

Headline News

- Problems in the eurozone are not deterring foreign investors. The total number of new investment projects undertaken in 2011 was greater than in the pre-crisis years. This is according to the tenth **European Attractiveness Survey**, which is regularly conducted by **Ernst & Young**. The Czech Republic remains among the world's top twenty countries in terms of attractiveness for investors, and ranks 12th in Europe in the number of jobs created and 16th in the number of investment projects.

Source: *CzechInvest, July 17*

Business

- The Czech aviation industry is enjoying a period of success, according to representatives of global aviation firms at **the Farnborough International Airshow** in Great Britain. A panel discussion titled **Strategic Challenges in the Aviation Industry – European and Czech Perspectives**, which was held during the airshow and was co-organised by CzechInvest, featured the participation of **Eduardo Bonini**, vice-president of the Brazilian aircraft manufacturer **Embraer**, **Paul Theofan**, president and COO of **GE Aviation Czech**, **Petr Rehor**, COO of the **Confederation of the Czech Aviation Industry**, and **Ladislav Simek**, president of the board of directors of **Aero Vodochody**. "Together with companies, we want in the future to improve cooperation

between manufacturers with the aim of increasing industrial potential and development of innovations and improving the education system," says Miroslav Krizek, CEO of CzechInvest.

Source: *CzechInvest, July 19*

- The British company **NonStop Recruitment** is expanding its shared-services centre for recruitment and the area of human resources in the Czech Republic. Among other things, the company's branch in Pardubice is focused on increasing the effectiveness of internal process. The costs of introducing a new model of sectoral and geographical specialisation amount to CZK 65 mln, more than half of which is covered by aid from **the Operational Programme Enterprise and Innovation**. According to Minister of Industry and Trade **Martin Kuba**, the Czech Republic is very suitable for shared-services centres thanks to its strategic location, which is well connected to other countries in Europe by well-developed road and rail networks and air routes, and its skilled workforce with good language skills.

Source: *CzechInvest, July 30*

- Pharmaceutical company **Gerresheimer** plans to expand its production plant for the production of medicinal plastic systems in Horsovsy Tyn. According to the information from the company, the production area will grow by 3,500 m² and some 200 new job positions will be formed over two years. All in all, there will be 650 people working

in the plant. The company is investing EUR 18 mln into the project. Work on the project is scheduled to start this year and be finished next year.

Source: *EMA, July 11*

- Solar Turbines**, a producer of turbines, has opened its high-tech repair centre in **the Triangle industrial zone**. According to vice-president **Peter Taylor**, the centre will repair turbines from Europe and Africa. It currently employs over 70 people, with the company ultimately planning a staff of 500.

Source: *EMA, July 3*

- Goodman Czech Republic** has asked for the environmental impact assessment for its intention to build a new factory of **Ingersoll-Rand Equipment Manufacturing Czech Republic**, a producer of components for buses and trains, in the industrial zone Ovcary near Kolin. The total employee base of the company will reach 585. The construction will likely begin in September 2012 and its completion is scheduled in April 2013.

Source: *EMA, July 13*

- Foundry & Machining**, a supplier of the engineering production, asks for the environmental impact assessment for its intention to build a new administrative building and a production hall for the procession of iron in its area based in Bystrice pod Hostynem. Some 100 people will likely be employed there. The construction will likely begin in

September 2012 and end in September 2015.

Source: **CIA**, July 9

- **VUHZ**, which specializes in metallurgical production, has launched a new coating facility. The investment into the facility totaled CZK 60 mln according to the company. Thanks to the expansion in production, the number of coatings offered at VUHZ has increased from five to seventeen. The company expects revenues tied to the production and coating of tools to increase by almost CZK 30 mln per year within four years thanks to this investment.

Source: **CIA**, July 10

- **Kosyka**, a producer of connectors and cables, invested into its new production area covering 3,000 m² last year. The company plans to invest into technology and the development of new products this year. CIA was told by Kosyka Executive **Martin Saitl** that the company intended to raise its employee base from current 150 in a mid-term outlook.

Source: **CIA**, July 11

- The firm **Composite Components** has applied for environmental impact assessment (EIA) for the expansion of its existing production of composite materials in the Chocen facility. The investor aims to boost the production capacity of composite materials, mostly plastic parts for the automotive industry. The designed material consumption will grow from current ca. 80 tons per year to up to 300 tons p.a. A total of 170 new jobs will be formed.

Source: **CIA**, July 19

R&D

- Thanks to CzechInvest's **CzechAccelerator 2011-2014** project, the Czech nanotechnology company **NFG services** (Nafigate) will cooperate with foreign partners on the development of nanofibre membranes for water treatment, membrane distillation, and smart packaging from biopolymers. According to Nafigate's chairman of the board of directors, Ladislav Mares, participation in the CzechAccelerator project eased the company's entry into Asian

markets, where nanotechnologies have tremendous potential, and pushed its development forward.

Source: **CzechInvest**, July 4

- Venture **Sdruzeni pro vystavbu Energoklastru Vysocina** will build the research workstation of the Technology Transfer Centre in Jihlava for Energoklastr CTT Vysocina. The value of the contract reaches CZK 248.8 mln. The contracting authority has received two bids and the winner was chosen based on the total price of the contract (some 60% of the assessment).

Source: **CIA**, July 20

- **Mining University – Technical University Ostrava** seeks a company that will build a supercomputer centre within the IT4Innovations project. The value of the contract is estimated at CZK 302.75 mln.

Source: **CIA**, July 23

- Building firm **Gemo Olomouc** has applied for environmental impact assessment for its project for the construction of a new technological complex with three production facilities for light production and logistics in Olomouc. The plan foresees totally 492 employees. The building work is scheduled to start in October 2012 and be completed in May 2013.

Source: **CIA**, July 13

Economy

- According to the **World Investment Report 2012 of the United Nations Conference on Trade and Development**, the global volume of realised foreign direct investments grew by 21% to USD 1,5 trillion in 2011. Conversely, in comparison with 2010 the volume of foreign direct investments undertaken in the Czech Republic declined last year by USD 736 mln from USD 6,141 mln to USD 5,405 mln. However, this does not indicate investors' declining interest in the Czech Republic, said **Miroslav Krizek**, CEO of CzechInvest, according to whom CzechInvest mediated a record number of investment projects in 2011. According to Minister of Industry and Trade **Martin Kuba**, the figures published by the UN

indicate the caution of investors. The recently adopted amendment of the Investment Incentives Act offers new benefits to investors in the Czech Republic.

Source: **CzechInvest**, July 9

CzechInvest

- **The Ministry of Industry and Trade** takes over thirty two **CzechTrade** offices and six **CzechInvest** offices with effect from August 1. The work agenda of the office directors remains unchanged – they will focus on services for the Czech business sphere. The ministry says that the agenda will newly include the assertion of Czech business interests within the business policy. Tomas Patak of the Ministry of Industry and Trade has told CIA exclusively that the merger represents no additional costs for the state budget.

Source: **CIA**, July 30

- According to the 2012 Report on Global Investment Promotion Best Practices, **CzechInvest** ranks second among the Top Ten World Websites. CzechInvest's website was surpassed only by that of the Austrian investment agency **ABA-Invest. Austrade of Australia** placed third. The World Bank recently presented the results of the survey in Washington.

Source: **CzechInvest**, July 13

- **CzechInvest**, in cooperation with the **Ministry of Industry and Trade**, is presenting the Czech Republic from the economic perspective during the **30th Summer Olympic Games in Great Britain**. The agency is organising seminars on investment opportunities, the new system of investment incentives and possibilities of mergers and acquisitions for potential investors and other members of the professional public.

Source: **CzechInvest**, July 26

Exchange Rates
Averages for August 2012
EUR 1 = CZK 25.641
GBP 1 = CZK 31.821
USD 1 = CZK 20.470



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