

# CzechInvest Newsletter

## September 2013

### Headline News

- CzechInvest has a new chief executive office, **Marian Piecha**, who previously served as the director of the innovative business and investment department at the Ministry of Industry and Trade of the Czech Republic. His primary tasks as CzechInvest's CEO will include effective utilisation of structural funds, completion of the merger of CzechInvest and CzechTrade and improvement of the environment for domestic and foreign investors.

Source: *CzechInvest*, August 12

### Business & Investment

- Steel company **Trinecke zelezarny** started building a new hall for a new peeling and induction treatment line. The investment worth CZK 700 mln will apply to an area of 12,000 m<sup>2</sup> within the company's premises. It is set to be put into service at the end of 2014. The steel treatment line will partly replace material transport to the company's subsidiary **Sochorova valcovna** in Kladno that has until now provided this treatment.

Source: *CIA*, August 6

- CTP Invest** has requested an environmental impact assessment for plans to expand the existing **Grammer CZ** facility and to make related changes to the hall and production plant at **the Triangle industrial zone** near Zatec. The facility will produce armrests, headrests, middle panels of vehicles along with children's car seats. The project should commence in the first quarter of 2014 and be completed in the third quarter of the same year.

Source: *CIA*, August 8

- GE Aviation** has signed an agreement with the company **CAIGA**, which has thus become the first authorised maintenance provider for the H80 family of aircraft engines in China. **Thrush Aircraft**, a company based in the American state of Georgia, has placed a major order for H80 engines, which are manufactured in the Czech Republic, for its 510G agricultural planes. Thrush will deliver a total of twenty aircraft powered by these engines to its Chinese customer.

Source: *CzechInvest*, August 6

- The firm **KES - Kabelove a Elektricke Systemy** has applied for environmental impact assessment for the expansion of its industrial facility. The assembly and operating hall with an eatery will offer 800 jobs. Work on the project is scheduled to start in March 2014, completion is foreseen for December 2014.

Source: *CIA*, August 22

- The firm **Compag Mlada Boleslav** will start building a mechanical and biological waste treatment plant in the eastern industrial zone in Mlada Boleslav in September. The company's executive director, Radek Lizec, has told CIA that the total investment will reach CZK 479 mln, with CZK 179 mln to be covered by a subsidy from the State Environment Fund. The new treatment plant is scheduled to be launched no later than from January 1, 2015.

Source: *CIA*, August 7

- Panattoni Czech Republic Development** has requested an environmental impact assessment for its plan to build a hall to produce formed parts for automobile interiors in Kostelec. Several production lines that will make carpet parts will also be installed at the new facility. The plan also means the creation of more than 600 new jobs in the area. Construction should commence in 2014 and the project should be completed in the same year.

Source: *CIA*, August 29

- The American **Amazon** intends to build a warehouse of ten hectares at the western periphery of Prague, and according to the information of the E15, it will cost approximately CZK 1 bln. This is according to the project documentation of the developer **Goodman** for the locality in Jenec, but the developer **Panattoni**, which offers plots in Dobroviz near the Prague airport also endeavours to get the order. Construction is planned to begin in the third quarter of the year 2013, according to the documentation, and to end in the middle of the year 2014, and the complex will probably employ 1000 people.

Source: *CIA*, August 2

- Varroc Lighting Systems**, a producer of lighting systems for the automotive industry, plans to hire new employees in the future. The company will recruit some 70

employees by the end of 2013 and some 100 in 2014. According to Katerina Skopkova, the spokeswoman for the company, the recruitments are related with the introduction of new programmes. The Senov-based producer has invested CZK 72 mln in its development in last year.

Source: **CIA**, August 21

- **The Vitkovice Machinery Group** has launched a production of titanium forged pieces in its Vitkovice Hammering fast forge-shop. The first ten tonnes of titanium in the form of round rods will go to the south of Europe. According to the fast forge-shop director, Jaromir Siler, this type of production is unique in the Czech Republic, as titanium forged pieces are supplied by 15 companies in the world. According to Siler, the Czech Republic is now the eighth country where titanium forged pieces can be produced for the space programme, aeronautics and medical use. The CZK 2 bln fast forge-shop was preparing for the special production of titanium products from 2012.

Source: **CIA**, August 9

## R&D

- Charles University Prague, the Institute of Molecular Genetics of the Academy of Sciences and building companies Zlínstav and Pozimos have signed an agreement on the construction of the **Biotechnological and Biomedical Centre of the Academy of Sciences and Charles University** in Vestec, Biocev. Building work on the CZK 722.1 mln project is scheduled to start within a month and be completed in the spring of 2015. All in all, ca. 600 persons will work in the centre.

Source: **CIA**, August 21

- **Skanska** has won a public tender for the construction of the multi-purpose building III and IV of the **Science-technology Park (VTP) Ostrava**. The project worth CZK 337.6 mln will likely be completed by March 2015. It will likely be co-financed from 75 % by the Operational Programme Enterprise and Innovation. According to Andrea Vojkovska, the spokeswoman for the city of Ostrava, the park will offer about 460 highly qualified job positions. The park will provide support for the establishment of national firms with help of incubators, the development activities related with universities, a growth in the number of start-up and spin-off firms in branches with high value added.

Source: **CIA**, August 21

- **OMNIPACK**, a cluster of companies in the field of packaging production and packaging technology, has received aid in the amount of nearly CZK 56 million from the Operational Programme Enterprise and Innovation for the development of its innovation activities, thus spurring the cluster's growth. The aid has helped the cluster to reduce costs and combine the activities of its individual members, which can thus specialise in their own fields of operation, engage in research and obtain results faster and share them more effectively with others.

Source: **CzechInvest**, August 8

## Infrastructure

- Moravia-Silesia Region plans to build a **new industrial area** for CZK 1.1 bln at premises of former mine Barbora in the district of Ostrava. According to region spokeswoman Petra Spornova, the region has asked the state to finance three quarters of the total investment. The first stage covering 12-15 hectares will likely be prepared in mid-2015.

Source: **CIA**, August 1

## Economy

- The Ministry of Industry and Trade is readying a new project, **One-stop-shop**, aimed to cut the administrative burden for exporters and make the systems more efficient. According to the information from the ministry, the project will e.g. simplify the process of the issuance of certificates about the origin of goods, licences or the customs procedures. Thanks to the project, a network of information points will be formed in CzechInvest branches, integrating services of institutions focusing on exports into a single point.

Source: **CIA**, August 23

- **Export Guarantee and Insurance Corporation's (EGAP)** insurance capacity will grow by CZK 10 bln to CZK 280 bln. The increase is possible thanks to the amendment to the state budget act signed by President Milos Zeman. The government subsidy supplementing the pension funds was raised by CZK 500 mln. The information was provided by the spokesperson for the President's Office, Hana Burianova. The change will enable EGAP to finance more business cases. The insurance capacity boost was proposed by Petr Necas' cabinet due to higher demand for insurance from Czech exporters.

Source: **CIA**, August 16

## CzechInvest

- CzechInvest has introduced a forensic telephone line and web portal via which clients, suppliers and employees of CzechInvest can report their suspicions of unethical and illegal conduct. The agency wants to thus increase transparency, enhance the oversight environment and improve its internal processes. The system's independence and anonymity is ensured by its provision by a third party, which also guarantees that information, personal data will not be misused and that libellous reports will not be disseminated. **CzechInvest's anti-corruption line** is available on business days from 8:00 a.m. to 5:00 p.m. at telephone number 840 777 788. The internet portal at <https://czechinvest.forensicline.eu> is available round the clock and offers a user interface in the Czech and English languages.

Source: **CzechInvest**, August 20

## Exchange Rates

Averages for August 2013

EUR 1 = CZK 25.818

GBP 1 = CZK 30.056

USD 1 = CZK 19.398



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

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