

Headline News

- **An amendment to the Investment Incentives Act** will come into force in the Czech Republic on **12 July 2012**. It comes at a time when companies are considering new investments in Central Europe. According to a survey conducted by **Deloitte** in cooperation with CzechInvest and the Association for Foreign Investment more than half of companies (56 %) are considering the use of investment incentives. Most companies plan to invest in manufacturing or technology centres.

Source: **CIA**, June 28

Business

- **Strategic industrial zones (SIZ)** in the Czech Republic currently offer 721 hectares of available area. The area ready for investment totals 1,308 ha and the total SIZ area is thus 1,614 ha. In 2010 and 2009, some 813 ha were available. There are currently 23 investors in these zones now. With nine investors, including **Hargo**, **JC Interiors Czechia** or **Hitachi Automotive Systems Czech**, the **Zatec-Triangle zone** has the highest occupancy.

Source: **CIA**, June 20

- The firm **Hargo** has started building its plant in the **Triangle Strategic Industrial Zone** near Zatec. The spokesperson for the Usti nad Labem Region, Alena Ticha, told CIA that Hargo wants

to invest CZK 200 mln in the zone over two years. The Czech company is the first investor in the Stankovice part of the zone. Hargo's production programme focuses on environment-friendly recycling of rubber products for subsequent use in other production segments. In 2013 Hargo plans to employ 54 persons, with 120 employees foreseen by the end of 2015.

Source: **CIA**, June 21

- The company **Alca plast** has built a new production facility in Breclav at a cost of EUR 8.8 million. The company, with operations in the Czech Republic, Slovakia, Poland, Hungary and Romania, will expand production of sanitation equipment, which it exports to most European countries. Alca plast received a grant of EUR 4.4 million for the 13,000 m² facility.

Source: **CzechInvest**, July 25

- **BDQ Invest** is requesting an environmental impact assessment of its plan to introduce spring production on the Fablovka premises in Pardubice. The production capacity will be about 3 mln units per year. Implementation is set to start in mid-August 2012.

Source: **CIA**, June 29

- Automotive component manufacturer **Duve CR** wants to build a new production hall in Pribram. Duve CR has informed CIA that the investment in the hall where the company plans to move next year will reach approx. CZK

50 mln. Building work is scheduled to start this year and to be completed in mid-2013. The company plans to launch the operation of the facility by late 2013.

Source: **CIA**, June 22

- **TI Automotive** has opened a new plant for the production of automobile components in Liberec. The plant will manufacture plastic piping for fuel filters for the **Volkswagen**, **Skoda** and **Audi** brands as well as fuel tank systems for **Citroen**, **Peugeot**, **Toyota** and Skoda vehicles. According to the company the annual production capacity will total 1.1 mln units. TI Automotive will employ roughly 85 people at the plant.

Source: **CIA**, June 7

- The firm **Hennlich** opened a new research and development centre in Litomerice on Friday June 1. The centre will deal with research and development of products in the segment of renewable energy usage, such as biogas stations, geothermal collectors and/or ORC units for the transformation of waste heat into electricity. The investment in the centre totalled approx. CZK 120 mln. The centre will have over 100 employees.

Source: **CIA**, June 1

R&D

- **VTP Milovice** in cooperation with **Energoklastr** and the Czech Technical University will build a

science-technology park in the military area in Milovice. The project includes also an aerodynamic tunnel, which will serve mainly for the automotive industry, according to Jan Rakusan, Chairman of the Board of Directors of Energoklastr. The investment into the renovation of the premises and the park construction will likely exceed CZK 500 mln and some 100 jobs will likely be created in the park. Implementation will begin this year.

Source: **CIA**, June 26

- On Thursday, 14 June, **Energoklastr** commenced construction of **Science-Technology Park** and **Technology Transfer Centre Vysocina**. The project will focus on the energy sector, increasing energy efficiency, material engineering and the use of biomass. The park will create more than 50 jobs; a further 150 to 200 jobs should be created at cooperating companies. As of 2014 the project will offer 600 m² of office space and 1,780 m² of laboratory spaces.

Source: **CIA**, June 16

- Energy cluster **Energoklastr** has opened the Brno Aerodynamic Tunnel for the testing of aircraft models at the **University of Defence in Brno**. The investment totalled CZK 105 mln. The project is co-financed from **the Operational Programme Enterprise and Innovation**. Energoklastr will gradually invest more than CZK 40 mln in technologies in the aerodynamic tunnel in 2012 and 2013.

Source: **CIA**, June 6

Economy

- The Czech Republic's gross domestic product**, adjusted for price, seasonal and calendar influences, dropped 0.7% y/y and 0.8% q/q in Q1 2012, according to an estimate by the Czech Statistical Office. **Inflation**, measured by the implicit GDP deflator, grew an average of 2.1% in Q1 2012.

Source: **CIA**, June 8

- The aggregate economic sentiment indicator in the Czech Republic** dropped 0.8

percentage point m/m to -2.2 points in June 2012. The industrial confidence indicator dropped from -2.3 to -4.7 points. On the other hand, consumer confidence grew from -31 to -29.3 points. According to Komerční Banka's analyst Miroslav Frayer, the development is surprising, but the indicator was so low that it would be difficult for it to drop even further. For the upcoming term, the Czech Statistical Office predicts slower growth of industrial production activity as well as employment.

Source: **CIA**, June 25

- The Czech Republic has sent to the European Commission's general director for regional policy, Walter Deffaa, a proposal for changes to **the system of drawing EU Funds**. The commission will now review the measures adopted by Czech authorities. Based on its findings, the Commission will decide about the renewal of financial flows from European funds.

Source: **CIA**, June 29

CzechInvest

- The sixth Czech-Japanese Technology Days** were held in Tokyo, Japan in June with the support of the Ministry of Industry and Trade of the Czech Republic, Ministry of Foreign Affairs of the Czech Republic and CzechInvest. During the event, representatives of Czech nanotechnology companies and institutions participated in the **Nanofibres 2012** international conference, where they presented their latest results in the area of nanofibre R&D and production.

Source: *CzechInvest*, July 14

- In accordance with its new strategy, CzechInvest has become **a coordinator of clusters and cluster initiatives in the Czech Republic**. As such, the agency's main tasks will be to support the creation and development of clusters, the effective use of aid from the EU operational programmes and international involvement in cluster initiatives.

Source: *CzechInvest*, July 19

- CzechInvest will support the cooperation of Czech technology companies with international partners. The agency will offer a total of CZK 40 mln within **the International Technological Cooperation Support Programme**. The first call was opened in June. The agency's general director Miroslav Krizek has stated that the programme will help to cover the costs related to cooperation primarily for small and medium-sized enterprises, which have limited access to financial resources.

Source: **CIA**, June 29

- Czech companies may register in the fourth call of CzechInvest's **CzechAccelerator 2011** project from late June until September 14, 2012. The project has cost almost CZK 6.2 mln so far. Eighty-five percent of the total costs were reimbursed from **the European Union's Operational Programme Enterprise and Innovation**. To date, thirteen companies have participated in the project, three of them repeatedly. Ten other companies will join the project on the basis of the third call.

Source: **CIA**, June 29

- Seven Czech companies are currently participating in **CzechAccelerator 2011-2014** in the United States. Three of them are in Silicon Valley and the other four are in Boston, according to CzechInvest CEO Miroslav Krizek, who further stated that the agency has also registered interest among American companies in the Czech Republic and that several investments have already been implemented. These include, for example, the projects of **Honeywell** and **IBM**.

Source: **CIA**, June 12

Exchange Rates
Averages for June 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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