

### Headline News

- The US software company **Red Hat** is expanding the development centre in the Czech Republic. The company is therefore planning to employ an additional 150 engineers to join its current staff of 300 developers and other employees. Red Hat will thus have the world's biggest development facility in the city of Brno. Czech engineers have worked for Red Hat since 2004 on community projects. In June 2006, the American firm established a separate Czech branch. According to the company, the current expansion of the development centre in Brno is proof that, among other things, the Czech Republic has talented people that are worth keeping. The Brno facility is currently involved in the development and testing of all main products and, to a significant extent, the operating system.

Source: **CIA**, Aug 10

### Business

- Mitas**, a producer of tires for the agriculture industry, is asking for the environmental impact assessment for its intention to build a new production plant in the industrial area Toma Otrokovice and install a similar technology for the tire production in its current production hall Agro. The production capacity in the new plant will likely reach 42,000 tonnes a year. The project will offer also 130 parking

places for cars and 17 parking places for trucks. The intention copes with the creation of 576 new job positions.

Source: **CIA**, Aug 18

- The car manufacturer **Hyundai** in Nosovice hired 180 more employees on Monday August 15 for the intended third shift. There are a total of 3300 employees working at the plant, out of whom 800 have been newly hired. The third shift will probably be launched in the course of this October, after training has ended.

Source: **CIA**, Aug 16

- Czech automaker **Skoda Auto** already employs over 4,000 people in the framework of new recruitments necessary for the launch of the production in an 18-shift system in its Kvasiny-based plant. According to Skoda Auto HR Manager Bohdan Wojnar, the continuous recruitment of employees is caused by a planned growth in the production of the model Yeti to 100,000 units a year, which will likely begin in September of this year.

Source: **CIA**, Aug 16

- The South Moravia Regional Authority has given an EIA go-ahead to the plan of **CTP Invest** to build and operate new buildings within the CTPark Brno – F territory in the Cernovicka terasa industrial zone. The plan comprises four new industrial halls. The total area will be c.

78,530 sq m. There will be premises for some 582 employees. Implementation is scheduled to begin this year. The buildings are set to be launched into operation next year.

Source: **CIA**, Aug 8

- The firm **Nupharo Park**, represented by Zdarek, has applied to the Ustí nad Labem Region Office for environmental impact assessment of its building project in the Nupharo Park facility in Kninice u Libouchce. The company plans a Science and Technology Park, Technology Centre and a Business Incubator. The total size is 62,654 sq m, while the built-up area totals 22,110 sq m. Some 850 employees are foreseen.

Source: **CIA**, Aug 11

- CTP Invest** has requested an environmental impact assessment of its plan to build building O23 and two freestanding structures CTBox I and II in industrial zone CTPark Ostrava-Hrabova II. The O23 building should include seven independent storage, logistics, and distribution facilities; the CTBoxes should be home to administrative, operations and retail units. A total of 642 jobs should be created on site.

Source: **CIA**, Aug 16

- Regional Office of South Moravia has issued an EIA for

**CTP Invest's** plan to build two new buildings – E2 and E3 – in the Cernovická terasa industrial zone. The new buildings will have a total of 60,310 sq m and offer a capacity of approximately 1,350 jobs. Construction is to begin this year and should be completed in 2013.

Source: **CIA**, Aug 5

## R&D

Companies from the **Czech Space Alliance** association have received eight contracts worth EUR 2.98 mln (CZK 72.4 mln) in a tender announced by the European Space Agency (ESA) focused on research and development projects. The contracts will be implemented by ANF Data, CSRC, EGGO Space, Frentech, Iguassu Software Systems, Synpo and Explosia. The Transport Ministry coordinates the space activities and relations with the ESA. The CzechInvest agency, which also actively supports the industry, has stated that next year, the Czech Republic will be conducting key negotiations on the amount of contributions to ESA for the coming four years.

Source: **CIA**, Aug 15

- Czech education Minister Josef Dobes has approved results of the first round of the call in the field of the **support of university education**. Subsidies have been allocated to 55 projects in the total volume of CZK 1.42 bln from the operational programme Vzdělávání pro konkurenceschopnost to support the cooperation among departments, faculties, and universities. It is a call in the framework of so-called Year of Universities, where the Education Ministry of the Czech Republic makes possible for universities to get up to CZK 9 bln.

Source: **CIA**, Aug 4

## Economy

- The rating agency **Standard & Poor's** increased the **Czech Republic's rating** by two levels

from **A to AA-** for long-term liabilities in foreign currencies. According to the Finance Ministry, the agency also increased the country's rating for long-term liabilities in the local currency from A+ to AA. Finance Minister Miroslav Kalousek says the agency recognises the cabinet's efforts to ensure balanced public budgets.

Source: **CIA**, Aug 24

- The **inflow of foreign direct investments** (FDI) to the Czech Republic decreased by 67% y/y in the first quarter of this year. The FDI volume reached CZK 17.4 bln in Q1. According to an analysis of the development of the Czech economy made public by the Ministry of Industry and Trade of the Czech Republic (MPO), the highest amount of capital headed to the Czech Republic in the form of reinvested profits, whose volume totalled CZK 25.2 bln. The majority of FDI were realised by Dutch investors, who secured the inflow of capital in the amount of CZK 14 bln in the first quarter of this year.

Source: **CIA**, Aug 19

- According to KPMG ČR partner Jan Linhart, maintaining **investment incentives**, a decision taken by Ministers Miroslav Kalousek and Martin Kocourek on Wednesday August 24, is indispensable for keeping the Czech Republic competitive. Linhart says that incentives have attracted to the Czech Republic companies with sophisticated technologies and these investors are gradually expanding their activities, especially in terms of research, development and innovations. Partnerships of businesses and universities or private research organisations are becoming more and more common, too.

Source: **CIA**, Aug 24

## Culture

- The 4th year of the **Baroque Arts Festival** will be

held in Cesky Krumlov from September 30 until October 2, 2011. The foundation stone of the festival, established in 2008, was the then 15-year research and interpretation practice of the festival's dramaturge Ondrej Macek, who prepared many new age premieres of operas from the most significant authors of the first half of the 18th century.

Source: **CIA**, Aug 12

## CzechInvest

- A total 10,472 entrepreneurs turned to the 13 offices of **CzechInvest**, the agency for Business Development and Investments, in the first half of this year. Most of them approached the regional offices in Central Bohemia (together with Prague), Moravia-Silesia and Zlin district. The clients were most interested in the information concerning the subsidies from European funds, 8,159 inquiries related to the OPPI methodology OPEI and 6,428 to specific European programs.

Source: **CIA**, Aug 3

- On 6 September 2011 **CzechInvest** organized a seminar "**Opportunities for Business Development in the West Bohemian Region**". The seminar was held in Pilsen in cooperation with the **Nordic Chamber of Commerce**. The event informed entrepreneurs and managers about actual legislative topics and available business support.

Source: **CzechInvest**, Aug 31

Exchange Rates  
Averages for August 2011  
EUR 1 = CZK 24.273  
GBP 1 = CZK 27.687  
USD 1 = CZK 16.921



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