

Report on Bachelor Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

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Advisor:	Ing. Jiří Kracík
Title of the thesis:	Level of Competition on the Gas market in the Czech and Slovak Republic

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

The analysed thesis tackles the question of gas pricing and competition on the Czech and Slovak markets. The thesis is structured in six parts which cover theoretical considerations as well as some analysis of the pricing of gas in the analysed countries.

Overall the author proved a strong command of the topic which translated into a very thorough representation of the past and actual state of the gas distribution industries in the analysed countries. The theoretical foundation and the descriptive part of the thesis represent most of it which is detrimental to the empirical part and the analysis of the competition level and the impact of the liberalization on the price level.

The analysis per se is limited to graphical presentation and subsequent description, which is therefore unsatisfactory and could have been done in a more thorough and comprehensive manner, using rather simple regression techniques. Moreover, I would expect establishing a more straightforward relationship between the liberalization process in the gas industry and pricing. From my perspective a definite link between the two is missing in this thesis. The competition side of the analysis could go further than just presenting the shares of the main market participants. The author could introduce some standard industry concentration measures or estimate some price elasticities in order to prove her assertions regarding the competition in Czech Republic and, possibly, Slovakia.

On the literature side I would recommend some of the contributions of Andrea Kliemsova from the IES for instance.

The conclusion is well structured and provides some general ideas and answers to the questions and concerns raised in the introduction.

In case of successful defence I recommend grade "good" (2).

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	20
<i>Contribution</i> (max. 30 points)	25
<i>Manuscript Form</i> (max. 20 points)	15
TOTAL POINTS (max. 100 points)	78
GRADE (1 – 2 – 3 – 4)	2

NAME OF THE REFEREE: Adrian Babin

DATE OF EVALUATION: 25.08.2012



Referee Signature