Ministry of Foreign Affairs
of the Czech Republic

Welcome to

the Czech Republic

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Basic Facts about the Czech Republic

Flag of the Czech Republic

Czech State Emblem

Flag of the President

Small State Emblem

State Seal

Basic Facts about the Czech Republic

• Area:	78,864 km²
• Population:	10,266,000
• Official language:	Czech
• Political system:	Parliamentary republic
• Head of State:	President
• Currency:	1 Czech crown (CZK)
• Capital:	Prague
• Administrative division:	14 regions
• Member of organizations:	EU, NATO, IMF, WB, WTO, OECD, OSCE

Basic Facts about the Czech Republic

- Time zone: GMT + 1
- Average temperatures: summer: +20°C / 68°F
  winter: -5°C / 23°F
- Country calling code: +420

(calling abroad from the Czech Republic: 00 + country code + number)

- TV / video system: PAL
- Voltage: 120/230V, 50Hz/AC

Basic Facts about the Czech Republic

- System of weights and measures:
  - Metric system (kilometre, metre, kilogram, gram)
- Payment system:
  - International credit cards are accepted (Eurocard/MasterCard, American Express, VISA, Diner's Club, Japan Credit Bureau, Access and Carte Blanche)

- Mobile telephone operators:
  - GSM system
  - O2, T-Mobile, Vodafone

Basic Facts about the Czech Republic

Healthcare services for foreigners:

Whether you arrive in the Czech Republic as a tourist, student, or you are going to stay here temporarily or settle down here for good, you need a “card” that will prove that you have health insurance. If you need urgent medical care and do not have the insurance card with you, you will still receive medical care, of course!

Basic Facts about the Czech Republic

You can find information about the precise procedure for health insurance here:

http://www.czech.cz/en/Life-Work/How-things-work-here/Health-service/Foreigners'-Health-Insurance

For more information about social security visit the following websites:

http://www.mpsv.cz/cs/603

http://www.mpsv.cz/en/1877

Basic Facts about the Czech Republic

Opening hours of shops and other services:

- Shops: 9 a.m. – 6 p.m. on weekdays
  9 a.m. – 1 p.m. on Saturdays
- Shopping centres are also open on Sundays
- Banks: 8. a.m. – 6 p.m. on weekdays
- Pharmacies: the same as shops; larger (regional) towns have pharmacies with non-stop operation

Basic Facts about the Czech Republic

Important contacts:

- Integrated Rescue System:
- **112** – Single European emergency number

150 – Czech fire brigade

155 – Paramedic service

158 – Czech police

Driving Regulations

- Zero alcohol tolerance;
- Ban on holding telephones and other communication devices while driving;
- Mandatory use of seat belts;
- Mandatory use of headlights at all times;
- Children up to 36kg or 150cm must use a children's car seat
- Mandatory use of helmets by cyclists and motorcyclists

Driving Regulations

Speed limits:

- In-town speed limit: 50 km/h
- Roads: 90 km/h
- Motorways: 130 km/h
- Motorcycles: 90 km/h
- Trucks over 3.5t: 80km/h

Fees / motorway stickers for vehicles under 3.5t:

Yearly / monthly / 10-day

Motorway stickers can be purchased at the border, at petrol stations and post offices

Useful Links

Ministry of Foreign Affairs
www.mzv.cz

The Official Czech Republic Website
www.czech.cz

Trade Promotion
www.czechtrade.cz

Investment and Business Support
www.czechinvest.cz

Useful Links

CzechTourism – tourist information
www.czechtourism.cz

Czech Centres – cultural activities abroad
www.czechcentres.cz

Government of the Czech Republic
www.vlada.cz

Chamber of Deputies of the Parliament
www.psp.cz

Senate of the Parliament
www.senat.cz

Useful Links

CZECHINVEST
Investment and Business Development Agency

- Business intelligence
- Consultancy on available financial support for investment projects
- Identification of green/brownfield sites, production facilities and offices
- Identification of potential acquisition, joint venture and supply partners
- Tailor-made visits to the Czech Republic
- Liaising with government bodies
- Aftercare services

All CzechInvest services are free of charge

Foreign Policy of the Czech Republic

The basic upcoming priorities of Czech foreign policy are:

- to strengthen the security of the Czech Republic, analyse threats and counter them;
- to promote the Czech Republic's economic and trade interests abroad, including energy security;
- to enhance the Czech Republic's positive image and perception abroad;
- to foster good relations with neighbouring countries and strengthen regional cooperation;

Foreign Policy of the Czech Republic

- to support a well-functioning, politically and economically strong European Union;
- to maintain and strengthen the transatlantic link;
- to promote respect for human rights and democracy worldwide (using transition and development cooperation instruments);
- to strengthen the European integration of Eastern and South-Eastern Europe.

Security and Defence Policy

- NATO collective defence system – basic pillar of the Czech Republic's security;
- Support of the development of an effective and responsive EU Common Security and Defence Policy while taking into account our NATO commitments. Both organisations need to complement each other. Cooperation with the United States is essential;
- Active military and civilian involvement in NATO, EU and UN missions to manage crises and consolidate post-conflict situations.

Foreign Policy of the Czech Republic

- Czech troops have served e.g. in:

– Afghanistan (ISAF - Czech Provincial Reconstruction Team in Logar, Field Hospital and Chemical Detachment, Enduring Freedom - Special Forces),

– countries of former Yugoslavia (UNPROFOR, IFOR, SFOR, SFOR II, KFOR, EUFOR Althea),

– Kuwait and Iraq (NATO Training Mission, Military Police, Field Hospital, Chemical, Biological and Radiological Protection Unit)

Foreign Policy of the Czech Republic

The Czech Republic and the European Union

- The Czech Republic is a medium-sized member of the EU (2.1% of the population and 1.2% of the EU's GDP);
- Functioning European market and energy security are the key interests for our open and export-oriented economy;
- The Common Foreign and Security Policy (CFSP), alongside with the Common Commercial Policy and the EU's thematic and territorial financial instruments, is an essential vehicle for enabling the Member States to influence important processes in the international community and for the handling of global problems;

Foreign Policy of the Czech Republic

- Emphasis on common values, including democracy, rule of law, freedom, and respect for human rights and human dignity as the cornerstone of the EU's external action;
- Emphasis on the effectiveness of the EU's institutional projects – such as EU enlargement, the European Neighbourhood Policy, and, in particular, the Eastern Partnership and related financial instruments in promoting stability and prosperity in the vicinity of the EU, including the Western Balkans, Eastern Europe, the Southern Caucasus and the Middle East.

The Czech Republic in the EU

Timeline:

- 1996 – Request for EU membership
- June 2003 – Referendum on EU accession (77% Czechs in favour)
- 1 May 2004 – The Czech Republic joins the EU
- December 2007 – The Czech Republic joins Schengen Area
- January - June 2009 – Czech Presidency of the EU

Promoting Democracy and Human Rights

- Drawing on the specific experience of the Czech Republic gained in its own process of social transition and nonviolent resistance to a totalitarian regime;
- Focus on universal support for civil society and human rights defenders, independent media and free access to information, strengthening the rule of law as well as good and democratic governance;
- The Czech Republic's Transition Assistance Programme - basis for an active financial support for NGO projects;
- Advocacy of human rights and democracy at international fora, including the EU (facilitating the best possible use of the EU's financial instruments);
- The Czech Republic currently serves as an elected member on the UN Human Rights Council (June 2011 – June 2014).

CZECH REPUBLIC
DEVELOPMENT COOPERATION

Development Cooperation

- The Czech Republic is able to rely on its own transition experience;

- Basic principles: respect for development objectives and the needs of partner countries, long-term commitments and mutual accountability, emphasis on the strengthening of civil society, good governance and capacity building, protection of human rights, development of democracy and care for the environment.

Foreign Policy of the Czech Republic

CZECH REPUBLIC
DEVELOPMENT COOPERATION

- Five "programme countries": - Afghanistan,
  - Bosnia and Herzegovina,
  - Ethiopia,
  - Moldova,
  - Mongolia
- Five "project countries": - Georgia,
  - Cambodia,
  - Kosovo,
  - Serbia,
  - Palestinian Autonomous Territories
- Focus on the environment, agriculture, social development (including education and health services) and economic development.

Credit Ratings

COUNTRY	STANDARD & POOR´S	MOODY´S	FITCH
Czech Republic	AA-	A1	A+
Slovakia	A	A2	A+
Poland	A-	A2	A-
Russia	BBB-	Baa1	BBB
Bulgaria	BBB	Baa2	BBB-
Hungary	BB+	Ba1	BB+
Romania	BB+	Baa3	BBB-

Source: Czech National Bank, May 2014

Economy

GLOBAL COMPETITIVENESS INDEX RANKINGS

The Czech Republic ranked as the most competitive Central and East European economy

Rank	Country	Score
1	Switzerland	5.67
2	Singapore	5.61
3	Finland	5.54
4	Germany	5.51
5	United States	5.48
6	Sweden	5.48
…	…	…
46	Czech Republic	4.43
63	Hungary	4.25
78	Slovak Republic	4.10

Source: World Economic Forum, Global Competitiveness Report 2013-2014

Economy

CZECH REPUBLIC – COMPETITIVE ECONOMY

The Global Competitiveness Report 2013-2014 ranks the Czech Republic 46th out of 148 world economies

Competitive Advantages	(Rank)
Trade tariffs	(4)
Prevalence of foreign ownership	(5)
Intensity of local competition	(12)
Business costs of terrorism	(16)
Pay and productivity	(19)
Quality of electricity supply	(20)
Local supplier quality	(21)
Quality of air transport infrastructure	(21)
Quality of railroad infrastructure	(22)
Internet access in schools	(24)
Local supplier quantity	(25)
Country credit rating	(25)
Capacity for innovation	(26)
Availability of research and training services	(26)
FDI and technology transfer	(27)
Etc.	

Source: World Economic Forum, Global Competitiveness Report 2013-2014

Economy

TOP EUROPEAN INVESTMENT DESTINATIONS

Number of FDI Projects

Rank (2012)	Country
1	United Kingdom
2	Germany
3	France
4	Spain
...	...
13	Czech Republic

Source: Ernst and Young´s European Investment Monitor, European Attractiveness Survey, 2013

Economy

TOP EUROPEAN INVESTMENT DESTINATIONS

Jobs Created by FDI

Rank (2012)	Location
1	United Kingdom
2	Russia
3	Poland
4	Germany
...	...
12	Czech Republic

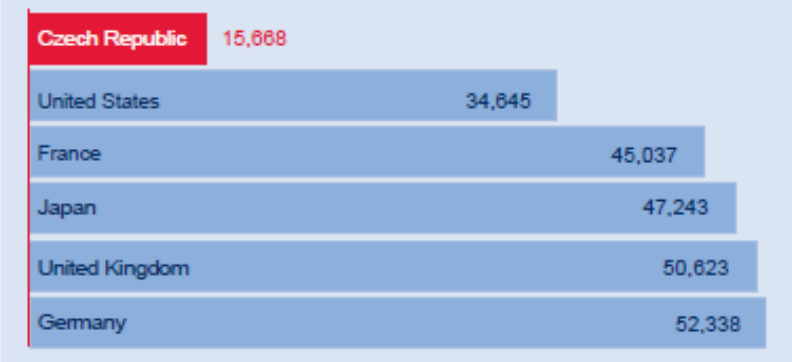
Source: Ernst and Young´s European Investment Monitor, European Attractiveness Survey, 2013

Economy

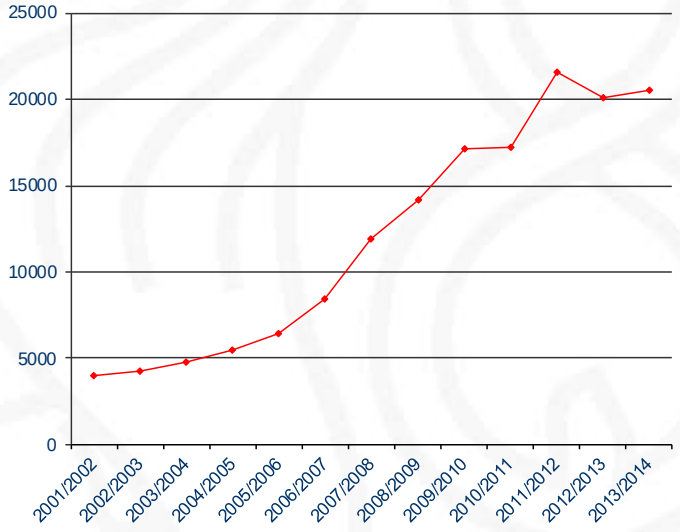
FAVOURABLE LABOUR COSTS

- Creative, innovative, skilled and experienced labour force
- Lower costs compared to Western economies
- Steady inflow of new graduates into the labour market

Labour costs per hour (USD) 2012



Number of graduates in technical fields



Source: CzechInvest, 2014; MarketLine Advantage, 2013; Ministry of Education, Youth and Sports, 2014

Economy

WAGES IN THE CZECH REPUBLIC BY REGION

Average gross monthly wages in 2013:

CZK 25,128 = EUR 916 = USD 1,254

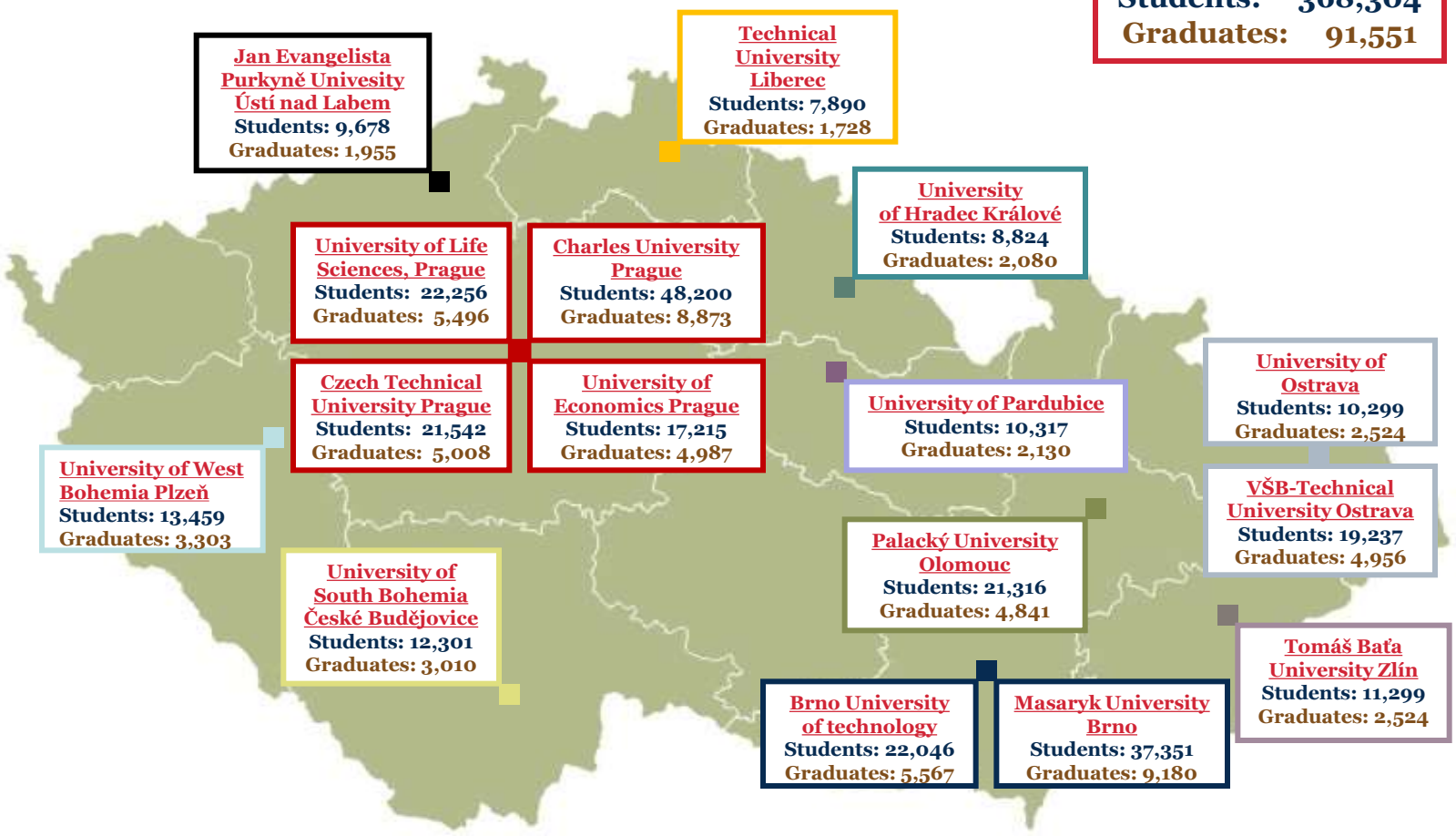
Region	Wages (CZK)	Wages (EUR)	Wages (USD)
Prague	32,879	1,198	1,641
Central Bohemia	25,001	911	1,248
South Bohemia	22,443	818	1,120
Plzeň	23,866	870	1,191
Karlovy Vary	21,435	781	1,070
Ústí n. Labem	22,762	829	1,136
Liberec	23,055	840	1,151

Region	Wages (CZK)	Wages (EUR)	Wages (USD)
Hradec Králové	22,702	827	1,133
Pardubice	22,068	804	1,101
Vysočina	22,609	824	1,128
South Moravia	24,186	881	1,207
Olomouc	22,267	811	1,111
Zlín	21,994	802	1,098
Moravia-Silesia	23,212	846	1,158

Source: Czech Statistical Office, 2014

Economy

Main Universities 2013/2014

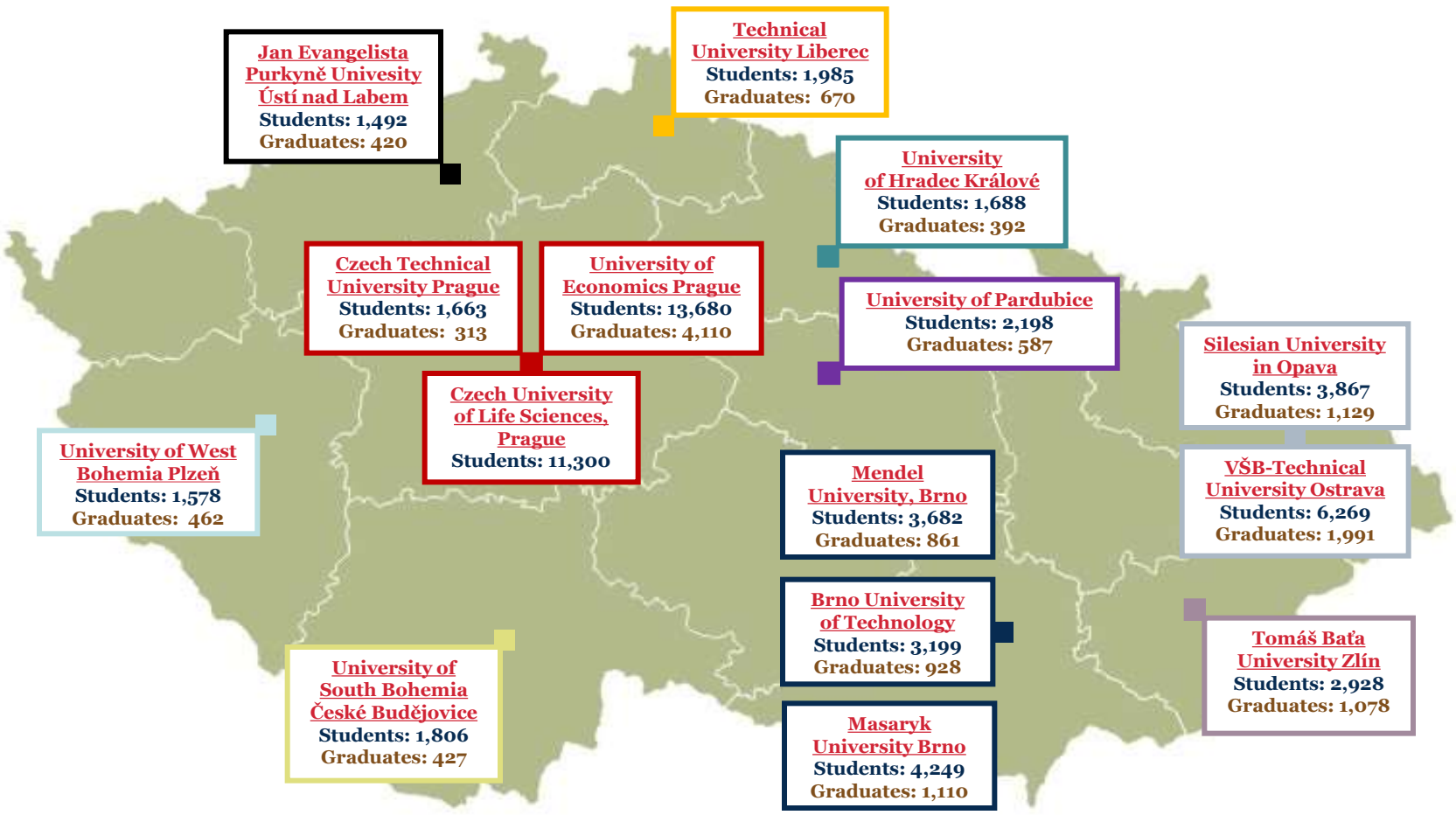


Source: Ministry of Education, Youth and Sports, 2014; CzechInvest, 2014

Economy

Business Administration Studies
Main Universities 2013/2014

CZECH REPUBLIC
Students: 91,897
Graduates: 26,764



Source: Ministry of Education, Youth and Sports, 2014; CzechInvest, 2014

COST OF LIVING SURVEY

Cost of Living Survey – Worldwide Rankings 2012

Rank 2012	City	Country
1	Tokyo	Japan
2	Luanda	Angola
3	Osaka	Japan
4	Moscow	Russia
…	…	…
25	London	United Kingdom
48	Vienna	Austria
69	Prague	Czech Republic

Source: Mercer HR Consulting, 2012

QUALITY OF LIFE

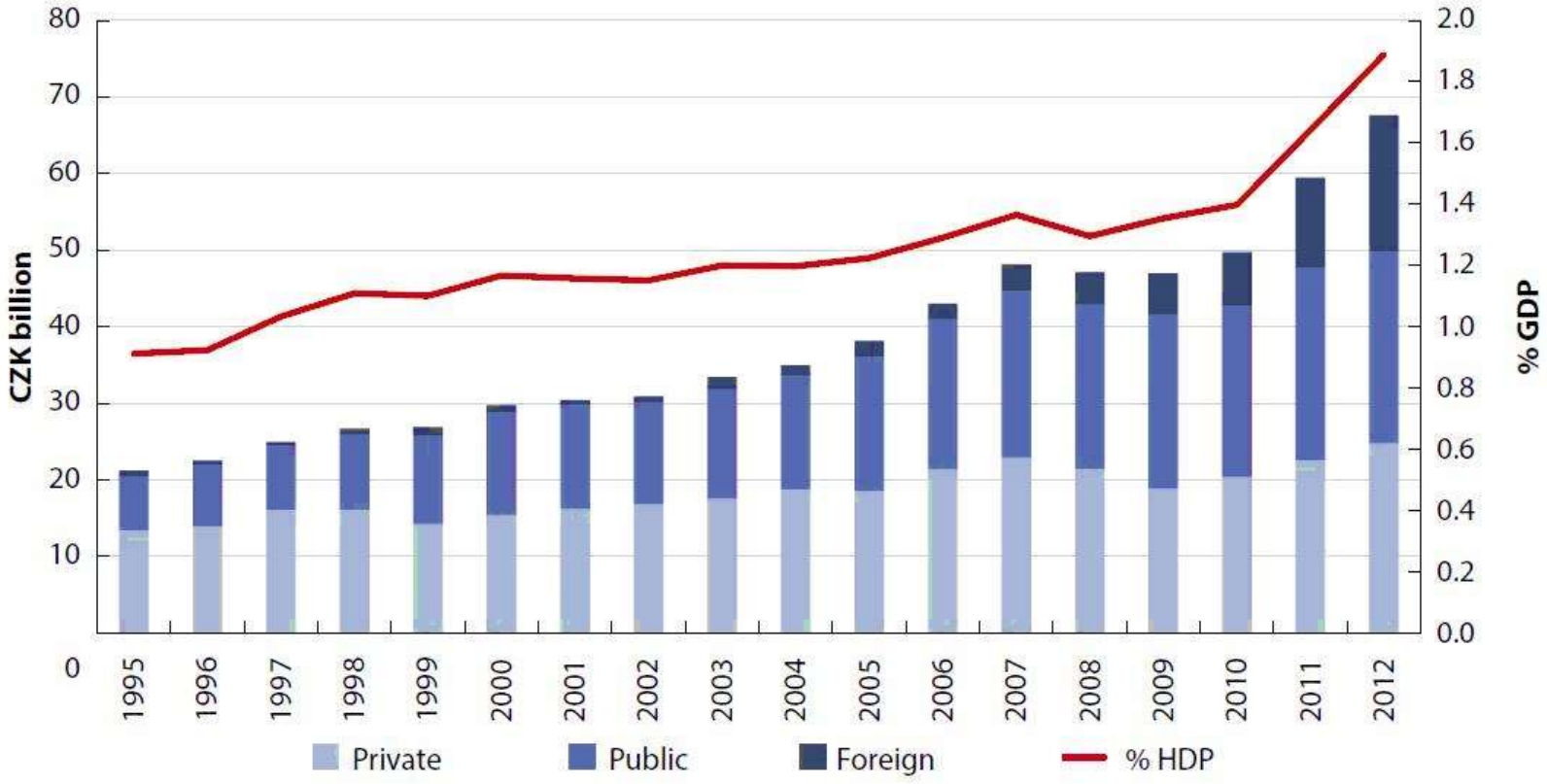
Worldwide quality of life index, 2012

Rank 2012	Country	Score
1	Switzerland	9.76
2	Austria	9.65
3	Norway	9.45
…	…	…
25	Czech Republic	7.33
39	Poland	5.26
44	Slovakia	5.14
53	Hungary	4.05

Source: IMD World Competitiveness Yearbook 2012

Economy

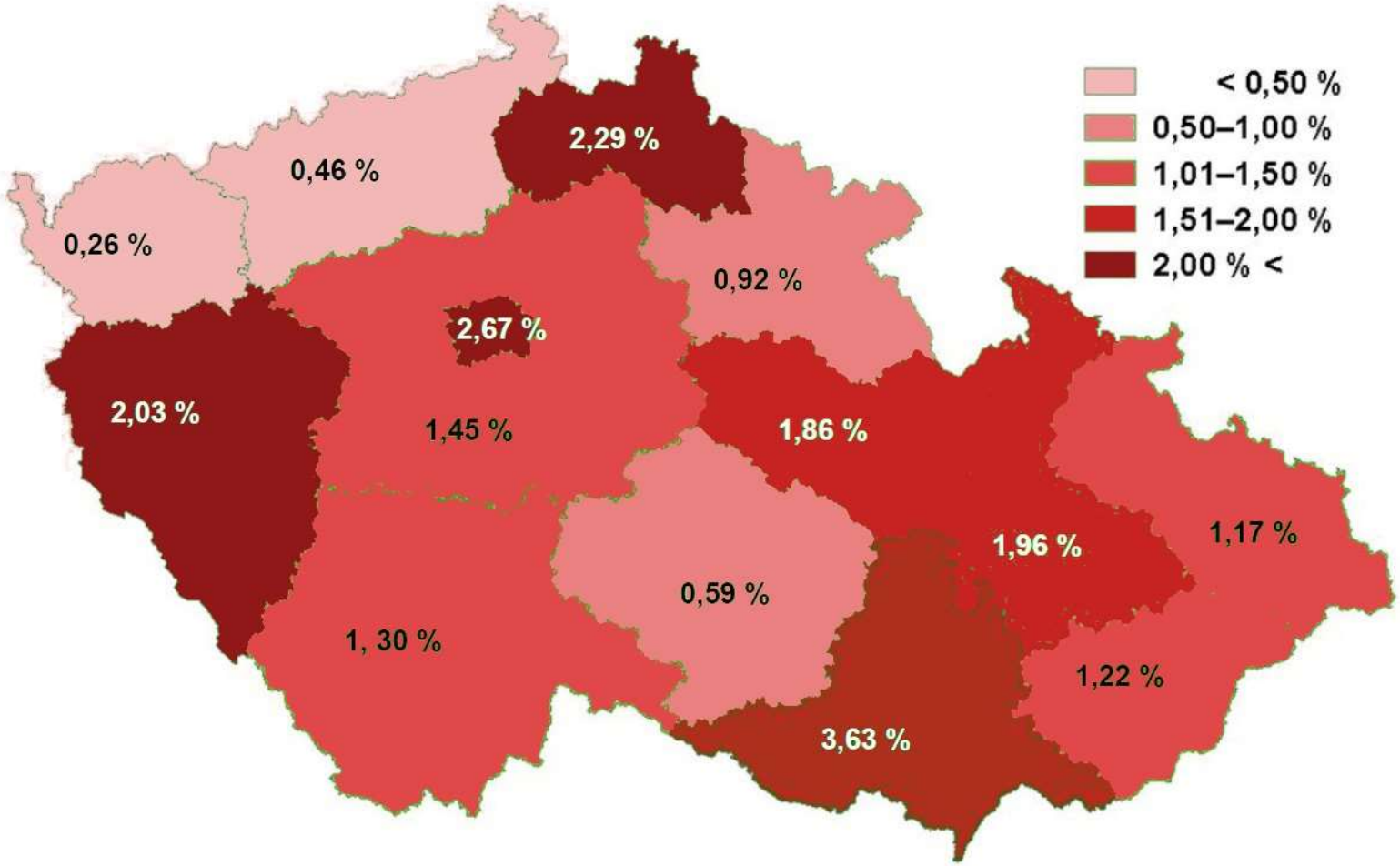
R&D BASIC INDICATORS



Source: Czech Statistical Office, 2014

Economy

R&D EXPENDITURE IN REGIONS (2012)



Source: Czech National Bank, 2014

Economy

TAXATION IN THE CZECH REPUBLIC

Corporate income tax	**19%**
Personal income tax	**15%**
Withholding tax	**15%**
Value-added tax	**21% or 15%**
Real estate tax	**rates vary by type, location and purpose of use**
Real estate transfer tax	**4% (flat rate)**
Road tax	**rates vary by engine capacity (passenger cars) or weight and number of axles (other commercial vehicles)**
Excise tax	**on petrol, alcohol and tobacco only**
Energy tax	**on electricity, natural and other gases, and solid fuels**

Source: PricewaterhouseCoopers, 2014

SOCIAL AND HEALTH INSURANCE CONTRIBUTIONS

	Employer – payable	Employee – payable
Health insurance	9.0%	4.5%
Social insurance	25.0%	6.5%
• pension fund	21.5%	6.5%
• sickness insurance	2.3%	0%
• unemployment fund	1.2%	0%
Total	34.0%	11.0%

Source: CzechInvest, 2014

SUMMARY – INVESTMENT BENEFITS

- Outstanding geographical location
- Advanced transport infrastructure
- Transparent investment incentives
- Highly skilled and educated labour force
- Good level of language skills
- Well developed supplier base
- Attractive living environment

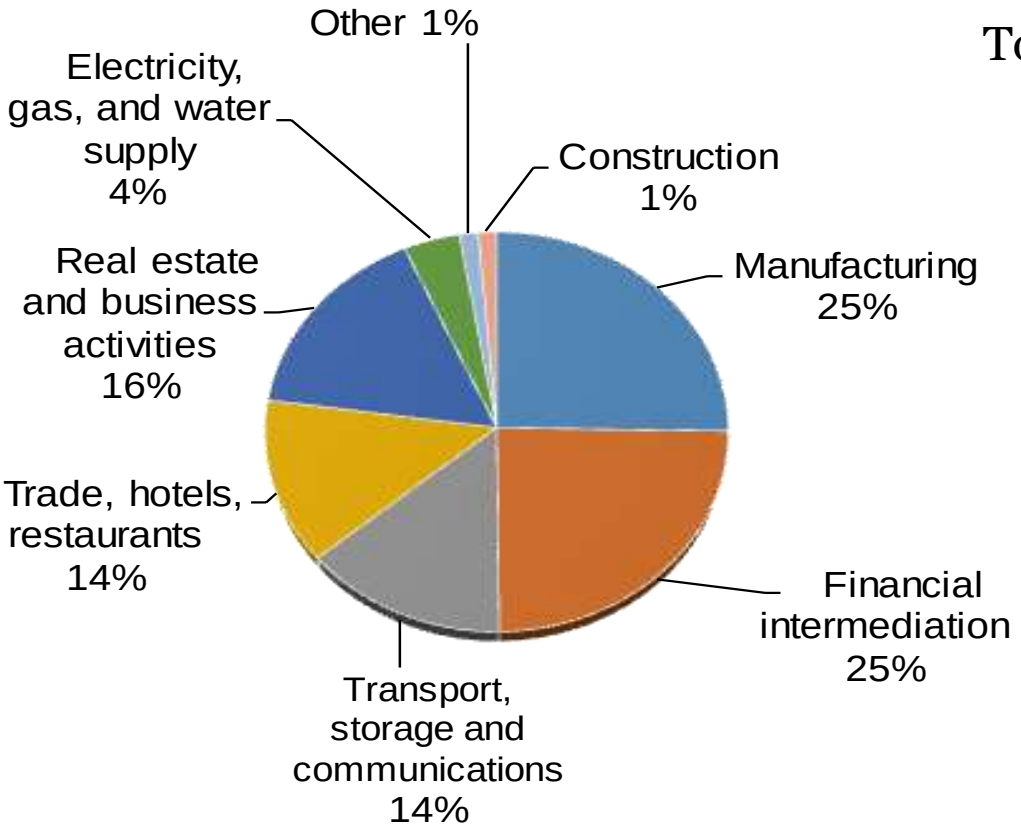
Source: Czech Government, 2014

Economy

CUMULATIVE FDI INFLOW BY SECTOR 1993 – 2013

Total EUR: 85.57 billion

Total USD: 101.42 billion

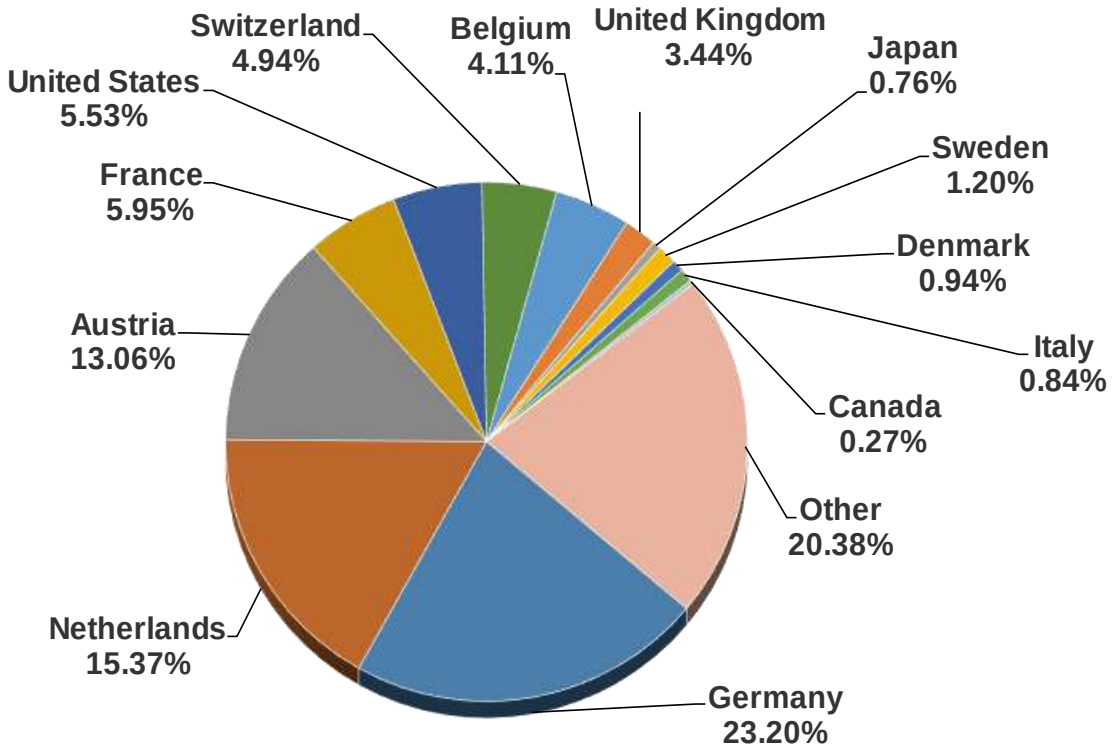


Source: Czech National Bank, 2014

Economy

CUMULATIVE FDI INFLOW BY COUNTRY 1993 – 2013

Total EUR: 85.57 billion
Total USD: 101.42 billion

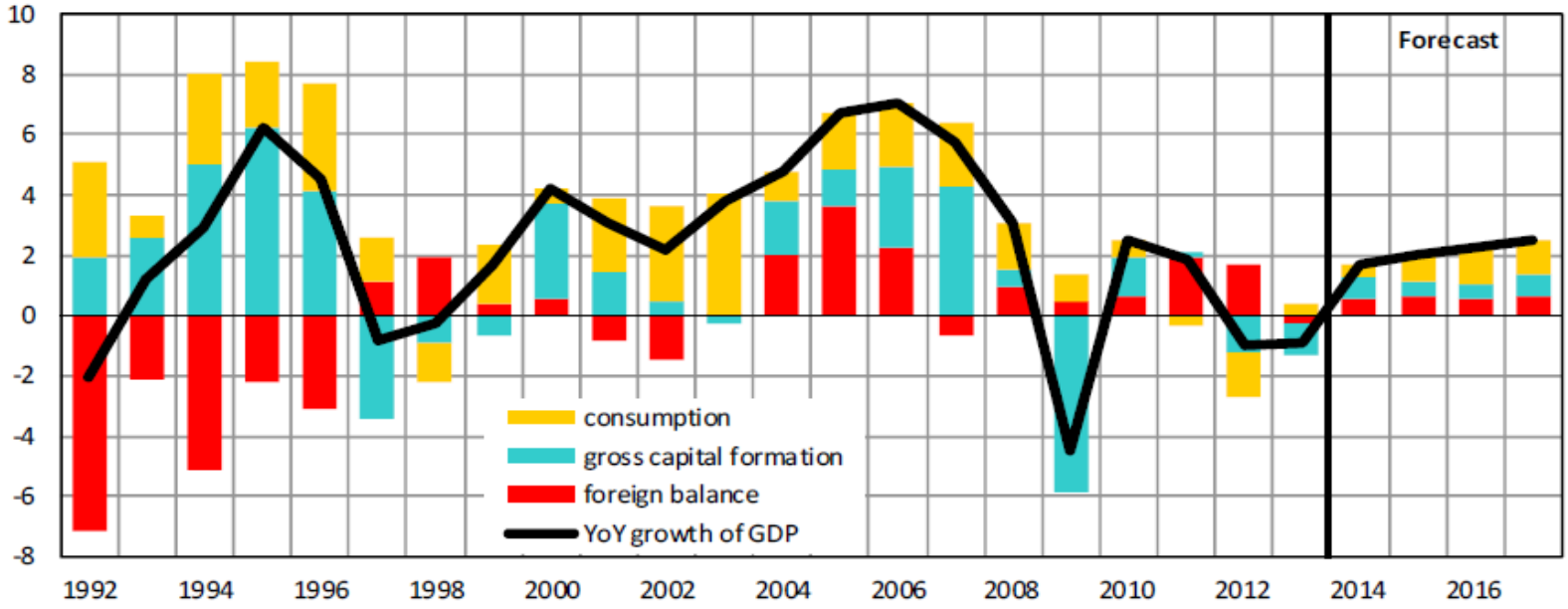


Source: Czech National Bank, 2014

Economy

Gross Domestic Product (real)

(in constant prices, decomposition of the YoY growth, in percentage points)



Source: Czech Statistical Office, Ministry of Finance 2013

Economy

Forecast of Macroeconomic Indicators

		2010	2011	2012	2013	2014	2013	2014
						Current Forecast	*Previous forecast*	
Gross domestic product	growth in % const.pr.	2.5	1.8	-1.0	-0.9	1.7	-1.4	1.4
Consumption of households	growth in % const.pr.	0.9	0.5	-2.1	0.1	0.6	-0.2	0.6
Consumption of government	growth in % const.pr.	0.2	-2.7	-1.9	1.6	0.8	1.6	1.0
Gross fixed capital formation	growth in % const.pr.	1.0	0.4	-4.5	-3.5	2.7	-4.8	-0.3
Cont. of foreign trade to GDP growth	p.p., const pr.	0.6	1.9	1.7	-0.3	0.5	-0.2	0.7
Cont. Of increase in stocks to GDP growth		1.0	0.1	-0.1	-0.2	0.2	-0.2	0.3
GDP deflator	growth in %	-1.6	-0.9	1.6	1.9	1.8	1.6	1.7
Average inflation rate	%	1.5	1.9	3.3	1.4	1.0	1.4	1.0
Employment (LFS)	growth in %	-1.0	0.4	0.4	1.0	0.2	0.9	0.1
Unemployment rate (LFS)	average in %	7.3	6.7	7.0	7.0	6.8	7.0	7.0
Wage bill (domestic concept)	growth in % curr.pr.	0.8	2.2	1.8	-0.9	1.8	-0.2	2.2
Current account / GDP	%	-3.9	-2.7	-1.3	-1.4	-0.4	-1.7	-0.2
Assumptions								
Exchange rate CZK/EURO		25.3	24.6	25.1	26.0	27.3	26.0	27.3
Long-term interest rates	% p.a.	3.7	3.7	2.8	2.1	2.4	2.1	2.4
Crude oil Brent	USD/barrel	80	111	112	109	105	109	104
GDP in Eurozone (EA-12)	growth in %, const.pr.	1.9	1.6	-0.6	-0.4	1.1	-0.4	0.9

Source: Czech Statistical Office, Ministry of Finance 2013

Economy

International comparison

		2006	2007	2008	2009	2010	2011	2012	2013 Estim.	2014 Forecast	2015 Forecast
Slovenia	PPS	20,700	22,100	22,700	20,300	20,500	21,000	20,900	20,600	20,800	21,400
	EA12=100	79	80	83	79	77	77	75	74	73	73
Greece	PPS	21,800	22,500	23,100	22,100	21,200	19,900	19,200	18,500	18,900	19,700
	EA12=100	84	82	84	86	79	72	69	66	66	67
Czech Republic	PPS	18,900	20,700	20,200	19,400	19,500	20,100	20,300	20,400	21,000	21,700
	EA12=100	73	75	74	75	73	73	73	73 74	73	74
Portugal	PPS	18,700	19,600	19,500	18,800	19,700	19,600	19,200	19,200	19,600	20,200
	EA12=100	72 7	72	71	73	74	71	69	69	69	69
Slovakia	PPS	15,000	16,900	18,100	17,100	17,900	18,500	19,100	19,200	19,800	20,700
	EA12=100	57	62	66	66	67	67	69	69	69	70
Estonia	PPS	15,600	17,500	17,200	15,000	15,500	17,200	18,000	18,200	18,900	19,900
	EA12=100	60	64	63	58	58	63	65	65	66	68
Poland	PPS	12,300	13,600	14,100	14,200	15,300	16,200	16,800	17,200	17,900	18,700
	EA12=100	47	50	51	55	57	59	61	61	63	63
Hungary	PPS	14,900	15,400	16,000	15,300	15,800	16,300	16,700	17,000	17,600	18,200
	EA12=100	57	56	58	60	59	60	60	61	62	62
Lithuania	PPS	13,600	15,500	16,100	13,600	15,000	16,700	17,900	18,700	19,800	20,900
	EA12=100	52	56	59	53	56	61	64	67	69	71

Sources: Eurostat, OECD, IMF and Ministry of Finance´s own calculations

Czech Government's Fiscal Policy Objectives

- Government debt (forecast for 2014): 44% of GDP
- Government deficit (forecast for 2014): 0.4 of GDP
- Government shall ensure compliance with the Maastricht fiscal criteria, especially the maintenance of the government deficit below 3% of the gross domestic product.
- Government shall seek changes in tax legislation which – while maintaining tax revenue – will reduce the cost of tax administration to the honest taxpayer.

Monetary Policy, Interest Rates and Exchange Rates

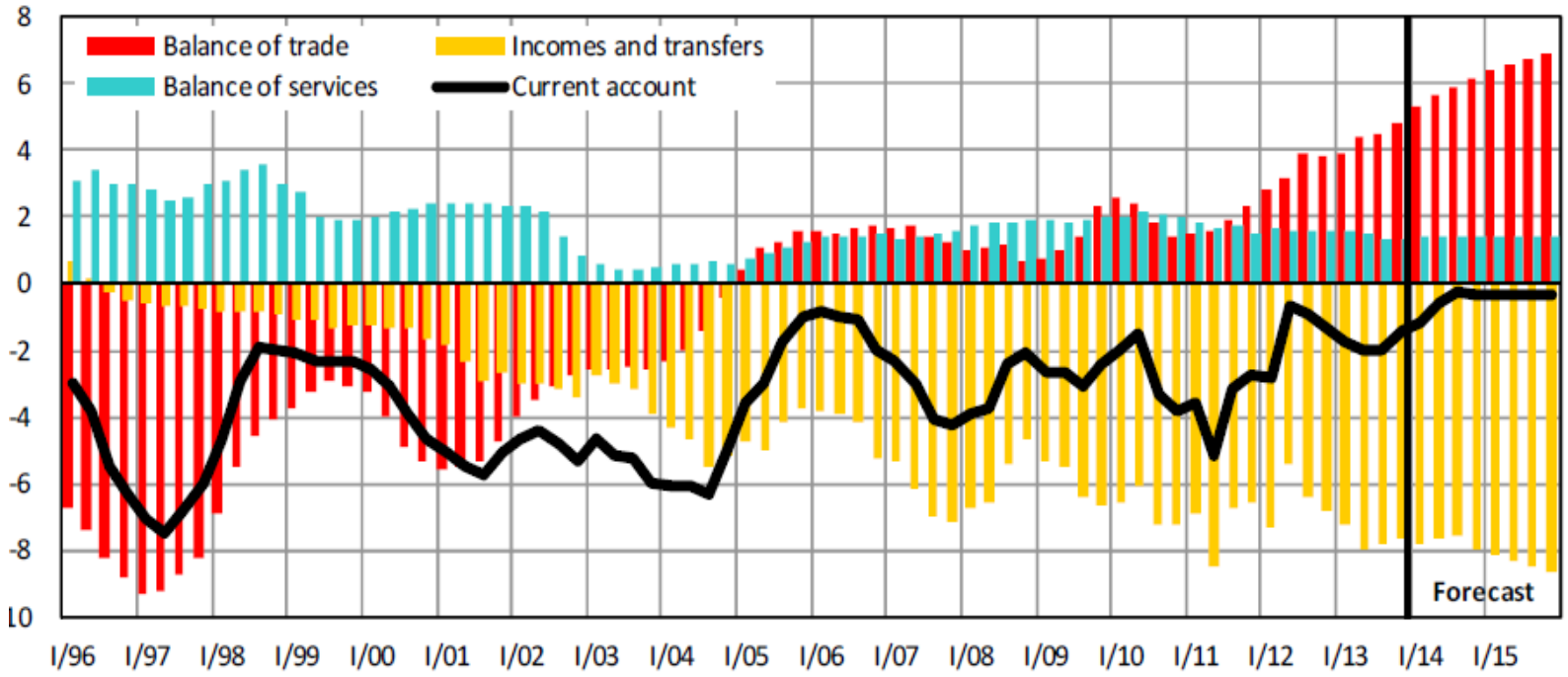
- Czech National Bank's inflation target (effective from January 2010): annual consumer price index growth of 2% with a tolerance band of ± 1%
- Interest rate for 2W repo operations (2014, effective from November 2012): 0.05%
- Average level of 3M PRIBOR (1Q 2014): 0.37% (2011: 1.19%, 2012: 1.0% 2013: 0.46%)
- Anticipated exchange rate average (05/2014): 27.4 CZK/EUR and 20.0 CZK/USD
  - Exchange rate weakening due to increased risk aversion and lack of stimulation in financial markets

Economy

External Economic Relations

Current Account

(moving sums of the latest 4 quarters, in % of GDP)



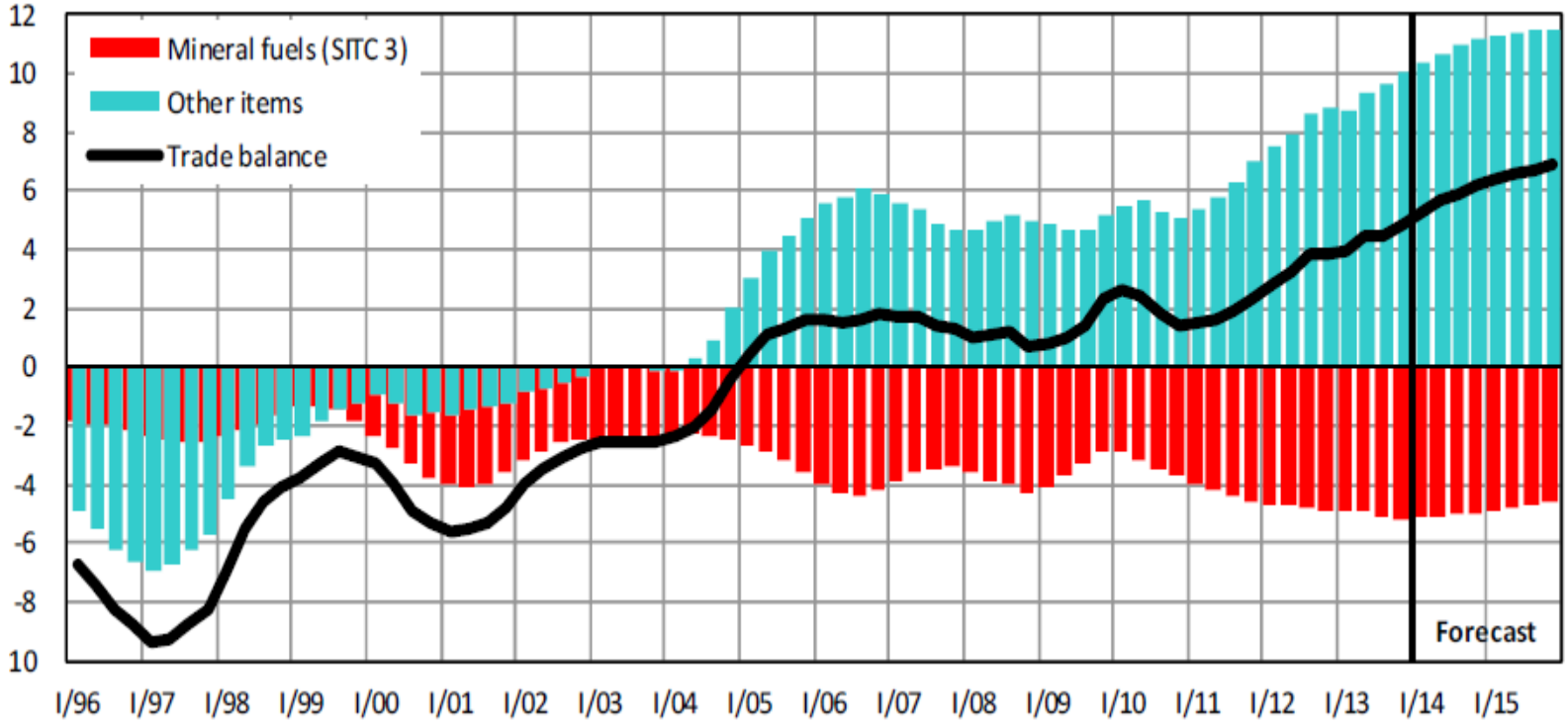
Sources: Czech National Bank and Ministry of Finance´s own calculations

External Economic Relations

- In 2013, foreign trade in goods was recovering only slowly from its decline caused by weak foreign and domestic demand. Volumes of exports and imports started rising as late as in the second half of the year when growth rates gradually increased. For the larger part of the year, exports were growing faster than imports, which led to the trade balance surplus reaching record highs.
- Export markets started growing again during 2013 after two-year decline, and they increased by 1.2% by the end of the year (versus 0.9%). The expected recovery of the global economy should be favourably reflected in export market dynamics. Export markets could increase by 3.3% in 2014 (versus 3.1%) and by 3.1% in 2015 (unchanged). This should be positively reflected in foreign trade results.
- In 2013, the trade balance surplus reached 4.8% of GDP (versus 4.9%). It could increase to 6.1% of GDP (versus 6.2%) in 2014, partially thanks to the continuing positive impact of the terms of trade. In 2015, trade balance surplus could reach 6.9% of GDP (versus 6.2%).

Economy

Balance of Trade



Source: Ministry of Finance, Macroeconomic Forecast, April 2014

Economy

External Trade by Commodities (2013)

Commodity	Stat. value CZK (ths.)	Stat. value CZK (%)
Machinery and transport equipment	2,853,291,893	47.7
Manufactured goods classified chiefly by material	1,053,508,241	17.6
Miscellaneous manufactured articles	656,256,114	11.0
Chemicals and related products, n.e.s.	523,090,808	8.7
Mineral fuels, lubricants and related materials	401,872,138	6.7
Food and live animals	259,928,105	4.3
Crude materials, inedible, except fuels	162,684,882	2.7
Beverages and tobacco	41,924,116	0.7
Commodities and transactions n.e.c. in the SITC	16,689,511	0.3
Animal and vegetable oils, fats and waxes	14,987,250	0.3

Economy

External Trade Turnover by Continents (2013)

Partner country	Stat. value CZK (ths.)	Stat. value CZK (%)
Europe	4,961,950,858	82.9
Asia	741,648,078	12.4
America	194,999,624	3.3
Africa	50,142,834	0.8
Oceania and Polar regions	18,745,146	0.3
Miscellaneous (countries not specified)	16,746,521	0.3

Economy

External Trade – Top 15 Export Countries (2013)

Partner country	Stat. value CZK (ths.)	Stat. value CZK (%)
Germany	991,075,451	31.3
Slovakia	281,945,391	8.9
Poland	188,731,764	6.0
France	156,383,497	4.9
United Kingdom	152,642,023	4.8
Austria	143,844,827	4.5
Russian Federation	116,213,145	3.7
Italy	114,182,757	3.6
Netherlands	88,618,877	2.8
Hungary	82,111,446	2.6
Belgium	79,897,234	2.5
United States of America	69,093,180	2.2
Spain	67,915,555	2.1
Switzerland	49,094,999	1.5
Sweden	47,326,949	1.5

Economy

External Trade – Top 15 Import Countries (2013)

Partner country	Stat. value CZK (ths.)	Stat. value CZK (%)
Germany	719,647,557	25.5
China (People's Republic of)	302,738,916	10.7
Poland	209,225,327	7.4
Slovakia	164,333,703	5.8
Russian Federation	155,381,973	5.5
Italy	111,536,009	4.0
Netherlands	91,914,988	3.3
France	90,070,101	3.2
Austria	86,139,543	3.1
Hungary	67,295,068	2.4
United States of America	60,902,858	2.2
South Korea	58,620,229	2.1
United Kingdom	52,958,464	1.9
Japan	51,846,916	1.8
Belgium	47,640,084	1.7

Economy

External Trade - Top 15 Trade Balance Surplus Countries (2013)

Partner country	Stat. value CZK (ths.)
Germany	271,427,894
Slovakia	117,611,688
United Kingdom	99,683,560
France	66,313,396
Austria	57,705,284
Belgium	32,257,150
Spain	22,069,836
Sweden	21,090,544
Turkey	20,814,865
Switzerland	19,783,335
Hungary	14,816,378
United Arab Emirates	12,539,021
Romania	11,988,600
Australia	10,008,405
Denmark	9,241,416

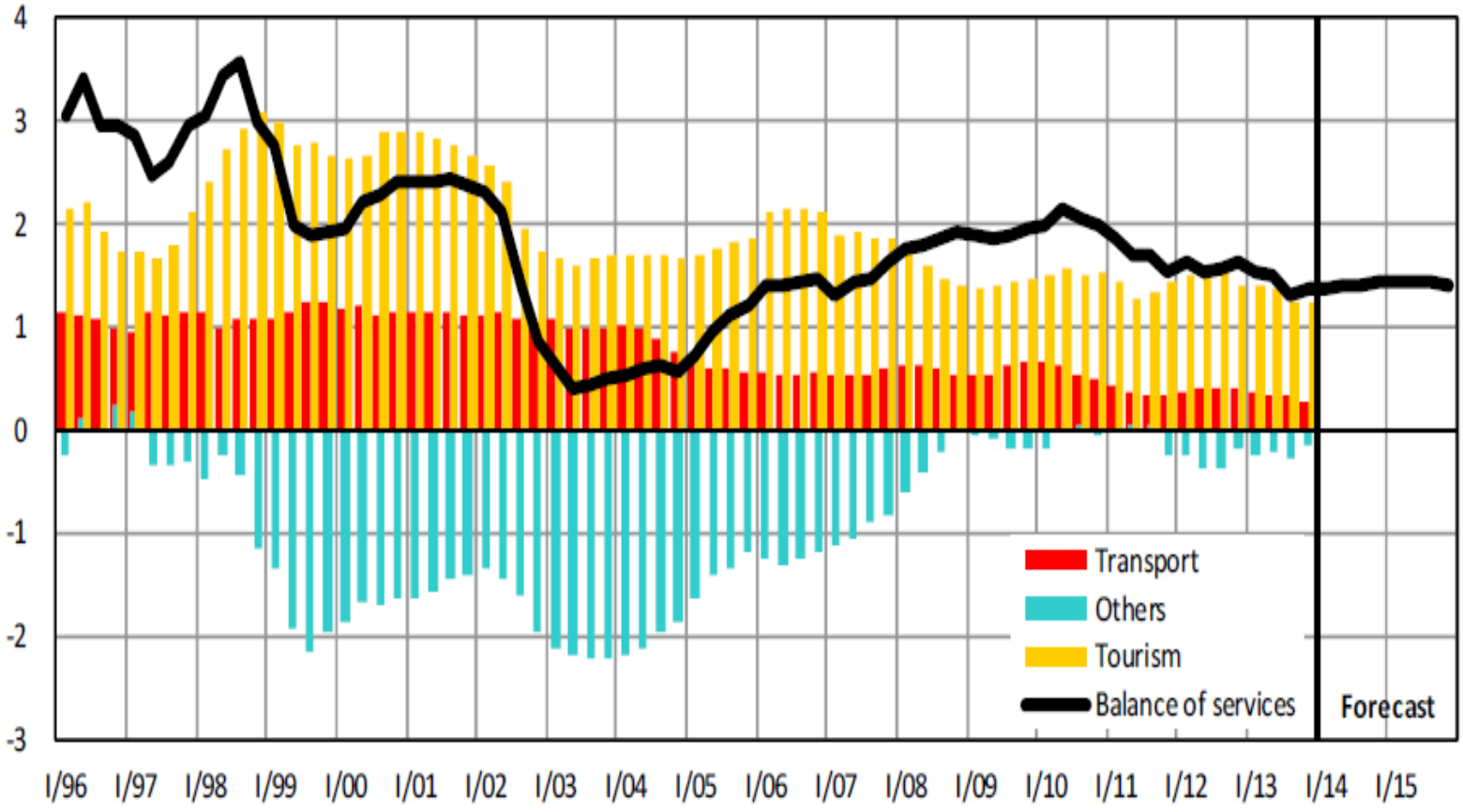
Economy

External Trade - Top 15 Trade Balance Deficit Countries (2013)

Partner country	Stat. value CZK (ths.)
China (People's Republic of)	-265,159,191
South Korea	-47,283,876
Russian Federation	-39,168,828
Japan	-34,752,663
Azerbaijan	-23,548,735
Poland	-20,493,562
Thailand	-19,042,935
Taiwan	-18,723,132
Malaysia	-12,382,456
Norway	-11,911,066
Costa Rica	-8,545,657
Singapore	-8,128,236
Ireland	-7,313,944
Countries and territories not specified	-6,707,572
Vietnam	-5,653,887

Economy

Balance of Services



Source: Ministry of Finance, Macroeconomic Forecast, April 2014

TOP 10 INVESTORS IN THE CZECH REPUBLIC
(MEDIATED BY CZECHINVEST)

Company	Country of origin	Total investment (in mil. USD)
Hyundai Motor Company	South Korea	1,222
Toyota/PCA	Japan/France	850
VOLKSWAGEN	Germany	562
Mondi Packaging Paper Štětí a.s.	Netherlands	394
Nemak	Mexico	317
Denso	Japan	255
Robert Bosch	Germany	237
Matsushita Electric Industrial Co.	Japan	235
L.G. Philips Displays Holding	Netherlands	202
DHL	GB, Ireland	190

Source: CzechInvest, 2014

From 1993 to 2014

MAJOR INVESTORS – Manufacturing

ABB (eng.+el.)

BOSCH (aut.)

CATERPILLAR (eng.)

CONTINENTAL (aut.)

DAIKIN (eng.+el.)

DENSO (aut.)

FOXCONN (el.)

HONEYWELL (eng.)

HYUNDAI (aut.)

JOHNSON CONTROLS (aut.)

KIMBERLY CLARK (med.)

MAFRA (print.)

MAGNA (aut.)

NEMAK (aut.)

PANASONIC (el.)

SAINT GOBAIN (build.)

SHIMANO (eng.)

SIEMENS (el.+aut.)

SYNTHOS (chem.)

TEVA (phar.)

TORAY (tex.)

TOYOTA+PEUGEOT+CITROËN

TRW (aut.)

VOLKSWAGEN (aut.)

Source: CzechInvest, 2014

MAJOR INVESTORS – Business Support Services

ACCENTURE (ss)

ADP (bpo)

BANK AUSTRIA CREDIT. (ss)

COVIDIEN (ss)

DSG INTERNATIONAL (ss+cc)

EBAY (ss)

EXL SERVICE (ss)

EXXONMOBIL (ss)

GARDNER DENVER

GE MONEY BANK (cc)

GRUPO ATENTO (cc)

IBM (bpo)

INBEV (ss)

JOHNSON&JOHNSON (ss+cc)

LUFTHANSA (cc)

MONSTER (ss+cc)

MOTOROLA (ss)

REGUS (ss)

SAP (ss)

SIEMENS (ss)

SITA (ss)

ORACLE (ss)

TESCO STORES (ss)

Source: CzechInvest, 2014

bpo = business process outsourcing cc = call centres, ss = shared services

MAJOR INVESTORS – IT & Software Development

ACISION		ORACLE	
ADOBE		PIXMANIA	
AVG TECHNOLOGIES		RED HAT	
BOHEMIA INTERACTIVE		SKYPE	
COMPUTER ASSOCIATES		SOLARWINDS	
DEUTSCHE BÖRSE		STORA ENSO	
DHL		SUSE LINUX	
HEWLETT PACKARD		TELEFÓNICA	
IBM		TELOGIC	
INFOSYS		TERADATA	
MICROSOFT		TIETO	
NESS TECHNOLOGIES			

Source: CzechInvest, 2014

MAJOR INVESTORS – Technology Centres

BANG & OLUFSEN (el.)		OLYMPUS (med.)	
ROBERT BOSCH (aut.)		ON SEMICONDUCTOR (el.)	
DENSO (aut.)		PANASONIC (el.)	
EMERSON (el.)		PROCTER&GAMBLE (chem.)	
GE AVIATION (aero.)		RICARDO (aut.)	
HONEYWELL (el.)		RIETER	
INGERSOLL RAND		SIEMENS (el.)	
LATÉCOÈRE (aero.)		VARROC LIGHTING (aut.)	
LONZA (bio)		VOLKSWAGEN (aut.)	
MERCEDES-BENZ (aut.)		VISTEON (aut.)	

Source: CzechInvest, 2014

Tourism

Tourism in the Czech Republic

Located the crossroads of cultures in the heart of Europe, the Czech Republic has countless cultural and historical points of interest. The Czech Republic is a country of great historical and cultural traditions. A country rich in historic sites, including entire towns, inscribed on the World Heritage List.

Tourism

UNESCO Sights in the Czech Republic

Tourism

Praha.eu
Portal of Prague

Prague is the top tourist destination in the Czech Republic. Recognized as one of the most beautiful capitals in the world, the city boasts an exquisitely preserved historical centre.

Tourism

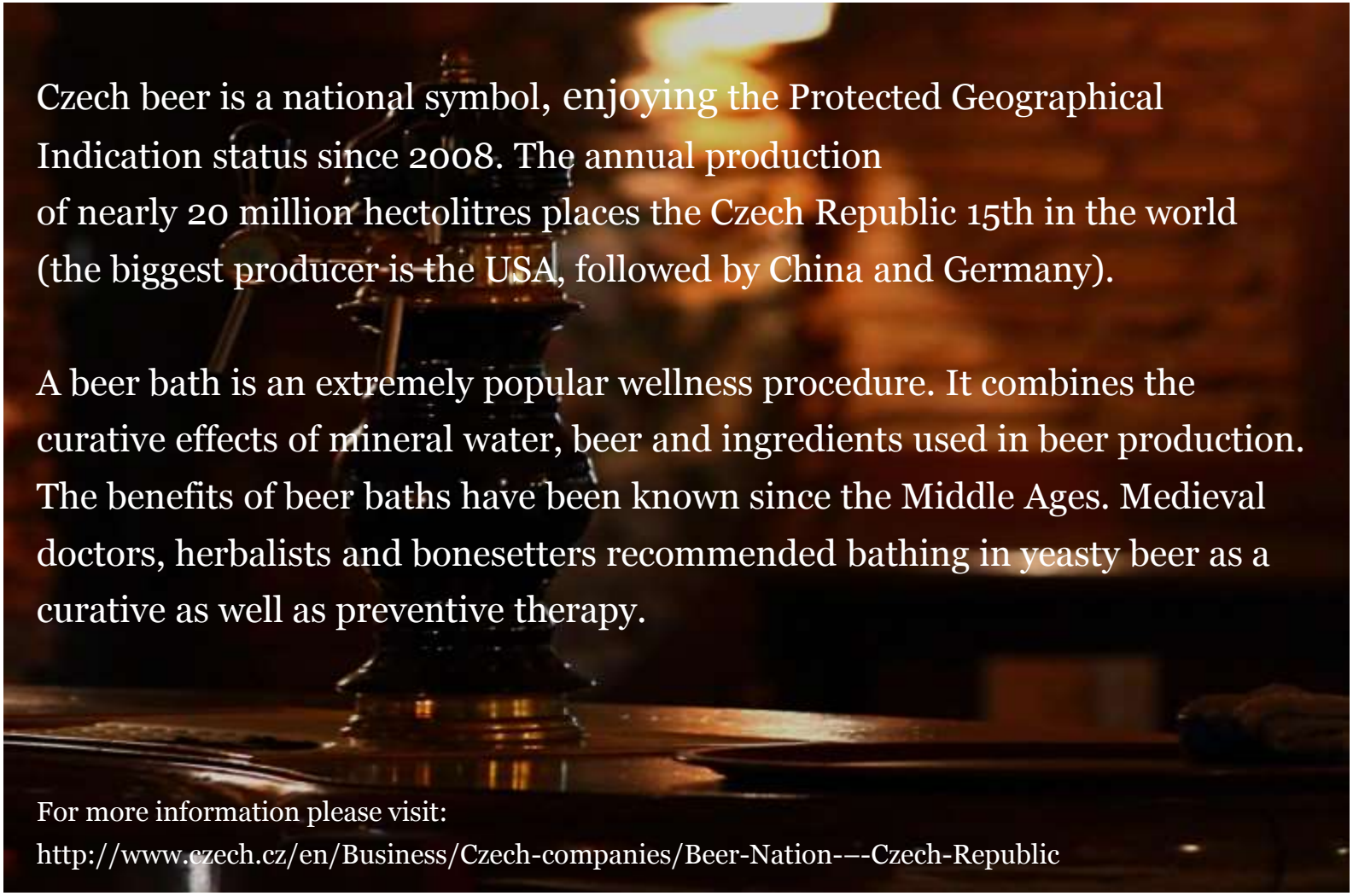
Mineral spa towns in the Czech Republic are very popular tourist destinations.

Spa towns like Karlovy Vary (Karlsbad) and Mariánské Lázně (Marienbad) have a very long history of international recognition and success.

The spa town of Jáchymov is renowned for its rare radioactive springs.

Tourism

Beer and beer baths



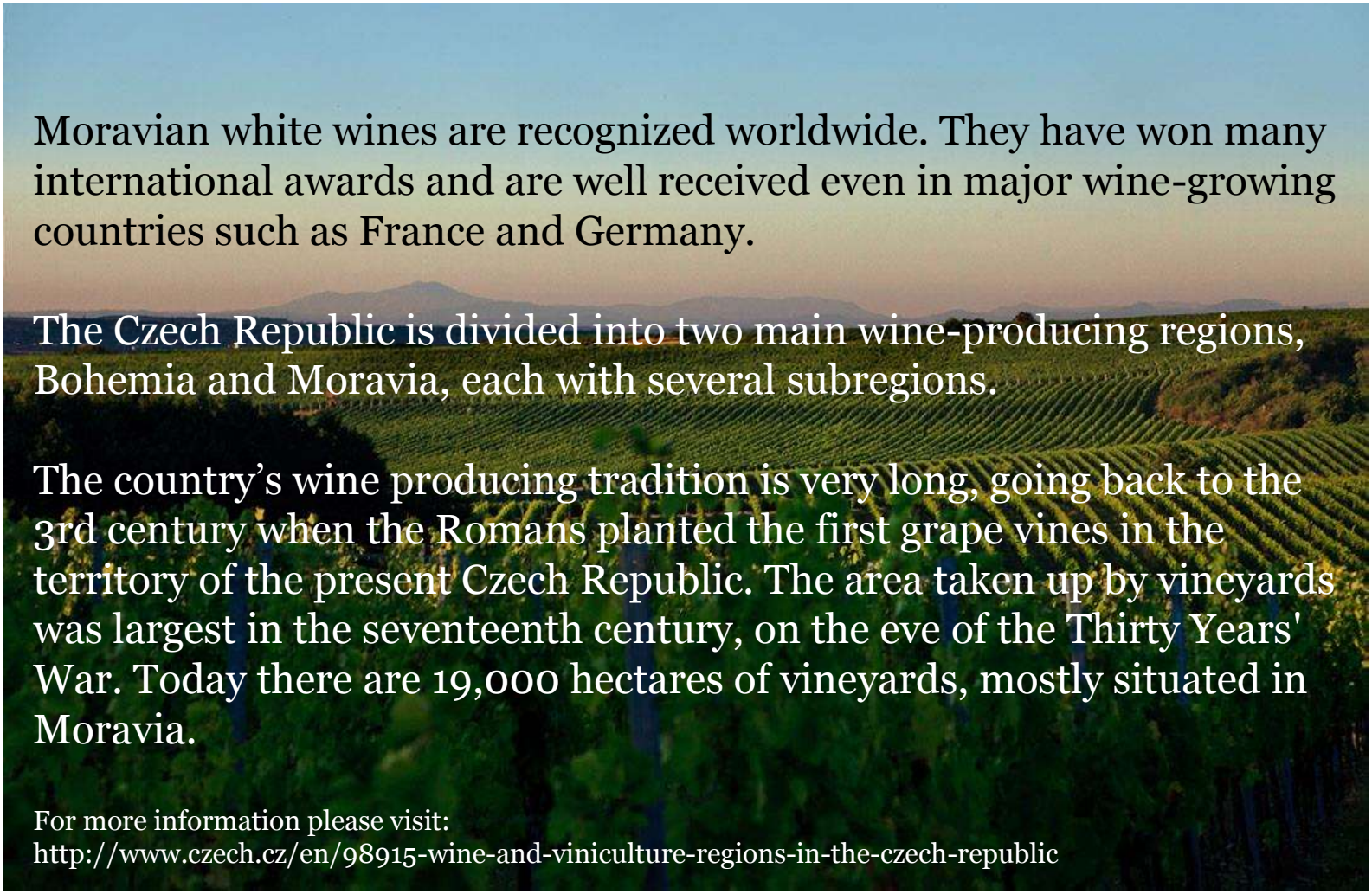
Czech beer is a national symbol, enjoying the Protected Geographical Indication status since 2008. The annual production of nearly 20 million hectolitres places the Czech Republic 15th in the world (the biggest producer is the USA, followed by China and Germany).

A beer bath is an extremely popular wellness procedure. It combines the curative effects of mineral water, beer and ingredients used in beer production. The benefits of beer baths have been known since the Middle Ages. Medieval doctors, herbalists and bonesetters recommended bathing in yeasty beer as a curative as well as preventive therapy.

For more information please visit:
http://www.czech.cz/en/Business/Czech-companies/Beer-Nation-–-Czech-Republic

Tourism

Wine and winemaking in the Czech Republic



Moravian white wines are recognized worldwide. They have won many international awards and are well received even in major wine-growing countries such as France and Germany.

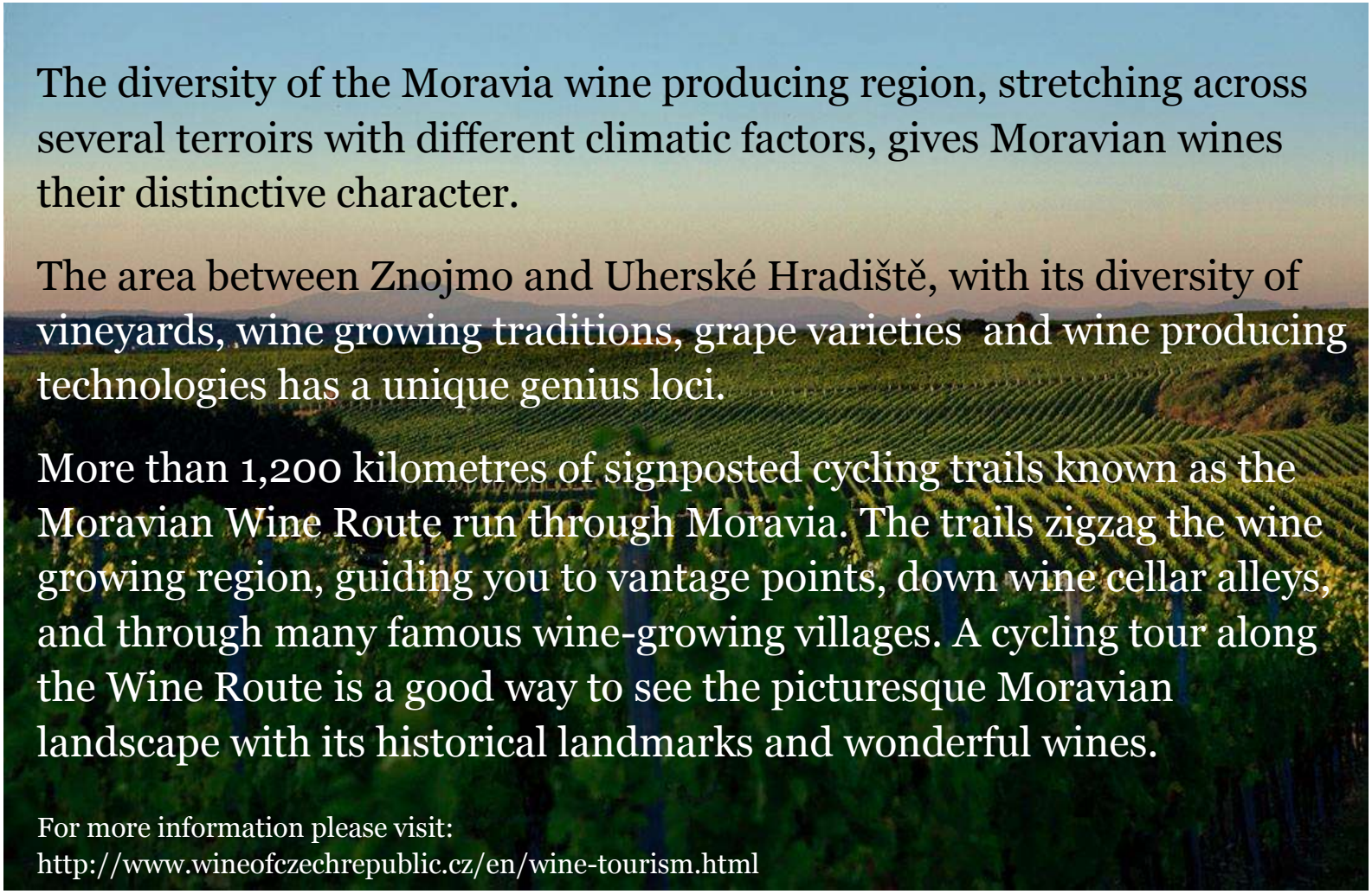
The Czech Republic is divided into two main wine-producing regions, Bohemia and Moravia, each with several subregions.

The country's wine producing tradition is very long, going back to the 3rd century when the Romans planted the first grape vines in the territory of the present Czech Republic. The area taken up by vineyards was largest in the seventeenth century, on the eve of the Thirty Years' War. Today there are 19,000 hectares of vineyards, mostly situated in Moravia.

For more information please visit:
http://www.czech.cz/en/98915-wine-and-viniculture-regions-in-the-czech-republic

Tourism

Wine & Tourism



The diversity of the Moravia wine producing region, stretching across several terroirs with different climatic factors, gives Moravian wines their distinctive character.

The area between Znojmo and Uherské Hradiště, with its diversity of vineyards, wine growing traditions, grape varieties and wine producing technologies has a unique genius loci.

More than 1,200 kilometres of signposted cycling trails known as the Moravian Wine Route run through Moravia. The trails zigzag the wine growing region, guiding you to vantage points, down wine cellar alleys, and through many famous wine-growing villages. A cycling tour along the Wine Route is a good way to see the picturesque Moravian landscape with its historical landmarks and wonderful wines.

For more information please visit:
http://www.wineofczechrepublic.cz/en/wine-tourism.html

Traditional Czech Brands

Barum Continental, spol. s r.o.

Barum Continental, spol. s r. o. is the largest Czech tire manufacturer and since 1999 has been the largest European manufacturer of passenger car tires. In 1993, Barum Continental merged with the Continental AG concern, one of the leading companies in its field in the world. The company has achieved success by taking advantage of modern development trends, technology, business strategy and experience based on a long tradition of tire manufacturing in the Zlin region, where the first tires were produced in the 1930s by the Bata Company.

www.conti-online.cz
www.barum-online.cz

Traditional Czech Brands

Budějovický Budvar, n.p.

The history of brewing beer in Ceske Budejovice began in 1265, when the city was founded by King Premysl II Otakar. The king then granted the city brewing rights. The industrial revolution of the 19th century resulted in the new brewing technology of bottom fermentation, new machinery and the emergence of large industrial breweries. The Budejovicky Budvar produces an original premium lager that is known around the world. The beer is exported to 50 countries and the largest markets include Germany, the United Kingdom, Slovakia, Austria and Russia. Ninety-day aging, an original recipe and 700 years of brewing tradition are guarantees of the inimitable flavour and outstanding quality of this lager. The European Union officially protects the terms „Budweiser Beer“ and „Ceske Budejovice Beer“ by means of Protected Geographical Indication. In the EU, the Protected Geographical Indication is only granted to products with an excellent international reputation and a long tradition.

www.budvar.cz

Traditional Czech Brands

Czech Airlines

Czech Airlines as the flag carrier airline of the Czech Republic provides connections from Prague, and also “via” Prague, to major destinations in Europe, Central Asia, the Transcaucasus and the Middle East. In cooperation with its partners, the airline currently offers connections to 97 destinations in 48 countries. Together with its subsidiary companies, Czech Airlines provides its customers with high quality services. Since 2001, Czech Airlines is a member of the global airline alliance SkyTeam providing customers from member airlines access to an extensive global network with more destinations, more frequencies and more connectivity. SkyTeam offers its 474 million annual passengers a worldwide system of almost 14,000 daily flights to 916 destinations in 169 countries. Czech Airlines holds a certificate under the ISO 14001 standard, confirming the airline’s proper approach to environmental protection, and a certificate under IOSA (IATA Operational Safety Audit) requirements, which are the most advanced safety standards in air carriage.

www.czechairlines.com

Traditional Czech Brands

Moser, a.s.

The Moser company was founded in Karlovy Vary in 1857 by Ludwig Moser, a gifted merchant and a talented engraver. Products from the hands of Moser masters received awards at numerous international exhibitions. Moser became a distinguished supplier to royal courts and presidential palaces. Fine, handmade lead-free glass, refined through many traditional decorative processes, sets the product of the Moser glassworks apart from others on the market. The blown, cut, gently etched and richly gilded Paula and Splendid stemware remains just as attractive today as when it was designed back at the turn of the 20th century. Visitors to the glassworks can admire the fine craftsmanship and premium quality of Moser glass, and the company's product are available for purchase at Moser retail shops in Karlovy Vary, Prague, Brno and Cesky Krumlov.

www.moser-glass.cz

Traditional Czech Brands

Koh-i-noor Hardmuth, a.s.

KOH-I-NOOR HARDMUTH, a.s. is currently one of the largest global producers and distributors of high-quality art, school and office supplies. The company was founded by Josef Hardmuth in Vienna in 1790; in 1848 the production of graphite cores was moved to Ceske Budejovice. Over the years the company has added a complete line of goods produced in their own facilities throughout the Czech Republic and abroad; the company also offers custom services. KOH-I-NOOR HARDMUTH has its own printing of moulded plastics and forms for extrusion blow moulding.

www.koh-i-noor.eu

Traditional Czech Brands

Plzeňský Prazdroj, a.s.

The brewery occupies a dominant position among beer companies in Central and Eastern Europe. The Brewer's products can be purchased in nearly 50 countries around the world. Plzeňský Prazdroj supplies the Czech and foreign markets with Pilsner Urquell, Gambrinus, Radegast and Velkopopovický Kozel beer. Plzensky Prazdroj is a member of the SABMiller plc international group, the second largest brewing company in the world. Beer brewing has a long tradition in Plzeň (Pilsen), dating back to the founding of the city at the end of the 13th century. The trademark „Pilsen Beer" was registered with the Plzen Chamber of Commerce and Trade in 1859; the new trademark Prazdroj Urquell was created in 1898. The Plzensky Prazdroj joint-stock company was established in the 1990s and in 1999 Plzensky Prazdroj, a.s. became part of South African Breweries plc. In the same year the merger of Plzensky Prazdroj, a.s. with Pivovar Radegast, a.s. and Pivovar Velke Popovice, a.s. was approved; the transaction was completed in 2002.

www.prazdroj.cz

Traditional Czech Brands

Škoda Auto Mladá Boleslav, a.s.

Established in 1895, the family business of Laurin and Klement in Mlada Boleslav originally produces bicycles, motorcycles and, starting in 1905, automobiles. The company merged with Škoda Plzen in 1925, which was followed by its rapid growth. The company produced cars with many fine details and also achieved success at international races. In 1991, Škoda Auto returned to the international market under the wings of the Volkswagen Group. Today the company enjoys a prominent standing on the market and sells over 550,000 of its Fabia, Octavia, Superb and Roomster models each year. Over 80% of these cars are exported to more than 90 countries around the world, and Škoda Auto remains the country‘s largest exporter.

www.skoda-auto.cz

Traditional Czech Brands

Baťa, a.s.

The name Bata is inextricably tied to the city of Zlin, where Tomas Bata and his siblings started a footwear business in 1894. Thanks to the skill of the founder, the name Bata has become known throughout the entire world. After an absence of over fifty years, Bata returned to the country in 1992. Today Bata a.s. is composed of a sales division in Zlin and a production division in Dolni Nemci. The Company's products are sold in a network of 80 retail shops throughout the Czech Republic. The largest Bata store in Europe is on Wenceslas Square in Prague. Bata is a leading global brand; the company sells its products in over 4,700 of its own shops in 68 countries around the world and employs over 50,000 people at 75 production facilities and at its retail locations.

www.bata.cz

Ancient History (up to the 9th century)

Evidence of settlement in the territory of today's Czech state is provided by various finds, some of which are up to 25,000 years old. Settlements with the first farmers appeared in the Stone Age, and during the 4th and 3rd centuries BC a great variety of cultures clashed in the local lands. The first known inhabitants in this period were the Boii Celts (from which the term Bohemia is derived); Germanic Marcomanni and Quadi arrived in the 1st century BC. During the peak of the Migration period in the 6th century Slavs also arrived in the territory from the Carpathian Mountain region and began to establish their own settlements. The Slavs joined forces in the “Samo Kingdom” around the year 630 to fight the Avars and later the Franks.

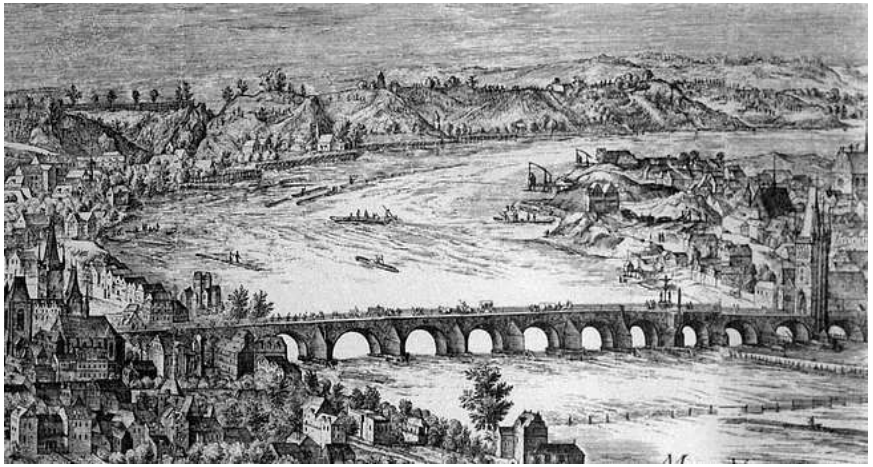
Early Christianity (9th and 10th centuries)

The first state on Czech lands was created in Moravia in 830 – Great Moravia (picture shows jewellery from the archaeological excavation site in Stare Mesto). The rulers of the empire adopted Christianity from the West, but attempts at independence from the Church climaxed around 863 in the mission of Cyril and Methodius, who created the Slavic (Glagolitic) alphabet. The lands of Bohemia broke away from the empire before the break-up of Great Moravia in 907; the Premyslid family then gained control of Bohemia. The family moved to Prague and completed the unification of Bohemia by killing the rival Slavnik family.

Přemyslid Dynasty (11th to 13th century)

Between the 10th and 12th centuries the Přemyslid family strengthened its ruling position and brought prosperity to the country. Vratislav II became the first Bohemian king in 1085 and the Vysehrad Codex, a richly illuminated gospel, was created for his coronation (see picture). Under the reigns of Premysl I Otakar (1197-1230) and Wenceslas I (1230-1253) in the first half of the 13th century, the submontane regions were colonized, trades developed, and numerous towns were founded. Silver was mined, castles, monasteries and churches were built in the Gothic style, and imperial power was consolidated. However, with the murder of King Wenceslas III in Olomouc in 1306, the Premyslid dynasty died out.

Luxemburg Dynasty (14th and 15th centuries)

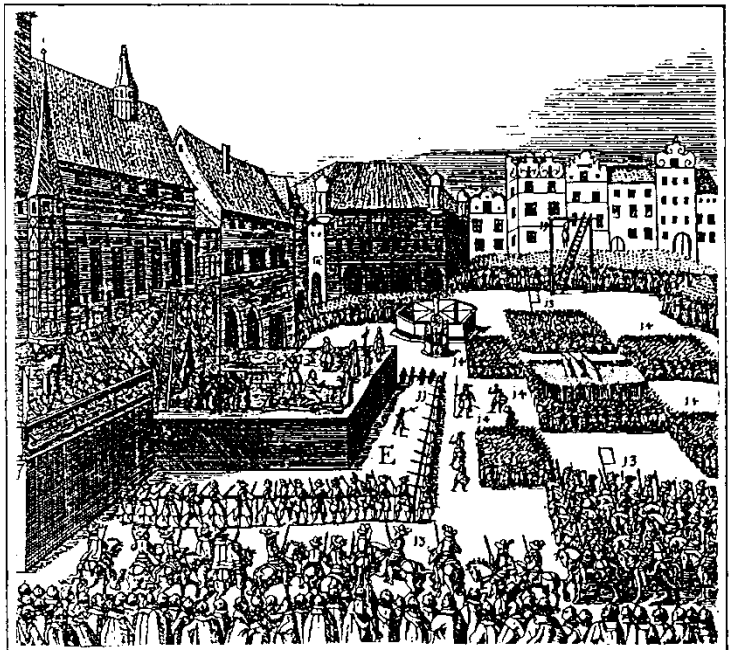


The marriage of 14-year-old John of Luxemburg and 18-year-old Eliska Premysl brought the Luxemburg Dynasty to the Bohemian throne. The reign of this family represented the height of power for the Czech state and John's first-born and highly educated son Charles IV became the most famous king in the Czech history (1346-1378). During his reign Charles IV expanded the state to include additional lands, founded Prague's New Town and the university (1348) and, after being crowned the Holy Roman Emperor, he commissioned the construction of the stone bridge in Prague (1357) bearing his name (the picture shows Charles Bridge from 1606). His son Wenceslas IV was deposed from the German throne (1400) and the country fell into crisis.

Habsburgs (1526 to 1611)

The Habsburgs assumed the Czech throne in 1526 and Ferdinand I gained hereditary succession rights for his family. Unprecedented religious freedom occurred under the reign of his successor, Maximilian II. Rudolph II (1576-1611) transferred his seat to Bohemia and Prague which became not only the capital city of the empire, but also the centre of European science and the arts. His royal court featured the greatest astronomers of the period, including the Italian Giordano Bruno, the Dane Tycho Brahe, the German Johannes Kepler and the Bohemian-born Tadeas Hajek. The picture shows Arcimboldo's famous portrait of Rudolph II.

The Thirty Years War and Germanization 17.-18. cen.



The strengthening of absolutist tendencies and Catholic expansion climaxed after Matthias took the throne (1611) and Czech was declared the official state language (1615). Disputes between the sovereign and the Czech nobility provoked the Uprising of the Estates (1618), which marked the beginning of the Thirty Years War. The defeat of the Protestants at the Battle of White Mountain (1620) led not only to the execution of 27 rebellious leaders (see picture) but also economic decline and the end of Czech independence. The period of Germanization also produced the first census (1754), the introduction of general school attendance (1774), the cancellation of serfdom (1781), the unification of Moravia and Silesia into a single administrative unit (1782) and the cancellation of lifelong military service (1802).

National Revival (19th century)

The ideals of freedom and civil society spread through the Czech lands starting at the end of the 18th century. A new class of Czech intellectuals formed the “National Revival,” which included a renaissance of the Czech language and the establishment of the foundations of modern arts and sciences. In 1883 a public collection was launched to build the National Theatre (pictured in 1888). A group of radicals and liberals entered the political scene for the first time in the tumultuous year of 1848; these individuals were later replaced by leaders of political parties pursuing universal suffrage rights (1907). Progress was interrupted by the First World War, after which the first independent Czechoslovak Republic was established on October 28, 1918, with Tomas Garrigue Masaryk (1850-1938) as president.

Modern History (20th and 21st centuries)

The battle for political control following the end of the Second World War was won by the Communist Party in February 1948. Years of totalitarian power and economic troubles climaxed in the Prague Spring of 1968 and the invasion of the Warsaw Pact troops. The Communist government reasserted control in the 1970s in the period of “normalisation.” The country returned to democracy after the Velvet Revolution of 1989 and Václav Havel was elected president. The transformation of society and the economy followed; state enterprises were privatised and laws were changed. After the peaceful separation of Czechoslovakia into two independent states on January 1, 1993, the Czech Republic joined NATO in 1999 and became a member of the European Union in 2004.

Important Personalities

Jan Amos Komenský 1592 – 1670

- Pedagogue, philosopher, theologian, minister, writer, and education reformer

Bedřich Smetana 1824 – 1884

- Composer
- Most famous works: the opera The Bartered Bride, Má vlast ("My Fatherland") symphonic cycle, and the First String Quartet "From My Life".

Antonín Dvořák 1841 – 1904

- Composer
- Most famous works: New World Symphony, Slavonic Dances, "American" String Quartet, the opera Rusalka, Cello Concerto in B minor , and choral works Stabat Mater, Requiem and Te Deum.

Important Personalities

Alfons Mucha 1860 – 1939

- Painter and printmaker
- His paintings, illustrations and designs (furniture, jewellery) represent Art Nouveau at its best.

Franz Kafka 1883 – 1924

- Writer of German-Jewish origin, born in Prague
- Author of absurd existentialist stories (The Metamorphosis, The Judgment) and novels (America, The Trial, The Castle)

Karel Čapek 1890 – 1938

- Writer, playwright, journalist, translator, and philosopher
- He invented the word “robot” for his play R.U.R.

Important Personalities

Jaroslav Heyrovský 1890 - 1967

- Physical chemist, Nobel Prize for chemistry (1959)
- Father of polarography, inventor of the polarograph (1924)
- Founder of the Czechoslovak Polarographic Institute

Jaroslav Seifert 1901 – 1986

-Poet, recipient of the Nobel Prize for literature (1984)

- A leading representative of pre-war Czechoslovak avant-garde

Otto Wichterle 1913 - 1998

- Chemist, inventor of gel contact lenses and of the first Czechoslovak synthetic fibre “silon”

- Founder of the Institute of Macromolecular Chemistry in Prague

Important Personalities

Emil Zátopek 1922 - 2000

- Athlete
- Four-time Olympic gold medal winner, declared World's Greatest Athlete in 1949, 1951 and 1952

Milan Kundera *1929

- Writer, poet, playwright and translator
- Most famous novels: The Unbearable Lightness of Being (1982) and Immortality (1988)

Miloš Forman *1932

- Director, screenwriter and actor
- Most famous films: One Flew Over the Cuckoo's Nest, Amadeus, Hair, Goya's Ghosts, etc.

Important Personalities

Václav Havel 1936-2011

- Politician, playwright, poet, essayist and dissident
- Last president of Czechoslovakia and the first president of the Czech Republic
- Renowned human rights defender

Martina Navrátilová *1956

- Czech American tennis player
- Open era record for most singles titles (167) and doubles titles (177), including 18 Grand Slam singles titles, 9 singles titles at Wimbledon (an all-time record)

Jaromír Jágr *1972

- Ice-hockey player, winner of the Stanley Cup (1991, 1992), the World Championships (2005, 2010), and the Olympic gold medal (1998), all-time leader among European trained players in scored goals, assists and points in NHL history

Geography

- Location: Central Europe
- Area: 78,866 km²
- Distance North/South: 278 km; West/East: 493 km
- Bordering on (length of border): Germany (646 km)
  Austria (362 km)
  Poland (658 km)
  Slovakia (215 km)

- Lowest point: Elbe River – 115 m
- Highest point: Sněžka – 1,602 m
- Average temperatures: summer + 20°C / 68°F, winter -5°C / 23°F
- Land use: arable land 39%; permanent crops 3%; forests 34%; other 24%

Population

- Total: 10,200,000

Age structure

- 0-14 years: 13.5%
- 15-64 years: 70.2%
- 65+ years: 16.3%

Median age

Total: 40.8 years

Male: 39.2 years

Female: 42.5 years

Birth rate

8.7 births / 1,000 population

Death rate

10.86 deaths / 1,000 popul.

Population growth rate

- 0.12%

Urbanization

74% of total population

Infrastructure

LOCATION AND INFRASTRUCTURE

- The Czech Republic's geographical position makes it a natural crossroads for major transit corridors.
- The significance of the Czech Republic as a transit hub has grown since the country became a member of the EU Single Market covering the area of the 27 countries in Europe with 502 million consumers in total.
- The flight time from most European destinations is less than two hours.
- The Czech Republic ranks among the world's most advanced countries in terms of transport network density.

Source: Road and Motorway Directorate of the Czech Republic, 2012, Czech Airport Authority, 2012

Airports

Total: 122 (2010); 44 with paved runways; 5 international

Main International Airports in the Czech Republic:

- Václav Havel Airport Prague (PRG)
  - – 11-12 million passengers per year
  - – connections to 130 destinations worldwide
  - – winner of the 2011 IATA Eagle Award for the Most Deserving Airport
- Brno Airport (BRQ), Ostrava Airport (OSR), Karlovy Vary Airport (KLV), Pardubice Airport (PED)

Infrastructure

Roadways

Total: 55,500 km (paved)

1,178 km of motorways and highways

(2,180 km planned)

Railways

Total: 9,600 km in operation

3,000 km electrified tracks

Waterways

Total: 660 km (mainly Elbe, Vltava and Oder rivers)

Agriculture

Agricultural land:	4,269,000 ha
Arable land:	3,062,000 ha (40% of land area)
Organic cropland	220,000 ha
Share in overall GDP:	3.4%
Agricultural workers:	4% of population

Traditional agricultural crops:

- Grains (wheat, rye, barley, oats, corn)
- Rape
- Hops
- Potatoes
- Sugar beet
- Mustard
- Oil seeds

Environment

- Number of protected areas: 2,170
- National parks:
  - Krkonoše (Giant Mountains)
  - Podyjí NP (Dyje River valley)
  - České Švýcarsko ("Bohemian Switzerland")
  - Šumava NP
- Area of national parks: 119,020 ha
- Share of national parks in overall area: 15.09%
- Forest land: 2,646,000 ha
  - Share in overall area: 34%
- Communal waste production per capita: 280 kg
- CO_2 emissions in tonnes per capita: 11.27 t

Ministry of Foreign Affairs
of the Czech Republic

Thank you for your attention