

# CzechInvest Newsletter

April 2013



## Headline News

- In 2012 **CzechInvest** attracted to the Czech Republic 350 new investment projects in the total value of more than CZK 26 billion. These new projects will create more than 12,000 jobs. Following the downturn caused by the global economic crisis, companies are rediscovering their appetite to invest, said Minister of Industry and Trade Martin Kuba. Though the automotive industry traditionally dominates in terms of the volume of investments and the number of newly created jobs, statistics indicate continual growth in the number of services projects (information technologies and shared-services centres) and projects involving technology centres.

Source: *CzechInvest*, Mar 25

## Business & Investment

- Carmaker **Skoda Auto** has invested more than EUR 34 mln into the building of the first phase of the Cesana centre. The company has informed that this is one of the biggest development investments in the Czech Republic at the moment. Additional investments into Cesana will follow. Skoda has informed that the current plans foresee the centre's expansion into other buildings, to facilitate design department's requirements. All building work is scheduled to be completed by 2016.

Source: *CIA*, Mar 20

- Siemens** has opened a new development and prototype centre. Totally 115 engineers are working in Prague and Brno on the development and testing of products and applications for industry, energy industry and public infrastructure. All in all, Siemens operates already ten development and construction centres in Brno with more than 500 employees.

Source: *CIA*, Mar 26

- Lohmann & Rauscher**, a producer of textile products for medical use, is investing in the expansion of production in the Czech Republic. With its investment in the amount of CZK 1.28 billion, the company intends to expand production of its Kitpack and Setpack lines of products for operating theatres in the Vyskov and Jicin districts. In connection with the expansions, the company will create 200 new jobs.

Source: *CzechInvest*, Mar 31

- In March 2013 **Schwan-STABILO CR** has started to expand its manufacturing stationery and plastic components for cosmetic pencils in Cesky Krumlov. The company intends to invest 120 million CZK over the next five years and to create 19 new jobs. In 2012, the company celebrated its 20<sup>th</sup> anniversary since the beginning of its operations in the Czech Republic. The Cesky Krumlov plant has been founded in 1992.

Source: *CzechInvest*, Mar 31

- The **Delta group**, which specializes in building design, has commenced preparations to build a production and storage hall with administrative facilities for **Mann+Hummel Innenraumfilter** in Uhersky Brod. The company stated that construction is scheduled to commence on 1 August 2013 and be completed in spring 2014. The new hall and administrative building with an area of almost 6,000 m<sup>2</sup> will be used by Mann+Hummel to expand its production of interior filters.

Source: *CIA*, Mar 6

- Litvinov-based firm **Unipetrol** plans to build a third polyethylene unit. The Ministry of Environment is now undertaking the environmental impact assessment (EIA) of the project, worth several billions of CZK. Usti nad Labem Region will comment on the review and supplementation of the EIA documentation for the "Polyethylene Production Upgrade" project. Unipetrol plans to sign the contract in 2014 and the construction is scheduled to take 25 months.

Source: *CIA*, Mar 14

- Ironworks **Trinecke Zelezarny** continues to implement green investment totalling over CZK 500 mln – the injection of dust coal into blast furnaces. The information was provided to CIA by production director Ceslav Marek. According to Mr. Marek, the new technology will lead cut pig iron production cost

significantly, primarily thanks to lower consumption of metallurgic coke, with lower emission of solid pollutants.

Source: , Mar 28

## R&D

- The unique **4MEDI – Biotech Park For Medical Innovations** will arise within the Ostrava University Hospital complex by December 2013. Using human cells and new materials, the centre will develop preparations for treating hitherto undertreated and untreated illnesses, such as multiple sclerosis, Alzheimer's disease and diabetes. The company **PrimeCell** will receive CZK 400 million from the **Operational Programme Enterprise and Innovation** for construction of the centre. Total costs amount to CZK 702 million. A total of 150 new jobs will be created here for scientists and researchers in the areas of biotechnology, medicine and materials engineering.

Source: *CzechInvest*, Mar 19

- The preparations for the construction of the **Science Park** in Rostoky u Prahy are underway. The firm **Zoerner** has informed that building work will start in the summer of 2013 and will be completed a year later. The park will offer 100 qualified jobs. The multipurpose facility established in cooperation with the **Czech University of Technology Prague** is now seeking companies interested in the development and testing of electromobility, software and hardware development, production process automation and optimisation, computer logistics, development of electronics and micro-electronics, Internet and security technology.

Source: , Mar 12

- A total of 41 firms have submitted their applications to the **JIC Innovation Park**. The JIC consulting team made a shortlist of six applications. The JIC Innovation Park currently provides help in the development of fifty high-tech

firms active in ICT, software engineering, computer security, engineering, biotechnology, robotics and other fields. Entities for the Innovation Park are selected twice a year. Those interested must submit an Executive Summary and a financial plan.

Source: , Mar 13

- Ostrava University**, which is part of the **IT4Innovations** national supercomputer centre together with the Mining University – Technical University Ostrava, has a new supercomputer project. The project involves the analysis of the development of fat cells that will help the treatment of diabetes. The project is the output from the new biostatistics department, which will cooperate with medical faculties and medicinal research institutes.

Source: , Mar 15

## Infrastructure

- A new facility with two industrial halls that will create up to 600 jobs will be built at Cheb's Industrial Park. The companies **Accolade** and **Panattoni**, which are behind the forthcoming investment, stated this in the environmental impact assessment documentation. Both companies currently offer seven industrial parks in the Czech Republic, including in Mlada Boleslav, Kvasiny – Rychnov nad Kneznou, Plzen and Zatec.

Source: , Mar 21

## Economy

- In 2012, **foreign direct investment** into the Czech economy increased five times compared to 2011 to CZK 207 bln, according to figures released by the Czech central bank. The majority of FDIs came from the EU member states, especially from the Netherlands (CZK 89 bln). FDIs less the reinvested profit of Czech subsidiaries amounted to CZK 89 bln. Reinvested profits increased by CZK 80 bln to CZK 118 bln.

Source: , Mar 13

## CzechInvest

- On the occasion of Czech Minister of Industry and Trade Martin Kuba's visit to India, **CzechInvest** strengthened relations with its Indian counterpart, Invest India. On 14 March at the **IESS** mechanical-engineering trade fair in Mumbai, representatives of the two organisations signed a memorandum of understanding, on the basis of which the agencies will share important contacts and support cooperation between businesses from India and the Czech Republic.

Source: *CzechInvest*, Mar 26

- In March **CzechInvest** hosted a delegation from **Thailand's King Prajadhipok's Institute**. With support from the Thai embassy in the Czech Republic, the members of the delegation familiarised themselves with the Czech Republic's business environment and CzechInvest's services. They also took part in discussions on the topics of investment incentives and experience with the transformation of the Czech economy after 1989.

Source: *CzechInvest*, Mar 12

- The Ministry of Industry and Trade is preparing to merge agencies **CzechTrade** and **CzechInvest**. This was reported by Industry Minister Martin Kuba. The aim is to create an institution that provides services to support business, innovation, investments and exports in a single location. Agency CzechTrade will be shut down on 31.12.2013 and its brand will be integrated into CzechInvest as a division.

Source: , Mar 3

## Exchange Rates

Averages for March 2013

EUR 1 = CZK 25.662

GBP 1 = CZK 29.873

USD 1 = CZK 19.806



Source: Česká informační agentura, s.r.o.

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