Presidency of the EU Council. ■

**MŠMT: EU Council working group also dealt with Widening**Tuesday, September 13 | ČIANEWS | [Information Source](#)

On September 13, 2022, the Working Group for Research of the Council of the EU met in Prague. It brings together attachés for the research agenda from EU member states who prepare draft policy documents aimed at discussion by the research configuration of the EU Council for Competitiveness. Among other things, representatives of the European Commission reported on the current state of implementation of the so-called Widening tools, the purpose of which is to expand participation in the EU framework program for research and innovation Horizon Europe (2021-2027) and spread research and innovation excellence across the Union. These instruments support Member States that achieve less valuable results in the areas of research and innovation. The Ministry of Education, Youth and Sports of the Czech Republic (MŠMT) informed about it. ■

## CR, SR leave Russia-based United Nuclear Research Institute

Monday, September 12 | ČIANEWS | [Information Source](#)

On December 31, 2022, the Czech Republic will end its membership of the Joint Institute for Nuclear Research (JINR), of which the Russian Federation is a member and on whose territory the organisation is based, after 66 years. This is due to the military conflict in Ukraine. For this reason, Ukraine also announced on May 18, 2022 its decision to terminate its membership of the JINR; Poland and the European Organization for Nuclear Research are following a similar procedure. Slovakia, Bulgaria and others have also suspended their cooperation with the IAEA. The information was published by the Ministry of Education, Youth and Sports. ■

## SP ČR: EU Council meeting outcome did not calm situation

Monday, September 12 | ČIANEWS | [Information Source](#)

The government should urgently adopt concrete solutions at national level that will significantly reduce energy prices for everyone, including companies. Along with this, it is essential to use the Temporary Crisis Framework or coursework. The Confederation of Industry and Transport (SP ČR) said this, adding that if a solution is not adopted, many companies will be restricted or shut down, with repercussions for the entire economy. This will also help to increase social tensions. SP ČR president Jaroslav Hanák said that the outcome of the September 10, 2022 EU Council meeting has so far been disappointing. It has not contributed to calming the situation in industry. He hopes that there will be a shift on the part of the government in the week of September 12, 2022. ■

## P. Kažimír: Increase in rates in eurozone by 75 bp was correct

Friday, September 9 | ČIANEWS | [Information Source](#)

According to the governor of the National Bank of Slovakia (NBS), Peter Kažimír, the increase of the basic interest rates by the European Central Bank (ECB) by 75 basis points (bp) was inevitable and correct. He added that energy-driven inflation in the eurozone accelerated to 9.1% in August. ■

## Inflation slowed down to 17.2%, gas price up 61.4%

Monday, September 12 | ČIANEWS | [Information Source](#)

Consumer prices rose 17.2% y/y in August 2022, 0.3pp less than in July. The data were published by the Czech Statistical Office. The slowdown in price growth occurred mainly in the transport section, where the price of fuel and oil (FOG) moderated to 28.3% (43.6% in July). Electricity and natural gas rose by 34.6% and 61.4%, respectively. Prices of goods rose by 19.6% in aggregate and prices of services by 13.5%. According to preliminary Eurostat data, the year-on-year change in the Harmonised Index of Consumer Prices in the EU27 was 9.8% in July, up 0.2 pp m/m. ■

## ČNB: Current account deficit reached CZK 24.2bn in July

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The balance of payments current account deficit reached CZK 24.2bn in July 2022. The goods and services balance was passive in the amount of CZK 0.8bn. In the balance of primary incomes on the liabilities side, dividends from direct investments make up CZK 25.5bn. The active balance of transfers from the Czech Republic to the EU budget in the amount of CZK 5.7bn is included in primary and secondary incomes. Income from the EU budget on the capital account amounted to CZK 8.9bn. The Czech National Bank (ČNB) informed about it. ■

## CNB: Current account deficit reached CZK 72.7 billion

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The current account deficit of the balance of payments in 2Q 2022 reached CZK 72.7 billion. The balance of goods and services ended with a deficit of CZK 4.5 billion. Year-on-year, the resulting balance worsened by CZK 77.6 billion. The negative balance of the balance of primary incomes amounted to CZK 62 billion, while the increase in the passive balance by CZK 6 billion was influenced by the decrease in net revenues from the EU budget. A deficit of CZK 6.3 billion was created in the balance of secondary pensions, which represents a year-on-year deterioration of CZK 9.1 billion. The Czech National Bank (ČNB) informed about it. ■

## CTour: Hotels accommodated 31% more guests

Monday, September 12 | ČIANEWS | [Information Source](#)

Czech hotels welcomed a total of 1.41m guests in July 2022 (+31% y/y), down 5.7pp compared to pre-pandemic 2019. Guests from the Czech Republic accounted for 51.2% of the total. Foreign tourists arrived by 400,000 more, 27.5% less compared to 2019. Most were Germans (140,857), Slovaks (64,335), Poles (62,677) and Americans (43,672). The biggest shortfalls are still for tourists from Asia and Russia. CzechTourism (CTour) also reported that domestic tourism entrepreneurs are currently concerned about high energy prices, which will have a major impact on the autumn and winter tourist season. ■

For your notes

## LEGISLATION AND REGULATION

For your notes

### EC proposes emergency intervention in energy market

Wednesday, September 14 | ČIANEWS | [Information Source](#)

The European Commission (EC) has proposed emergency intervention in European energy markets to address the dramatic rise in prices. The first response is to reduce electricity demand. The EC is therefore proposing to introduce an obligation to reduce consumption by at least 5% in selected peak hours. Member States should aim to reduce overall demand by at least 10% by March 31, 2023. This would also lead to a reduction in gas consumption of 1.2 bcm. The EC is also proposing a temporary cap on revenues for inframarginal generators, i.e. electricity produced by lower cost technologies, at EUR 180/MWh. And another proposal is a temporary solidarity contribution from excess profits generated from activities in the oil, gas, coal and refining sectors not covered by the cap on revenues for inframarginal generators. This would contribute to maintaining investment incentives for the sake of ecological transformation. ■

### EP adopts rules for fair minimum wages in EU

Wednesday, September 14 | ČIANEWS | [Information Source](#)

The European Parliament (EP) has adopted new rules on fair minimum wages for all workers in the EU, which should ensure decent living and working conditions and encourage collective bargaining. Minimum wage setting remains the responsibility of Member States, which can base their assessment on a basket of goods and services at real prices or on 60% of the median gross wage and 50% of the average gross wage. In countries where less than 80% of workers are covered by collective bargaining, Member States will have to draw up an action plan to extend it. ■

### Government approves reduction of excise tax on diesel

Wednesday, September 14 | ČIANEWS | [Information Source](#)

The Government has approved the proposal of the Ministry of Finance (MF) to continue the reduced excise duty on diesel fuel by CZK 1.50 per litre until the end of 2023. On Friday, September 16, 2022, the Chamber of Deputies should start discussing it in the accelerated legislative emergency process. Originally, the tax cut was to apply from June 1 to September 31, 2022, as a temporary relief for drivers facing high fuel prices due to rising oil and fuel prices on European and global markets. ■

### MMR plans easier permit process for RES installations

Friday, September 9 | ČIANEWS | [Information Source](#)

The Ministry for Regional Development of the Czech Republic (MMR) is preparing a comprehensive methodological aid for the siting, permitting and approval of renewable energy sources (RES) in close cooperation with other ministries. The sources listed are photovoltaics, wind power plants, heat pumps, small hydroelectric power plants, biomass, etc., in terms of the specific type of renewable energy source, whether it is agrovoltaics or floating photovoltaics, small wind turbines, etc. Buildings for RES can already be constructed, often without a building permit, notification or planning permission. In the amendment to the Construction Act, the Ministry of Industry and Trade wants to further simplify the construction of larger and more powerful systems. ■

### Pirates: Responsible cannabis regulation to yield billions

Thursday, September 15 | ČIANEWS | [Information Source](#)

The Pirates will submit an analysis of the impact of cannabis market regulation, including recommendations, to government partners. They believe that if regulation is set up responsibly, it would bring a number of benefits. One of them is tax revenue for the budget, which is estimated at CZK 650m to up to CZK 1.8bn in the more cautious scenario. In the more optimistic scenario, it would be several billion korunas more if the possibility of selling hemp products or exporting them to the German market were included. This would also relieve the budget in view of the current economic crisis. There is also the benefit of limiting access to cannabis for groups at risk. ■

### NRR: State is unfinanceable from current revenues

Thursday, September 15 | ČIANEWS | [Information Source](#)

The Czech public finances are in a significant imbalance caused by a combination of fiscally imprudent steps and a long-term failure to address the impact of demographic developments. In its report on the state of public finances, the National Budget Council (NRR) stated that the current structural deficit of CZK 220bn will not solve the economic growth, but adjustments to the state budget revenues and expenditures are also necessary. Moreover, the announced interventions in the energy market could place an unprecedented and long-term burden on public budgets. The NRC stated that the state, given its size and the scope of the public services it provides, is not financeable from existing revenues. ■

### Modified vaccines are available in CR

Monday, September 12 | ČIANEWS | [Information Source](#)

Following a recommendation from the Committee for Medicinal Products for Human Use (CHMP) and the European Medicines Agency (EMA), the European Commission has issued marketing authorisations for Comirnaty Original/Omicron BA.1, and Spikevax bivalent Original/Omicron BA.1, approving the use of these bivalent vaccines. Both types of modified vaccines will be available at vaccination sites as well as from GPs. The information was published by the Ministry of Health. ■

## SUBSIDIES, INVESTMENTS, EU MARKET

For your notes

### Government will provide CZK 30bn to large companies

Wednesday, September 14 | ČIANEWS

Due to high energy prices, large electricity and gas consumers will be able to benefit from a new subsidy call from November 1, 2022. Prime Minister Petr Fiala (ODS) said this after a government meeting on September 14, 2022, adding that the state will allocate CZK 30bn to the programme. The maximum support for energy-intensive companies will be CZK 200m. Others will be able to receive a maximum of CZK 45m. The support should mainly concern companies from the manufacturing and mining industries, but also agriculture and forestry. ■

### MMR to support IZS in 3 calls from IROP with CZK 7bn+

Thursday, September 15 | ČIANEWS | [Information Source](#)

The Czech Ministry for Regional Development (MMR) has announced three calls from the Integrated Regional Operational Programme (IROP) for applicants from the Integrated Rescue System (IRS). It will support, among other things, the construction of new fire stations, the acquisition of specialised equipment or devices for the detection of hazardous substances. Minister for Regional Development Ivan Bartoš (Pirates) said that fire brigades and police intervene during floods, fires and other emergencies and protect the health and lives of the population. It is therefore necessary for them to have the best possible equipment. ■

### MŽP to provide CZK 2.5bn for better treatment with water

Wednesday, September 14 | ČIANEWS | [Information Source](#)

The Ministry of the Environment of the Czech Republic (MŽP) has announced a call from the OP Environment for rainwater catching and flood protection measures. Municipalities and other entities can receive a total of CZK 2.5bn. Applications can be submitted until October 31, 2023. The subsidy can reach up to 100% of the costs. Support will be given for example for the construction of storage and underground retention basins, the replacement of impermeable surfaces with permeable ones or the use of treated grey water. CZK 1bn is earmarked for these projects. CZK 1.5bn is earmarked for flood protection measures such as improving the shape of watercourse channels or ensuring the natural flow of water into the landscape. ■

### Hartenberg and CORWIN plan district in Ljubljana

Thursday, September 15 | ČIANEWS | [Information Source](#)

Investment company Hartenberg Holding and Slovak developer CORWIN are in the final stages of acquiring a plot of land in the centre of Ljubljana, Slovenia. The joint venture agreement is expected to be concluded in the coming weeks. Hartenberg announced the deal, adding that the aim is to turn a centrally located post-industrial area into a mixed-use district, expanding the rapidly emerging new business district. The site is sized nearly 40,000 m<sup>2</sup> and is in close proximity to three other planned CORWIN projects. The seller is CEEREF UPRAVLJANJE Ltd, a regulated real estate fund. ■

### Wirtualna Polska buys Szallas, incl. Hotel + Spa portals

Monday, September 12 | ČIANEWS | [Information Source](#)

Wirtualna Polska Holding S.A, a provider of online travel and tourism services in Poland, is acquiring Szallas Group from its founders and from PortfoLion Capital Partners, a Hungarian private equity and venture capital firm. Szallas operates the largest travel portals in Central and Eastern Europe, allowing visitors to book accommodation in Hungary, the Czech Republic (Hotel.cz and Spa.cz), Romania, Poland and Croatia. It offers accommodation in a total of 87,000 establishments. More than 1 million bookings worth EUR 200m have been made in the last twelve months to June 2022. The company generated EBITDA of EUR 6.6m in this period. The value of the transaction amounts to EUR 72m, in addition to the company's net cash, which is estimated at approximately EUR 10m at the closing date (total of EUR 82m). ■

### ČEZ's wind project north of Dortmund succeeds in auction

Thursday, September 15 | ČIANEWS | [Information Source](#)

ČEZ Group's Datteln project has been awarded an operating support of EUR 58.7/MWh in the German onshore wind auction. Depending on the actual correction factor applied, it will thus have a guaranteed tariff of EUR 78/MWh for 20 years from connection. Construction of the 11.4 MW wind farm will start in early 2023 north of Dortmund. It should be ready for grid connection by the end of 2023. It will cover the annual consumption of around 6,000 households. Datteln is the first wind farm to be developed in cooperation with German developer GP Joule. ČEZ has an option to buy the projects from the joint venture. This currently totals 8 wind projects in several German states. Thanks to the optimization of the design of the farms, the portfolio now has a planned capacity of up to 141 MW. ■

### Prologis acquires EUR 1.59bn worth of space in 7 cities

Thursday, September 15 | ČIANEWS | [Information Source](#)

Prologis has added 1.14 million m<sup>2</sup> of urban logistics space in Europe. The value of the transaction amounts to EUR 1.59bn. Through its PELF fund, Prologis acquired 128 buildings and six development projects in seven EU countries from operator Crossbay. The locations are Rome, Milan, Amsterdam, Rotterdam, Madrid, Barcelona, Nuremberg, Berlin, Paris, Brussels and Lodz. With a current portfolio occupancy of 95%, Prologis now expects to expand its customer base by more than 110 companies as a result of the transaction. Centres from which to serve densely populated zones are increasingly important for customers following the COVID-19 pandemic and as the e-commerce segment expands, according to Prologis. ■

## Packeta launches Mezi námi service to Romania

Monday, September 12 | ČIANEWS | [Information Source](#)

The Packeta Group, which owns the company Zásilkovna, is launching the Mezi námi (Between Us) service for the delivery of parcels between individuals to Romania. It also works for the delivery of parcels on the Romanian market and between all countries where it is available (Czech Republic, Slovakia, Hungary). The service is implemented through the Zásilkovna app (in the Czech Republic) or Packeta (in other countries). The client can then use more than 8,000 delivery points of both companies to send. The service is paid online by card. The delivery time is 1-2 days. The founder of Zásilkovna and CEO of Packeta Simona Kijonková said that more than 4 million people have already downloaded the mobile application. According to her, the shipping process is simple, convenient, cheap and fast. ■

## Photon Energy commences construction of 7th PV plant

Wednesday, September 14 | ČIANEWS | [Information Source](#)

Photon Energy has started construction of its seventh photovoltaic power plant (PV plant) in Romania, which will have a capacity of 7.1 MWp. It will be built near the town of Sahateni on a 10 ha site and will be equipped with approximately 12,700 solar panels. The bifacial solar modules mounted on single-axis trackers will supply approximately 11.4 GWh of renewable energy per year to SDEE Electrica Muntenia Nord's grid. Photon Energy plans to build PV plants in the country with a total generation capacity of 32 MWp by the end of 2022. ■

## Schönfeld&Co acquires Platinum Brno from RSBC

Wednesday, September 14 | ČIANEWS | [Information Source](#)

Schönfeld&Co Nemovitosti's Premium Real Estate Fund has acquired the largest item in its portfolio to date, the Platinum Brno commercial centre. The six-storey building with a market valuation of around CZK 650m has a lettable area of over 8,500 m<sup>2</sup>, a covered car park for 58 cars and an underground level with garages for 165 parking spaces. The property generates annual revenues of over CZK 40m thanks to stable banking, financial and commercial tenants. The fund acquired the building at the end of August from RSBC Group and plans to hold it for the long term. Since its inception in 2020, the fund has appreciated investor assets by 24.4%. Year-to-date through July 2022, it has grown 5.9%. ■

## Genesis Capital acquires stake in Hecht Motors

Wednesday, September 14 | ČIANEWS | [Information Source](#)

Genesis Private Equity Fund IV of Genesis Capital Group has acquired a minority stake in Hecht Motors, a Central European company active in the production and sale of garden equipment. Rudolf Runštuk, one of Hecht's founders, said the company has historically achieved annual growth rates of between 15% and 20%. It now wants to focus on other markets besides the Czech Republic, Slovakia, Poland and Hungary. Genesis Private Equity partner Martin Viliš added that the prerequisite for development will be to strengthen internal infrastructure with an emphasis on logistics. ■

## HSF builds industrial buildings for Garbe in CR, Slovakia

Monday, September 12 | ČIANEWS | [Information Source](#)

SF System builds industrial buildings with a total area of ca. 56,000 m<sup>2</sup> for the German company Gabre Industrial Real Estate in the Czech Republic and Slovakia. The largest project is the Garbe Park Chomutov, which will offer ca. 30,000 m<sup>2</sup> upon completion. The tenant will be German Fielmann, which will open an automated production and supply centre here. In Green Park Piešťany, the construction of the first building with an area of 8,000 m<sup>2</sup> was recently completed. At the same time, work has started on a second sustainable hall with an area of 18,000 m<sup>2</sup>. ■

## Acond to build pump production with PFC's investment

Monday, September 12 | ČIANEWS | [Information Source](#)

Pale Fire Capital (PFC) has acquired nearly a quarter stake (24.3%) in Acond. The latter is a manufacturer of energy-efficient heat pumps. PFC's investment is aimed at building a new manufacturing plant to multiply production capacity and strengthen European expansion. The company has the ambition to produce tens of thousands of heat pumps per year by 2025. The investment group has decided to replace its original intention to build solar parks to promote energy self-sufficiency and security in the Czech Republic and Europe with this equity participation. It wants to help tens of thousands of households get rid of their dependence on primarily Russian gas and significantly reduce their energy consumption. ■

## Czechs paid 262 % more with cards in Poland this summer

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The total volume of card payments abroad during the summer holidays increased by 64 % y/y. The number of transactions increased by 77 %. The statistics of the ČSOB group also show that people most often paid with cards in supermarkets, for accommodation services, at gas stations and in restaurants. Czechs spent the most in Poland, Croatia, Italy, Austria and Germany. Card payments grew by tens of percent in most countries. The only exception was Poland, where people paid 262 % more. Czechs headed to their northern neighbors in large numbers for favorable purchases, mainly of food and fuel. ■

## KSB advised M&M reality on sale of 50% to EHS Group

Friday, September 9 | ČIANEWS | [Information Source](#)

Kocián Šolc Balaščík (KŠB) advised M&M reality holding on the sale of 50% of its shares. The buyer is the real estate group EHS (European Housing Services), which brings together, among others, the Bezrealitky.cz platform, the real estate agency Maxima Reality and Český nemovitostní trust. The company also announced that both real estate companies intend to expand abroad under the new brand M&M Real Estate Europe. In 2023 to Germany and Austria. They plan to invest more than CZK 3bn in their development in the coming years. ■

For your notes

## easyJet raises flights from Prague to Britain and Italy

Monday, September 12 | ČIANEWS

The airline easyJet has increased the number of flights from Prague to London Luton Airport to five a week. It will fly to Manchester 8 times a week and to Milan 6 times a week. It has also renewed its service to Bristol. The information was published by Prague Airport. ■

## Prague building Dvorecký Bridge for CZK 1.08bn

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The capital city has officially commenced the construction of the Dvorecký Bridge over the Vltava. It will serve public transport, cyclists and pedestrians. Mayor Zdeněk Hřib (Pirates) said that the bridge is one of the most important constructions for Prague public transport, as it will connect the important tram lines leading from Barrandov and Modřany in the southern part of the city, which will also improve transfer links between the Lihovar and Dvorce transport hubs. The bridge will be built by the association Metrostav TBR Firesta STRABAG – Dvorecký most. The work will last 810 days, and the European Union should contribute up to CZK 500m to the total price of CZK 1.08bn. ■

## VYS completes bypass of Velká Bíteš for CZK 85m

Wednesday, September 14 | ČIANEWS | [Information Source](#)

The Vysočina Region (VYS) has completed the north-western bypass of II/379 Velké Bíteš. The town will thus get rid of a significant part of the transit freight traffic from the direction from Tišnov to the D1 motorway and vice versa. Miroslav Houška (KDU-ČSL), deputy governor of VYS for transport and economy, said that the construction was carried out by Eurovia CS for more than CZK 85m with VAT. The subsidies from IROP will amount to almost CZK 37m. For the time being, traffic is allowed in a test operation mode, while the noise pollution will be measured for a year. ■

## PAK to call tender for hospital renewal study

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The Pardubice Region (PAK) will launch a selection process for the developer of the study on the modernization of the Svitavská hospital's bed fund. The estimated value of the order is CZK 7.9m including VAT. Part of the project plan is the elaboration of a study on the 2nd phase of the 1st stage of the modernization of the bed pool. It includes the demolition of the inpatient pavilion, X-ray and the construction of a new inpatient pavilion D with a total of 106 beds. Estimated costs for the construction part amount to CZK 280m including VAT. Currently, the region is expanding the capacity of ICU surgical operations and ICU for internal beds in the hospital as part of the 1st phase of stage 0. The work should be completed in 1Q 2023. It received subsidies from the ReactEU program for the investment. ■

## PAK investing CZK 100m into school PVPPs

Tuesday, September 13 | ČIANEWS | [Information Source](#)

In the coming years, the Pardubice Region (PAK) plans to invest more than CZK 100m in the construction of photovoltaic power plants on the roofs of buildings and in the premises of its property. It is therefore preparing to submit an application for a subsidy to the Modernization Fund and to the Environmental Operational Program (OPŽP). If it succeeds with the applications, it intends to build PVPPs at the secondary grammar schools in Pardubice – Dašická and Jevíčka, the Secondary Industrial School of Chemistry in Pardubice, the Secondary School (SŠ) of Automotive in Ústí nad Orlicí, the Secondary School of Agriculture and Veterinary Lanškroun and the Secondary School of Agriculture and Higher Vocational School in Chrudim. And it will also install it on the building of Albertina, a specialist medical institution in Žamberk. In total, the plans envisage the placement of more than 5,000 solar panels with a combined output of more than 2,200 kWp. ■

## Brno approved investment plan for Špitálka district

Friday, September 9 | ČIANEWS | [Information Source](#)

Brno approved the investment plan for the 1st stage of the construction of transport and technical infrastructure for the construction of the Špitálka smart district. It can thus allocate funds for financing individual studies or start work. In the 1st stage of construction, several new roads should be created, including sidewalks and cycle paths, as well as technical infrastructure. Estimated costs for project work and surveys amount to approximately CZK 10m without VAT, and for land purchases CZK 200m without VAT. The construction itself should cost CZK 237.8m without VAT. The risk analysis of the area of interest for the construction of a smart district will be carried out by the company GEOTest. ■

## TRENDS, DIGITALISATION AND INNOVATION

### Parimatch wants 200 developers at new Prague R&D center

Tuesday, September 13 | ČIANEWS | [Information Source](#)

Parimatch Tech plans to create a powerful research and development (R&D) center in Prague that will work on the company's growing portfolio of B2B solutions. In the next two years, it intends to expand the center to 200 developers. It is therefore hiring qualified experts from the Czech Republic and also relocating foreign experts to the Prague branch. Currently, the team has grown to more than 30 employees since the center opened on May 1, 2022. The company will participate in the Jobspin Multilingual Job Fair Prague on September 24, 2022. It will also host its own Tech Breakfast event on October 6, 2022. The company, which develops technology and marketing solutions for the online entertainment industry, is headquartered in Limassol, Cyprus. ■

For your notes

## Pure Storage hiring for R&D center, director is Melmon

Tuesday, September 13 | ČIANEWS | [Information Source](#)

Pure Storage is expanding its Prague research and development center and other activities in the Czech Republic. The company wants to continue to innovate and invest both domestically and across the EMEA region to support global growth. It has doubled the number of technical experts since the center opened in spring 2020 and plans to grow at a similar rate in 2023 and 2024. Paul Melmon, who previously held the position of vice president of development in the Digital Experience department, was newly appointed as the director of the R&D center. Prior to that, he worked as Chief Technology Officer at Colibri Group. ■

## Honeywell uses centre in Brno to reduce aircraft emissions

Monday, September 12 | ČIANEWS | [Information Source](#)

Honeywell and Reaction Engines Limited, a British aerospace company, have signed a memorandum of understanding. It concerns collaboration on the development of thermal management technologies as a key factor in reducing aircraft emissions regardless of fuel type. The companies will adapt Reaction Engines' unique microtubular heat exchanger technology and apply it across Honeywell's range of systems for sustainable thermal management solutions in aviation. Honeywell's research and development centre in Brno plays a significant role in the collaboration. ■

## Dachser to use Mikado WMS also in Panattoni Park Týniště

Monday, September 12 | ČIANEWS | [Information Source](#)

Dachser Czech Republic has taken over the use of 8,000 m<sup>2</sup> of space with a capacity of up to 14,500 pallet spaces in Panattoni Park Týniště from the beginning of September 2022. Another 312 m<sup>2</sup> will be used as offices and social facilities. The logistics provider will use its own warehouse management system (WMS) Mikado in the hall. Panattoni's CEO for the Czech Republic Pavel Sovička said that the company had managed to lease all the space in the hall before the project was finalised. The project includes, among others, chargers for electric vehicles. The global developer with 43 branches in Europe and America has been expanding the park since autumn 2021, when it started construction of two BREEAM-certified halls with an area of 16,300 m<sup>2</sup> and 9,900 m<sup>2</sup>. The tenant of the already completed half of the first hall (8,000 m<sup>2</sup>) is the transport and logistics company C.S.CARGO. The second hall is occupied by the Czech manufacturer of electric bikes Totem Bikes. Production will start at the end of 2022. ■

## Airbus will secure satellite communication for Czech army

Friday, September 9 | ČIANEWS | [Information Source](#)

Airbus Defence and Space has signed contracts with the Ministries of Defence of the Czech Republic and the Netherlands to provide satellite communications for 15 years. The armed forces of the two countries will use 2 and 3 channels respectively of Airbus UHF (Ultra High Frequency) military communications equipment on the EUTELSAT 36D telecommunications satellite. It is to be launched in 2024 and will be built on the Eurostar Neo platform. It will also be equipped with 70 Ku-band transponders for television broadcasting. The UHF equipment carried will be served by a network operations centre in Toulouse. Its 18 channels will allow up to 200 simultaneous links over Europe, the Middle East, Africa, much of Asia, as well as over the Atlantic Ocean (down to eastern Brazil) and the Indian Ocean (down to western Australia). ■

## Pilulka Lab invests in Vitadio, app targets Europe

Friday, September 9 | ČIANEWS

A joint venture between Pilulka Lékárna and StartupYard accelerator, Pilulka Lab, has invested in Vitadio. Vitadio's platform and mobile app provides AI-assisted lifestyle support to people with diabetes to improve the control of type 2 diabetes. The company operates in the Czech Republic, Slovakia, and Germany, where health insurers cover its service for around 8 million people suffering from the disease. Pill Lab said the investment is intended to help Vitadio accelerate its development in the German market and prepare the company for further expansion into Europe. ■

## AlzaPlus+ program registers 100,000 members

Monday, September 12 | ČIANEWS | [Information Source](#)

In September 2022, Alza.cz will activate a free one-month membership in the AlzaPlus+ customer programme for Visa cardholders who make purchases in the e-shop and pay online with their card. Currently, the company has already recorded 100,000 participating customers since the launch of the program at the end of May 2022. Among other things, they can have any order delivered free of charge to AlzaBoxes, branches and AlzaPoints and to all partner collection points and boxes of Zásilkovna, Česká pošta and Balíkovna or PPL. While in Western countries, according to surveys, most shoppers choose home delivery to their address, in the Czech Republic, personal collection prevails. This option is currently used by 85% of e-shop customers. ■

## Alsendo entered Zaslát.cz; to help with expansion in CEE

Tuesday, September 13 | ČIANEWS | [Information Source](#)

Online portal and carrier search engine Zaslát.cz signed a strategic partnership with Alsendo. Investor Abris Capital Partners helped Alsendo in the acquisition. In the Czech Republic, it is owned, among other things, by car dealer AAA Auto. Director of Zaslát.cz Miroslav Michalko said that the acquisition will help the company expand to other markets in the CEE region. It will also make it possible to expand the set of products and grow in the Czech Republic and Slovakia. The portal currently has almost 20 carriers in its portfolio and is in talks with others about integration. ■

For your notes

## Nilmore received CZK 13m from Danielson for circularity

Monday, September 12 | ČIANEWS | [Information Source](#)

Czech tech-textile startup Nilmore has received a CZK 13m investment from Danielson for its circular textile concept and is preparing another investment round to build its B2C brand in the European market. Nilmore founder Mikulas Hurta said that all the materials used are fully recyclable with a yield of over 86% thanks to the company's know-how and connection to recycling technologies, adding that the company will also take care of take-back and recycling. In the context of the European Extended Producer Responsibility (EPR) Directive on product recycling due to Scope 3 indirect emissions, Nilmore will quantify the CO2, water and waste savings for B2B partners by switching to circular solutions, and companies will achieve savings as a result. ■

## Raiffeisenbank app offers investment on foreign bourses

Tuesday, September 13 | ČIANEWS | [Information Source](#)

Raiffeisenbank is launching on the Czech market its own mobile application for the purchase of exchange-traded funds (ETFs), shares, mutual funds and investment certificates. The application called Raiffeisen investment allows users to invest in a few clicks and provides a simple solution for managing an investment portfolio. Director of Investments at Raiffeisenbank, Marek Podrabsky, said that clients who open an investment contract through the Raiffeisen investice application will be able to trade shares and ETFs on the American stock exchange with a fee starting from 1 dollar, in Europe from 1 euro, and on BCPP from CZK 10 until the end of the year. ■

## TA ČR: Scientists tracked down bacteria that break down pesticides

Friday, September 9 | ČIANEWS | [Information Source](#)

Czech researchers tracked down two types of bacteria and two types of yeast, useful for decontamination from alien biological substances, especially persistent pesticides. They will have practical use, for example, in a reactor that cleans water and removes from it a number of substances that threaten the diversity of natural ecosystems. Experts from the Research Institute of Plant Production, ALS Czech Republic, and EPS biotechnology participated in the project, which was financially supported by the Technology Agency of the Czech Republic (TA ČR). Although many pesticides are banned in the EU, their presence is still found in groundwater and surface sources. ■

## VW presented study of off-road electric car ID. XTREME

Monday, September 12 | ČIANEWS | [Information Source](#)

Volkswagen has unveiled a study of the ID off-road vehicle at the International ID. meeting in Locarno, Switzerland. XTREME. Based on the ID.4 GTX, the all-wheel-drive concept car combines a modern SUV with a rugged off-road vehicle. The study was created by Volkswagen enthusiasts for ID. fans in Locarno. The further fate of the project will be decided based on the feedback from fans of electric mobility. ■

## MŽP: EU experts presented climate change projects

Tuesday, September 13 | ČIANEWS | [Information Source](#)

On September 13, 2022, experts from all over Europe presented successful projects for water retention, soil regeneration, increasing the resilience of forests or restoring ecosystem services at the Czech Presidency's conference on climate change adaptation. Thematic excursions will complement the proceedings at the conference. The results will then be summarized in a document called the Prague Challenge. The Minister of the Environment Anna Hubáčková (for KDU-ČSL) will present it to the Ministers of the Environment at the Council meeting in Luxembourg in October 2022. ■

## Pii: Startups want Prague to attract talents and capital

Wednesday, September 14 | ČIANEWS | [Information Source](#)

Prague startups are struggling with a lack of skilled workers, especially in IT, artificial intelligence (AI) and data analytics, as well as difficulties in recruiting new people. They expect the capital city to attract more talent and venture capital from abroad and to promote interest in AI innovation among city companies. This was shown in an analysis by the Prague Innovation Institute (Pii) for the City of Prague. According to the mapping, the pandemic had a negative impact on less than half of the companies (46%). In contrast, up to a quarter of the startups surveyed noted that the coronavirus had a positive economic impact on their business. ■

## NEWS FROM SLOVAKIA

### Slovak govšt will support Volvo's investment near Valaliky

Tuesday, September 13 | ČIANEWS | [Information Source](#)

The Ministry of Labour, Social Affairs and Family of the Slovak Republic will support the investment of the Volvo car company in the industrial area near the village of Valaliky near Košice. The automaker will build a plant for the production of electric cars there for 1.2 billion euros. Together with the supplier companies, up to 13 thousand new jobs should be created. In the field of employment services, the support will mainly concern recruitment and selection of employees and commuting. In total, the government plans to support the investment with 267 million euros. ■

For your notes



## MZ SR announced call for use of AI in radiotherapy

Friday, September 9 | ČIANEWS | [Information Source](#)

The Ministry of Health (MZ) of the Slovak Republic has announced a call for the planning of radiotherapy with the help of artificial intelligence. The call is intended for general and specialized hospitals. Its goal is to make the work of radiation oncologists more efficient and increase the quality of treatment. The introduction of an innovative method in planning the treatment of oncological diseases will be supported by the Ministry from the Recovery and Resilience Plan of the Slovak Republic. A total of EUR 2m is allocated to the call. Applications can be submitted until September 30, 2022. ■

## SPP concluded contract with ExxonMobil for LNG supply

Monday, September 12 | ČIANEWS | [Information Source](#)

Slovenský plynárenský priemysel (SPP) has concluded a contract with the international energy company ExxonMobil for the purchase of LNG. The two companies also intend to establish further cooperation in the medium term. With the contract, SPP has taken another step towards strengthening Slovakia's energy independence, diversifying its resources and increasing the security of gas supply. ■

## POZAGAS changed capacity allocation to FCFS

Tuesday, September 13 | ČIANEWS | [Information Source](#)

For the 2022/2023 season, POZAGAS has changed the method of allocating free storage capacity from public tenders to the First-Come-First-Served (FCFS) method. The operator of underground gas storage facilities in Slovakia informed that participants in the gas market can contact it regarding the conditions for the allocation of free storage capacity. ■

## Klub 500 Club requests non-introduction of special tax on Russian oil

Thursday, September 15 | ČIANEWS | [Information Source](#)

Slovak industrial companies associated in Klub 500 (500 Club) call on MPs not to approve the proposal to introduce a special tax on Russian oil. While the government proposal talks about a 30% rate, the MPs' proposal suggests a 100% rate. In the view of the 500 Club, this is another unsystematic step which, once again, selectively targets only one particular company. It is an unacceptable measure that introduces fears of individual ad-hoc taxation into the business environment, which further destroys its transparency and predictability. ■

## Eurovia SK to repair II/517 road between Prečín and Domaniža

Monday, September 12 | ČIANEWS | [Information Source](#)

The Trenčín Administrative Region (TSK) continues the reconstruction of the II/517 road with the fifth and sixth stages. The 5 km long section between Prečín and Domaniža will be repaired by Eurovia SK. Trenčín mayor Jaroslav Baška, added that the project will be financed from the IROP for a bid amount exceeding EUR 3.7m. LED lighting will be added at the pedestrian crossing points, powered by a photovoltaic panel with a pedestrian presence sensor. ■

## UCB shows net profit of CZK 4.5bn in 1H

Friday, September 9 | ČIANEWS | [Information Source](#)

UniCredit Bank Czech Republic and Slovakia (UCB) reported interest income of CZK 10.51bn for 1H 2022. The report to the Czech National Bank shows that the return on average assets (ROAA) reached 1.06% and assets per employee reached CZK 319.46m. Net operating income was CZK 10.58bn. UCB posted a net profit of CZK 4.52bn for the period. ■

For your notes