

MONTHLY NEWSLETTER

July 2010

Headline News

- **Weba Olomouc**, which presses metal and acts as a supplier for the automotive industry, has started to build a new hall in Bystrovany, Olomouc district. The company copes with an investment in the amount of EUR 5.75 mln (roughly CZK 145.73 mln) into the production area extension. The completed and modernised production hall will likely offer 60 jobs.
- The production halls of the company will be extended by 1,300 square meters. The company has decided to strengthen its production in Olomouc after plants in Serbia and Slovenia were shut down due to the restructuring of the group Weba.

Source: [CIA](#), Jul 14

Business

- **Pressol**, which manufactures lubrication and garage technology equipment, has rented out an area of roughly 12,000 square meters at CTPark Bor. According to the sales director of developer CTP, Jakub Pelikan, the manufacturer plans to employ between 100 and 200 people on site.

Source: [CIA](#), Jul 8

- Software company **Red Hat Czech** plans to expand its technology centre in Brno. It will open a new floor and offer about 100 new jobs, especially to engineers and Linux production programmers, CIA was told by company director Radovan Musil.

Source: [CIA](#), Jul 16

- The Zlín regional authority has approved the environmental impact of **DF Partner's** plan to build a new production facility in the Neubuz municipality. The building will be used for the production, storage and distribution of auto cosmetics and auto chemistry products. A total of 176 jobs will be created on site.

- The project should be implemented between January and December 2011. The built-up area will exceed 16,000square meters. The project will also include 57 parking spaces. Regional bureaucrats have already approved the environmental impact (EIA) of the project.

Source: [CIA](#), Jul 20

- The firm **KM Beta** will launch the production of dry mortar and plaster mixes in the new production plant in the Bzenec-Privoz location in the

Hodonin district. Some 25-35 new jobs will be created. The implementation price of the project totals ca. CZK 273 mln.

- Three new building will be built in the facility. The total built-up size will reach 2,000square meters. According to the firm's sales director, Jan Hruska, the new production facility is the next step towards the fulfilment of the firm's vision – the rough shell from a single producer of building materials.

Source: [CIA](#), Jul 26

- **Stachema Kolin** plans to build a new production facility to produce regular dry sanitation materials and to fill them into valve bags in the municipality of Cervene Pecky. The planned capacity of the production facility is a maximum of 23,000 tons per year.

- Implementation, which should take 7 to 8 months, should begin in the second quarter of 2011. The built-up area will total roughly 3,100 square meters. A total of 15 jobs will be created on site. The Central Bohemian regional authority is currently assessing the environmental impact of the plan (EIA).

Source: [CIA](#), Jul 8

- An intention to build a producing hall in the municipality of Holesov by **Pokart** has passed the environmental impact proceedings conducted by the regional authority of Zlin Region. The intention includes also offices, facilities for employees and warehouses. The hall will accommodate the production of cardboard wrappings. The realisation of the project will likely begin in September 2010 and it will be completed in December 2011.

- The realisation of the intention will lead to the movement of the production located in the area of Toma Otrokovice and the current technology will be slightly altered. The total built-up area of the premise will reach 7,630 square meters. Regional officers will not assess the environmental impact of the project any more.

Source: **ČIA**, Jul 28

R&D

- **VTP AT Milovice** plans to build the science park Vedeckotechnicky Park Milovice at the location of former military area. The area will serve for science and experimental purposes related to the technology of the aerodynamic tunnel, transport vehicle testing, and technologies of alternative and renewable resources. The total area of the park is nearly 197,000 square meters.

- The construction will likely be commenced in March 2011 and the park will likely be completed one year later. The built-up area of the administrative and laboratory buildings will reach about 4,000 square meters. The regional authority of Central Bohemia Region is assessing the environmental impact of the intention.

Source: **ČIA**, Jul 8

- The **European Commission** (EC) will allocate almost EUR 6.4 bln (CZK 162.752 bln) to **research and innovations**. Healthcare, for example, will get over EUR 600 mln (CZK 15.258 bln). Support of EUR 1.2 bln (CZK 30.516 bln) is dedicated to the research in information and communication technologies. This is an economic incentive aimed at creating more than 165,000 jobs.

- More than EUR 1.3 bln (CZK 33.059 bln) will be allocated to the most creative scientists. The money will be granted to about 16,000 participants from research organisations, universities and sectors, including some 3,000 SMEs, EC Commissioner Máire Geoghegan-Quinn said. Grants based on invitations to submit proposals will be provided in the coming 14 months.

Source: **ČIA**, Jul 19

Economy

- In the first quarter of this year the inflow of **foreign direct investment** (FDI) into the Czech Republic increased by CZK 17.3 bln to CZK 53.3 bln. This primarily includes FDI in the form of other capital (CZK 31.5 bln) and reinvested profits (CZK 19 bln). Investments into basic capital totaled CZK 2.9 bln.

- According to the Analysis of the Economy of the Czech Republic and Sectors published by the Ministry of Industry and Trade on Thursday 8 July the biggest volume of funds came to the Czech Republic from the Netherlands (CZK 13.6 bln) and Great Britain (CZK 13.2 bln). These were followed by Cyprus (CZK 6.6 bln), Germany (CZK 5.8 bln) and Austria (CZK 5.5 bln). These five countries accounted for almost 84 % of all FDI to the Czech Republic.

Source: **ČIA**, Jul 8

- HSBC sees the greatest potential of **Czech exporters** in exports to the Far East and Middle Asia. Czech exports have strong ties with the European Union. A HSBC study says that Czech companies still fear penetration into more distant countries.

Source: **ČIA**, Jul 19

Culture

- Piano player Paul Lewis and the City of Birmingham Symphonic Orchestra will play the opening concert of the Dvorak Prague Festival on Friday August 20. The orchestra will be conducted by Andris Nelsons.

Source: **ČIA**, Aug 3

CzechInvest

- The **Operational Programme Environment** (OPZP) approved a total of 4,462 projects totalling CZK 107.1 bln in value in three years of its existence. The subsidies from the Cohesion Fund and the European Regional Development Fund totalled CZK 70.5 bln.

- The highest volume of financial resources went into 547 projects for the improvement of water management infrastructure – CZK 38.5 bln. The highest number of projects (1,671) was supported in the segment of renewable energy resources, where the subsidy totalled CZK 12.8 bln.

Source: **ČIA**, Jul 2

Exchange Rates
Averages for July 2010
EUR 1 = CZK 25.282
GBP 1 = CZK 30.209
USD 1 = CZK 19.729

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

