

REPOWEREU – THE CURE FOR DEPENDENCE ON RUSSIAN ENERGY



The current energy situation is alarming, and the EU is responding by taking a range of measures to accelerate the transition away from fossil fuels and its dependence on gas supplies from Russia. As the Czech Republic is very concerned about this topic, CEBRE in cooperation with the European Commission organized a debate “REPowerEU: the cure for dependence on Russian energy?”. The debate clarified the positions of the various stakeholders, which included representatives of the Commission, the European Parliament, the Council, and Czech entities such as the Ministry of Industry and Trade and the business community. The Green Deal addresses the “Fit for 55” package, where energy plays a key role. The package, which was supposed to focus on the energy situation in general, has been completely disrupted by the Russian military aggression against Ukraine, and its economics situation will have a huge impact on Fit for 55. Just to give you an idea, the price of gas has risen 4.5 times from last year, an increase of 350% since the beginning of last year. Therefore, there is now a strong focus on reducing imports and dependence on fossil fuels, primarily from Russia, which is the largest gas supplier to the EU.

The plan that the EU is preparing intends to focus on 6 priority areas, where the European Commission representative mentioned, for example, the completion of the update of Member States’ contingency plans and the preparation for the fact that the situation could change rapidly from one day to the next and gas from Russia could be cut off completely and increasing diversifica-

tion of supply by actively engaging in the EU Energy Platform and using it to aggregate demand needs and enhanced monitoring and coordination through the Gas Coordination Group. Furthermore, a demand reduction plan should be presented, which should, among other things, set criteria for prioritizing certain industries and propose possible restrictions on gas prices at the EU level. According to the European Parliament representative Mr. Niedermayer: ‘Europe needs to generate more electricity independently, sustainably, and as quickly as possible. Furthermore, it is also necessary to reduce the demand for energy so that we do not have to import energy that is not needed to be consumed. We need to act very quickly and must proceed in solidarity so that we will not have, on the one side, countries that will not have to restrict their economy in any way and, on the other side, countries in which gas will only reach protected customers.’ The issue of energy security is not a problem for all EU countries, but unfortunately, the Czech Republic is one of the countries that will be rapidly affected. Countries that do not need to be so concerned are, for example, the Scandinavian countries, which have a high proportion of hydroelectric power plants and renewable sources. Photovoltaic energy could also help, for example, Poland has increased the amount of photovoltaic and wind power, and the same could be possible within the Czech Republic. Finally, mention was made of the national energy plan, which says that by 2030 we should increase the share of renewable sources in electricity production to 20% of the total amount in the Czech Republic.

THE CZECH PRESIDENCY AND “EUROPE AS A TASK”

On 1st July, the Czech Republic’s second Presidency began, taking over from France. The EU and its future direction are crucial for the current and future success of Czech industry and the economy. The priorities of the Confederation of Industry of the Czech Republic and the Czech Chamber of Commerce are very much in line with each other. Both of them want to use the presidency mainly to make Czech entrepreneurs

proposals, opinions, and concerns more visible. The Confederation of Industry of the Czech Republic has as one of its top 3 priorities what it considers to be the environmental conditions to ensure long-term competitiveness and sustainable economic growth. These priorities are a Resilient and Open Europe, a Competitive and Sustainable Europe, and a Europe
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News FLASH

>SAVINGS TARIFF TO HELP HOUSEHOLDS WITH HIGH ENERGY PRICES

The Czech government has approved an amendment to the Energy Act that introduces a savings tariff as a support mechanism for households with high energy prices. Households can get a discount of up to CZK 16,000. The tariff should be valid for the upcoming heating season.

>CZECH GOVERNMENT SUPPORTS TECHNOLOGICAL DEVELOPMENT

In order to increase the competitiveness of the Czech Republic, it is important to streamline the processes by which knowledge and technology from excellent research is transferred into practice. Helena Langšádlová, Minister for Science, Research and Innovation supported the Technology Incubation project, a project for more efficient knowledge sharing. Over the course of 5 years, the Ministry of Industry and Trade, through its agency CzechInvest, will support 250 innovative technology startups in 7 key areas, including artificial intelligence, creative industries, space technologies and sustainability.

>TRIPARTITE IN THE CZECH REPUBLIC DISCUSSES THE LABOUR MARKET AND EU FUNDS

The Tripartite focused on the European funds. By the end of April 2022, legal acts on the provision of support will have been issued for a total amount of CZK 703.4 billion, which amounts to 106.7 percent of the total allocation for the 2014-2020 programming period. The current situation in the labour market and employment of foreign workers was also discussed. Measures in the area of economic migration must be set with regard to the limited capacity of public infrastructure, civic amenities (kindergartens, primary schools, health facilities) and accommodation options.

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with a Dynamic Labour Market. The aim of the Czech Chamber of Commerce is to draw Czech entrepreneurs and business people operating on Czech soil into the debate, to give them a voice, and to enable open dialogue between them, the Czech government, and representatives of European institutions. Above all, they want to enable Czech entrepreneurs to share their views and

propose solutions to current problems in the EU, to enable them to be heard not only in Prague but also in Brussels, and to share their experiences and opinions with the European institutions and the other Member States. Last but not least, they want to promote dialogue on practical aspects of European politics in the Czech public space. The main motto of the Czech Presidency is "Europe as a task". This statement is not only con-

nected to the essay of the same name by the first Czech President Václav Havel, but it is also a public declaration of his legacy. The Czech Republic has also chosen a logo that is composed of graphic elements symbolizing the 27 Member States of the European Union. Each element is based on the colors of the flag of a particular country and replaces the initials used in the logo from 2009.

EU SUSTAINABILITY REPORTING STANDARDS (ESRS)

The founders of CEBRE and Czech representatives of the European Parliament met in Prague and held the traditional meeting to discuss the impact of the Corporate Due Diligence Directive on sustainability and the social responsibility of companies on our firms. The European Commission has not listened to the voice and arguments of businesses as, rather than clear and tangible rules, it brought complex and unclear terminology and legal uncertainty. Related to this is the proposal for a directive adopted on 23 February 2022.

It is clear to all those involved that this proposal will fundamentally affect the lives of businesses and will affect, in particular, the principle of voluntariness. The representatives of businesses have agreed that the directive is problematic for our businesses and MEPs need to have as many arguments as possible from businesses, through associations and unions, as to why they do not agree with it and to try to eliminate the negative impact as much as possible. The participants in the debate also saw a problem in the fact that the Commission has the false impres-

sion that only some companies will be affected by this regulation. Due to the unclear definitions, and the supply chain itself, it is already certain that it will also impact sub-suppliers and SMEs who will not be prepared for it. The question is if this will not be all about the courtesy of business growth and competitiveness, and there is a risk that this will undermine Europe's competitiveness with Asia, and during this difficult period. Besides sustainability, participants also pointed out the issue of taxonomy and high material prices, which have a high impact on our businesses and need to be solved as soon as possible. MEPs also responded to the taxonomy that we must not underestimate this and we have to emphasize our interests. This is a key aspect for investors and even more so now that alternatives to Russian gas are being discussed. They also pointed out that company representatives need to contact them themselves before voting on selected directives to make sure that they are familiar with all the information so that they can vote in a way that is as supportive of our interests as possible.



EESC CORNER: DIGITALISATION OF CROSS-BORDER JUDICIAL COOPERATION



The proposed regulation establishes the legal framework for electronic communication in the context of procedures for cross-border judicial cooperation in civil, commercial and criminal matters, and access to justice in civil and commercial matters with cross-border implications, as provided for under existing law. It is based on a decentralised IT system consisting of interoperable IT systems and access points operating under the responsibility and management of each Member State and of EU agencies and bodies, through which cross-border exchanges between the respective authorities of the Member States take place.

Member State courts and competent authorities will therefore be obliged to accept electronic communications in judicial proceedings,

which are considered equivalent to paper communications. However, natural persons are free to opt for electronic or paper-based means of communication, which cannot be rejected by the competent authorities.

The regulation also lays down conditions for the use of videoconferencing or other distance communication technology in cross-border civil and commercial proceedings. Furthermore, it lays down rules on the hearings of a suspect, accused or convicted person and of minors by videoconference or other distance communication technology.

The EESC supports the Commission's approach and the objectives pursued through this proposal for a regulation. However, believes that adequate safeguards in the following areas need to be provided:

- security and confidentiality, given the sensitive nature of the issues covered in the various hearings,
- the system envisaged must ensure compliance with the open justice principle in terms of participation, observation and accessibility,
- accessibility for all in terms of support measures and technologies.

It is essential to ensure the security of the technological systems used and the confidentiality of the data involved – especially personal data – given the sensitive nature of certain types of court hearings.

The proposed measures seem likely to improve the efficiency of the judicial system by reducing and simplifying administrative burdens, reducing the time and cost of dealing with cases, and must result in a better and more equal access to justice. The EESC believes, that the proposed measures benefit cross-border trade and the competitiveness of the European economic and social system.



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