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| **Component 2.4: CLEAN MOBILITY** | |
| **Investment/ reform CID reference** | **Investment 1** |
| **Investment/ reform name** | **Building infrastructure for public transport in the city of Prague** |
| **Type of change compared to CID** | [Added/ removed/ modified] |
| **Legal base of the change (select at least one)** | Article 14(2) – loan request  Article 18(2) – update of the maximum financial contribution  Article 21 – amendment due to objective circumstances  Article 21a – REPowerEU non-repayable financial support (ETS revenue)  Article 21b (2) – BAR transfers  ☐ None of the above, correction of clerical error |
| **Elements modified (only for modified measures)** | Component / Measure description  Milestones and targets  Estimated cost  Green and digital tagging (potentially relevant, because there is a substantive change to the underlying measure)  DNSH self-assessment |

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| **Investment 1: Building infrastructure of public transport in the city of Prague – Target 116** | | |
| *Description and justification of the change* | | |
| **Modified elements** | **Current version** | **Amended version** |
| ***Component and / or measure description*** | *No change* | *No change* |
| ***Milestones and targets*** | *At least 40 km of dynamic charging road for battery trolley bus for the city of Prague shall be ready to operate.*  *Timeline for completion: Q4/2025* | *No change*  *Timeline for completion:* ***Q2/2026*** |
| ***Estimated cost*** | *No change* | *No change* |
| ***Green and digital tagging*** | *No change* | *No change* |
| ***DNSH self-assessment*** | *No change* | *No change* |

*Amendment of the latest date for the end of physical implementation to 30 June 2026 and an increase of original amount of allocation for dynamic charging roads of CZK 1.033 billion could be justified by the geopolitical events of 2022 and 2023.*

*Delays in implementation of the projects in question are also partly caused by the lack of capacities of design companies and suppliers due to the high demand for electrification in public transport.*

*Due to the insufficient capacity of suppliers, DPP (beneficiary) has already been forced several times to repeat tenders for studies - due to inadequate bid prices (caused by the lack of capacity), e.g. for investment projects for the* ***extension of charging for electric buses in the Vršovice garage, charging infrastructure for 2-pole electric buses, extension of charging for battery trolleybuses in the Klíčov garage and Electrification of line No. 201****. For similar reasons, the DPP is forced to postpone tenders for the investment project* ***Electrification of bus lines 136 and 150****. Similar complications can be expected across investment projects focused on electrification.*

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| **Component 2.4: CLEAN MOBILITY** | |
| **Investment/ reform CID reference** | **Investment 2** |
| **Investment/ reform name** | **Building infrastructure – Recharging points for private companies** |
| **Type of change compared to CID** | [modified] |
| **Legal base of the change (select at least one)** | Article 14(2) – loan request  Article 18(2) – update of the maximum financial contribution  Article 21 – amendment due to objective circumstances  Article 21a – REPowerEU non-repayable financial support (ETS revenue)  Article 21b (2) – BAR transfers  ☐ None of the above, correction of clerical error |
| **Elements modified (only for modified measures)** | Component / Measure description  Milestones and targets  Estimated cost  Green and digital tagging (potentially relevant, because there is a substantive change to the underlying measure)  DNSH self-assessment |

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| **Investment 2: Building infrastructure – Recharging points for private companies – Target 117** | | |
| *Description and justification of the change* | | |
| **Modified elements** | **Current version** | **Amended version** |
| ***Component and / or measure description*** | *Together with Investment 4 under this component, this investment shall aim at stimulating demand for electric cars and at supporting the development of hydrogen technology in transport. It shall consist of increasing the number of recharging points for private companies by 1500 units. A non-discriminatory treatment amongst the E-Mobility Service Providers shall be ensured and access shall be granted to the public to the extent possible. Call for interest shall ensure adequate geographical distribution, including the analysis of future needs for such infrastructure and mapping of critical areas where there is a significant shortfall of such infrastructure.* | *Together with Investment 4 under this component, this investment shall aim at stimulating demand for electric cars and at supporting the development of hydrogen technology in transport. It shall consist of increasing the number of recharging points for private companies by 1500 units.* |
| ***Milestones and targets*** | *At least 1500 new recharging points shall be operational and open to third parties.* | *At least 1500 new recharging points shall be operational.* |
| ***Estimated cost*** | *CZK 0,3 bil.* | *No change* |
| ***Green and digital tagging*** | *No change* | *No change* |
| ***DNSH self-assessment*** | *No change* | *No change* |

*The charging points supported by the investment will be used by entrepreneurs to charge corporate zero-emission vehicles as planned. However, access to the public cannot be ensured. There are several reasons. The owner/charging station operator would be obliged to fulfil requirements stemming from Act No. 311/2006 Coll. on Fuels, including keeping a contact point for public users in case of problems with the charging station, monitoring and reporting to the Ministry of Industry and Trade and being subject to inspections by the Czech Trade Inspection Authority. Also, there would be administrative burden and extra costs incurred related to managing payments from public users. Moreover, there might be constraints related to ensuring safety or security of business premises, not all premises can be accessible to public. All the abovementioned challenges would have an important negative impact on SMEs and would lead to discriminatory approach towards the potential applicants. As a change, we therefore propose removing the condition to make these charging points available to third parties.*

*As for the adequate geographical distribution, only data on public charging points/stations are available. We do not have access to data on non-public charging stations built at the business premises. Based on the contracts between energy providers and charging station owners/operators, energy providers are not allowed to share the relevant data with third parties. Therefore, thorough mapping of the geographical coverage of non-public charging stations and identification of possible shortfalls is not possible.*

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| **Component 2.4: CLEAN MOBILITY** | |
| **Investment/ reform CID reference** | **Investment 4** |
| **Investment/ reform name** | **Aid for purchase of vehicles – vehicles (electric, H2, bikes) for private companies** |
| **Type of change compared to CID** | [modified] |
| **Legal base of the change (select at least one)** | Article 14(2) – loan request  Article 18(2) – update of the maximum financial contribution  Article 21 – amendment due to objective circumstances  Article 21a – REPowerEU non-repayable financial support (ETS revenue)  Article 21b (2) – BAR transfers  ☐ None of the above, correction of clerical error |
| **Elements modified (only for modified measures)** | Component / Measure description  Milestones and targets  Estimated cost  Green and digital tagging (potentially relevant, because there is a substantive change to the underlying measure)  DNSH self-assessment |

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| **Investment 4: Aid for purchase of vehicles – vehicles (electric, H2, bikes) for private companies – Target 119** | | |
| *Description and justification of the change* | | |
| **Modified elements** | **Current version** | **Amended version** |
| ***Component and / or measure description*** | *With the objective of stimulating demand for zero emission vehicle, this investment shall aim at increasing the number of alternative fuel vehicles (electric, H2) for business by 4555 units (3525 electric, 30 hydrogen cars, 1000 cargo ebikes).* | *With the objective of stimulating demand for zero emission vehicle, this investment shall aim at increasing the number of alternative fuel vehicles (electric, H2) for business by 2 670 units (****2 170 battery electric andhydrogen passenger cars and vans, 500 cargo ebikes****).* |
| ***Milestones and targets*** | *At least 4 555 new zero emission vehicles (3525 electric, 30 H2 cars, 1000 cargo e-bikes) for business shall be purchased.* | *At least 2670 new zero emission vehicles (****2 170 zero emission passenger cars and vans, 500 cargo e-bikes)*** *for business shall be purchased.* |
| ***Estimated cost*** | *CZK 0,940 bil* | ***No change*** |
| ***Green and digital tagging*** | *No change* | *No change* |
| ***DNSH self-assessment*** | *No change* | *No change* |

*High inflation in 2022 and high growth in energy prices negatively affect the plans of the potential applicants (businesses buying vehicles), weakening thus the demand. On the suppliers' side, the increase in costs and distorted supply chains lead to an increase in the prices of electric cars (higher production, including energy costs, more expensive supplies of parts for vehicles, higher labour costs, lower numbers of cars produced). The average increase in prices was of ca 15% compared to 2021; in case of battery electric and fuel cell electric vehicles (passenger cars and vans), the increase in prices has ranged from 3.5% to almost 30% (based on the comparison of pricelist of vehicle dealers). The situation described above thus threaten the fulfilment of the obligations contained in the National Clean Mobility Action Plan of the Czech Republic and its commitments in climate policy.*

*Also, given the decision to use a financial instrument as the support tool, we need to add to the total allocation the cost of guarantee and administrative costs of the National Development Bank (the administrator).*

***Therefore, as part of component 2.4, the Ministry of Industry and Trade has to react and reassess the amount of expected costs (see the related additional investment in the REPowerEU chapter at the level of CZK 760 million). In this very component, we need to adjust the number of zero-emission vehicles down to 2 170 passenger cars and light-duty vehicles (while the previously planned target of 4 555 vehicles is kept thanks to the additional investment from the REPowerEU chapter).***

***Additionally, changes in the structure of supported zero emission vehicles need to be made.*** *In the Czech Republic, the adoption of e-bikes has been the fastest in the last 4 years, when the "novelty" has become a common commodity. Based on the figures from stakeholders collecting the data on e-bikes, 123 000 e-bikes of all types were sold in 2021, which was a 4% increase comparing to the record year of 2020, and a 25% increase comparing to 2019. Compared to foreign countries, 3 times more e-bikes were sold in the Czech Republic than in Poland, which is 5 times larger in population. If we include e-bikes up to 5 years old (an approximate time before replacement with another model in the Czech Republic), there are currently over 350 000 e-bikes in operation in the Czech Republic. The off-road and trekking e-bike represent the biggest share, but the urban bikes sales increase as well and their share is approximately 10%. The e-bikes, including e-cargo bikes do not need a specific charging infrastructure to be built (in comparison to passenger cars, vans and other segments of motor vehicles), so their uptake does not face so many challenges. At the same time, the potential to considerably increase the demand for e-cargo bikes is limited due to the geographical nature (landscape) of the biggest agglomerations (where there is the biggest potential demand). Also, conditions for the operation of bicycles (special lines, traffic conditions,…) in big cities in the Czech Republic is less safe (when compared to e.g. Germany or, Poland).*

*As for the division to battery electric and fuel cell vehicles, the development of hydrogen filling stations has been slowed down in the Czech Republic due to Brexit and covid-19 (supply difficulties). Also, we would like to give the applicants a freedom to choose according to their business model and specific needs. For this reason, we would support both BEVs and FCEVs, but keep them in “one pot” without distinction.*

***As a result, we would like to decrease the number of e-cargo bikes to be supported under Investment 4 to 500 and increase the number of zero emission (without distinction of the alternative fuel used) passenger cars and vans by 500.***