

RUSSIAN-UKRAINIAN CONFLICT ECONOMIC AND POLITICAL IMPACTS

December 21, 2022

For your notes

STATE AND INTERNATIONAL INSTITUTIONS' MEASURES

Síkela: Gas reserves 2nd highest since 2014

Tuesday, December 20 | ČIANEWS

As of December 20, 2022, the current gas reserves in the Czech Republic are the second highest since 2014. Their decrease related to the extraordinarily cold weather last week when consumption grew by 7% was within the norm. This information was provided by Minister of Industry and Trade Jozef Síkela (STAN). He added that the price of gas dropped below EUR 110/MWh. He also said that concerning the target of saving 800m m3 of gas for the winter of 2022/2023, the Czech Republic was now beyond 480m m3.

After gas capping, CZ PRES accelerates RES construction

Tuesday, December 20 | ČIANEWS | Information Source

At the latest meeting under the leadership of CZ PRES in Brussels on December 19, 2022, EU ministers responsible for energy managed to negotiate a compromise that would introduce a price cap for gas. Minister of Industry and Trade Jozef Síkela (STAN) said that a new framework for accelerated construction of renewable energy sources (RES) was finally approved, along with mutual solidarity and a mechanism for joint gas purchases. It includes safeguards against threats to cross-border gas flows in the EU and the safety of supplies to the EU so that the market continues to be attractive for third-country gas suppliers.

MZ cancels periodical check-ups for no-risk professions

Tuesday, December 20 | ČIANEWS | Information Source

On December 20, 2022, the Czech Ministry of Health (MZ), together with representatives of the Czech Chamber of Commerce and the Confederation of Industry of the Czech Republic, presented an amendment to the regulation that cancels the duty of employers to organise periodical work-related medical check-ups for no-risk professions. Effective from January 1, 2023, they will be on a voluntary basis. Employers will thus save hundreds of millions of korunas per year. Minister Vlastimil Válek (TOP 09) said that the regulation was part of the so-called first anti-bureaucratic package whose goal was to lower unnecessary paperwork.

REACTIONS OF BUSINESSES, COMPANIES AND ASSOCIATIONS

SME: Permits for new RES to take at most three months

Tuesday, December 20 | ČIANEWS | Information Source

On December 19, 2022, the Council of the European Union supported, by approving emergency legislation, the acceleration of the construction of renewable energy sources (RES) and heat pumps. This information was provided by the Modern Energy Union (SME). According to the amendment, the permitting of new solar sources located on buildings, existing or artificial facilities, except for artificial water areas, would not exceed three months. For installations of up to 50 kW, the deadline will be cut down to one month. According to the Union's programme director Martin Sedlák, the current Czech solar wave would accelerate based on the directive. It would enable a larger number of Czech households to access cheaper energy in 2023. The data published by the International Energy Agency (IEA) shows that the development of energy sources could already replace almost 10bn m3 of natural gas next year.

Primagas: 7 LNG stations in CR, three new in December

Tuesday, December 20 | ČIANEWS | Information Source

In December 2022, the total number of LNG filling stations in the Czech Republic grew by three to seven. One was built by GasNet and two by Eurowag. Jiří Karlík, general director of Primagas, a supplier of LNG and LPG, said that at the beginning of 2022, there were only two mobile LNG stations from GasNet and one stationary station in the country. The National Action Plan for Clean Mobility counts on the Czech Republic having up to 30 LNG stations by 2030. In Europe, the total number of filling stations exceeded 600. According to the Czech Gas Union, 36 LNG-powered vehicles were in operation in the country in 2020, while approximately 135 LNG-powered trucks are now operating.

PVK to invest CZK 4.4bn in 2023; water price up 18.5%

Tuesday, December 20 | ČIANEWS | Information Source

In 2023, Pražské vodovody a kanalizace (PVK) will increase investments in water mains infrastructure to a record CZK 4.4bn, up CZK 860m year on year. The water and sewer rates will grow by 18.5% to CZK 128.18, including VAT. The new price is in accordance with the capital city's medium-term investment plan that counts on an increase of two percentage points above the year-long inflation rate. The price also reflects the increased input prices, mainly energy, chemicals, construction material and work. The water price will be below the level of a socially bearable price (59%), which is a figurative cap for the price level set by the EU for individual regions.



ČD invests over CZK 5bn in RegioPanter units for OLK

Tuesday, December 20 | ČIANEWS | Information Source

Czech Railways (ČD) deployed two new RegioPanter two-car electric units and 362 series electric locomotives with a classic set on the newly electrified line from Olomouc via Uničov to Šumperk. By the end of the year, ČD will take over four of these two-car units. In January, they will be joined by the fifth one. Twenty-seven new RegioPanter type 20Ev three-car units will also be delivered to the Olomouc Region (OLK). They are produced by the Škoda Transportation and Škoda Vagonka consortium. They will be deployed on regional lines in 2023 and 2024. The trains will have a maximum speed of 160 km/h and will be equipped with European ETCS safety equipment. As part of the contract, ČD will invest more than CZK 4bn to purchase new vehicles. Another more than CZK 1bn will go to the maintenance base.

Eurowings to offer new flights from Prague

Tuesday, December 20 | ČIANEWS | Information Source

Eurowings, a member airline of the Lufthansa Group, will expand its offer connections from Prague with flights to Geneva, Rhodes, and Corfu as of the summer of 2023. More frequent connections will be offered to Copenhagen, Stockholm, Malaga, Athens and Alicante. The programme now includes 18 connections. Prices start at CZK 968. Eurowings has been connecting Prague with European capitals and holiday destinations for a year. General director Jens Bischof said that people all over Europe now wanted to travel again after the pandemic restrictions. He added that Czechs liked to fly cheap but appreciated additional services, such as a flexible reservation change up to 40 minutes before departure and Priority Service. Prague Airport Aviation Business director Jaroslav Filip added that cooperation with Eurowings would continue expanding.

SITUATION IN SLOVAKIA

Prices in industry in SR rose 38%; by 19% in construction

Tuesday, December 20 | ČIANEWS | Information Source

In November 2022, prices of industrial producers for the domestic market in Slovakia increased by 38.1% year on year. The development influenced the year-on-year price increase in electricity and gas supplies by almost 74% and in the production of oil products by 55%. Industrial producer prices for export increased by 14.3%, agricultural producer prices increased by 41% in crop production and 35% in livestock production. The prices of construction work rose by 19.1% and building materials by 13%, according to the Slovak Statistical Office.

Klein is chairman of Slovak Post board

Tuesday, December 20 | ČIANEWS | Information Source

Tomáš Klein was appointed chairman of the board of directors of Slovak Post. The Slovak Ministry of Transport and Construction informed about it and added that Minister of Transport and Construction Andrej Doležal had also appointed Milan Kračún as a member of the board of directors based on a selection process.

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