

Czech Republic Trade with Australia & New Zealand

*Economic and Trade News from the Commercial Section of the Consulate of the Czech Republic in Sydney
- November 2011 -*

Czech Economy Briefs

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.

The Czech government approved the **Czech International Competitiveness Strategy** drafted by the Ministry of Industry and Trade. The objective of this Strategy is to advance the Czech Republic among the twenty most competitive countries in the world within the next ten years. According to the approved Strategy, the Czech economy should rely more on innovations in the future. The state plans to further improve the environment that is conducive to innovation, as well as to assist the development of private capital to be injected into start-ups. These combined efforts should then contribute to higher numbers of innovative firms.

The **Czech National Bank** (CNB) in its latest forecast downgraded its estimate of GDP growth for next year to 1.2 percent from the previous 2.2 percent, mainly due to the planned rise of value added tax and an economic slowdown in the eurozone. For 2013, the CNB now estimates GDP growth at 2.7 percent. For this year the CNB deteriorated its GDP growth estimate to 2 percent from the previous 2.1 percent.

With the Czech state-controlled power generation company **ČEZ** issuing documentation for the tender **to build a third and fourth nuclear reactor blocks** at the Temelín power station, the three entities which have registered to bid for the contract — Areva of France, the US firm Westinghouse, and the MIR 1200 consortium comprising Atomstroyexport, and nuclear engineering firms Gidropress of Russia and JS Škoda of the Czech Republic — are stepping up public relations campaigns in the Czech Republic to support their bids. The value of the contract is estimated at a minimum of CZK 200 billion (AUD 11,5 bln.).

New **Minister of Industry and Trade**, Martin Kuba, was inaugurated by Prime Minister, Petr Nečas on 16 November 2011. After his appointment he said that one of his main priorities would be to provide support for Czech businesses both at home and in their activities in foreign markets.

Business Briefs

Mitas – Czech producer of tyres for the agriculture industry, is applying 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 tyre production in its current production hall Agro. The production capacity in the new plant will likely reach 42,000 tonnes a year. Mitas products are present in Australia and New Zealand.

A white Fabia Monte Carlo was the ten millionth car to come off the production line at the main factory of the largest Czech car maker [Škoda Auto](#) in Mlada Boleslav, the company states in a press release. By the year 2018 the car maker, which is a part of the German concern Volkswagen since 1991, wants to at least double its sales to 1.5 million cars a year. Skoda Auto is preparing the biggest model offensive in the coming years, with a new car to be launched each six months in the next two to three years. Škoda Auto is present in Australia and New Zealand.

Czech synthetic textiles maker [Pegas Nonwoves](#) signed a three-year contract with a major customer for textiles deliveries worth more than 200 million euros. "The contract is ideally timed to coincide with the launch of our new production line, which is now being put into operation", said Frantisek Rezac, Pegas chief executive.

Despite a market that is slumping overall, one of the Czech iconic brands - [Jan Becher](#), the maker of Becherovka herbal liqueur - is reporting 16 percent increased profit over the past financial year. Overall sales of Jan Becher's own products increased 4.6 percent over the previous year, surpassing 10.7 million liters of spirits. Increased exports to Ukraine and Russia are among the factors that lead to growth. Jan Becher exports to some 35 countries, including Australia.

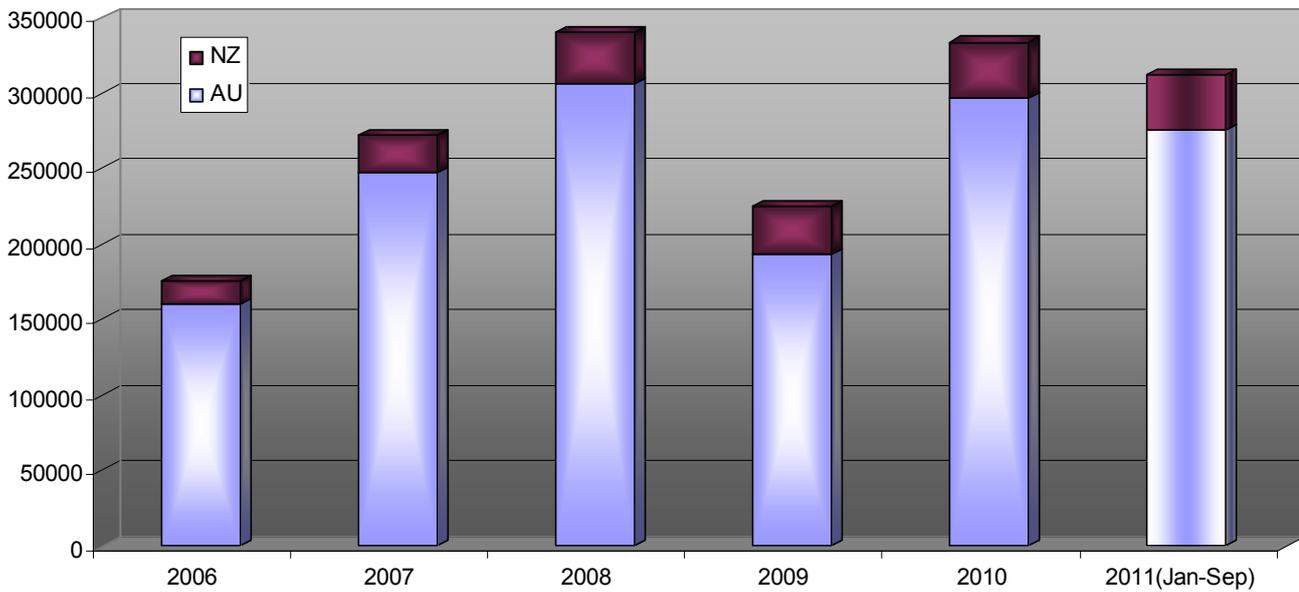
As [ČSA \(Czech Airlines\)](#) continues restructuring in anticipation of a privatization in 2012, [Prague Airport](#) (also state owned) is working to significantly boost passenger levels from the current figure of around 11 million per year to 20 million by 2020. To accomplish this, the airport aims to double the number of long-haul flights coming through Prague and build a third runway, expected to be completed in 2016.

[Evektor](#) – Czech aircraft manufacturer has introduced earlier this year its new **EV-55 Outback** (a high-wing, twin-engine, turboprop aircraft) for transportation of 9 or 14 passengers or up to 1,824 kg of cargo. The aircraft has unique characteristics which predetermine it especially for operation on short, unpaved runways or at high-altitude airports. Outstanding operation capability and versatility, high productivity and low operation costs make the EV-55 Outback a high value airplane for operators on the utility market. First delivery in Australia is expected in 2014.

Czech exports to Australia and New Zealand

According to the latest export data of the Czech Statistical Office for the first 9 months of 2011, exports from the Czech Republic to Australia have reached 275 mil. USD and exports to New Zealand over 36 mil. USD. Export figures indicate solid trade performance in a given global environment and indicate come back to the pre crisis levels by the end of the year.

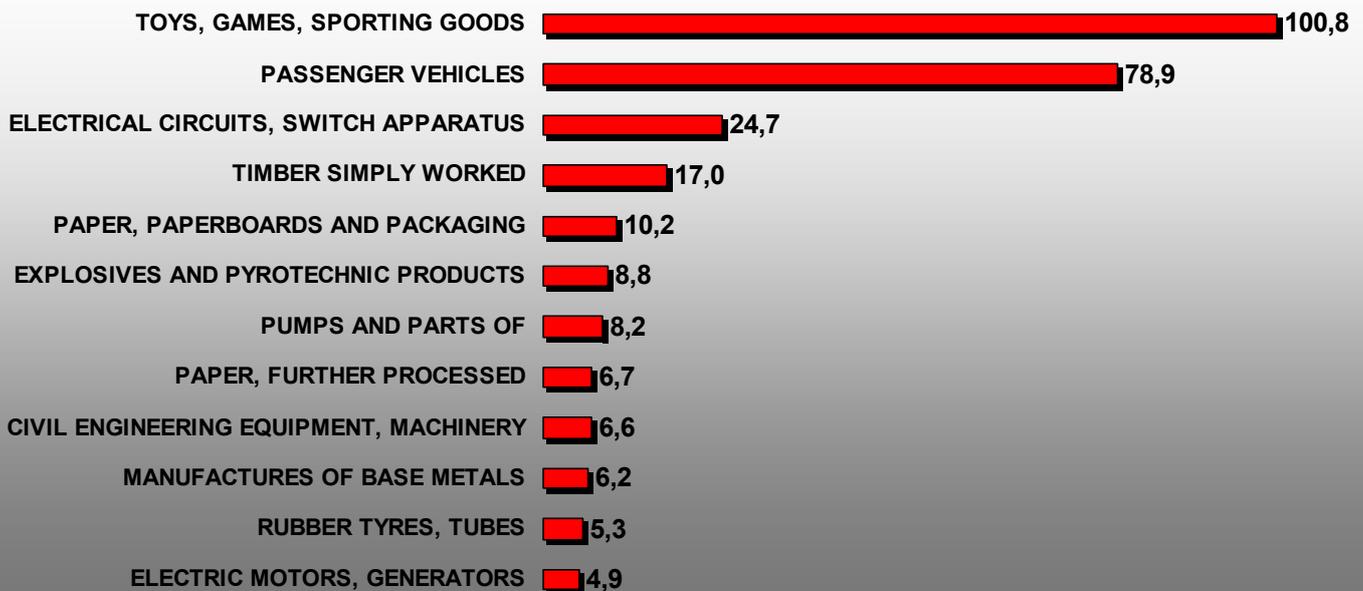
CZECH EXPORTS TO AUSTRALIA AND NEW ZEALAND ('000 USD)



Toys and passenger vehicles remain the leading export articles to Australia and New Zealand in the last 12 months.

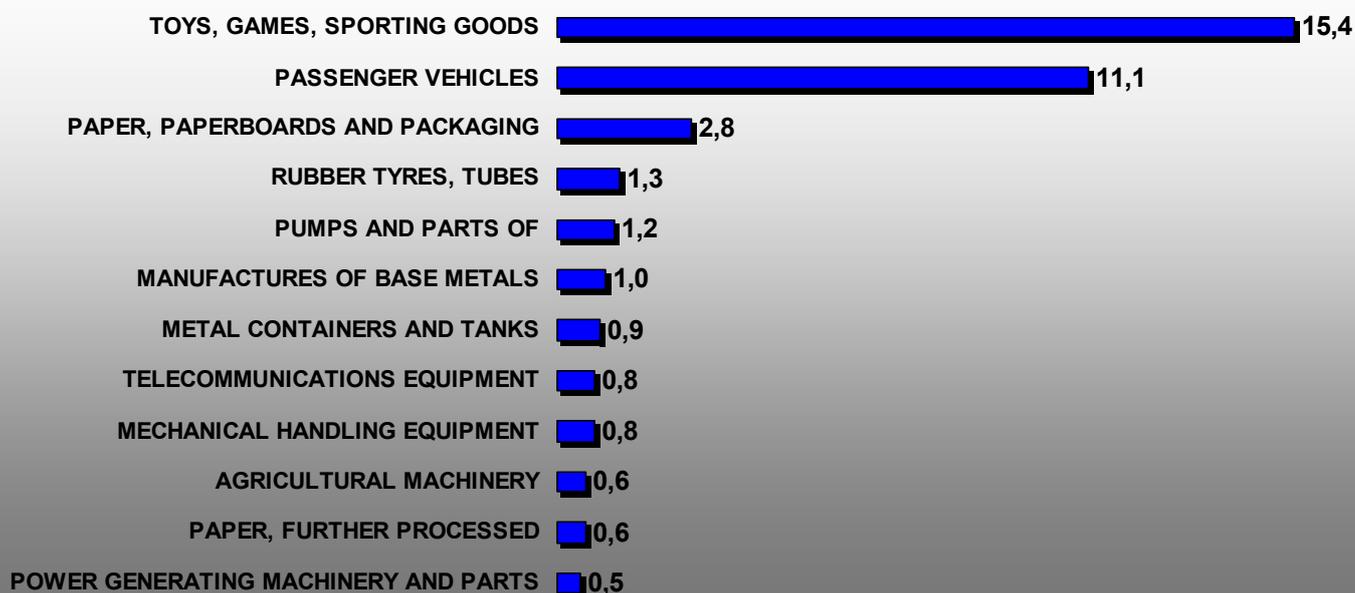
Comparing with the same period of the last year these volumes represent increase of 30% by toys and 157% by passenger vehicles in Australia.

TOP CZECH EXPORTS TO AUSTRALIA (mil. USD)



Comparing with the same period of the last year these volumes represent increase of 48% by toys and 126% by passenger vehicles in New Zealand.

TOP CZECH EXPORTS TO NEW ZEALAND (mil. USD)



Czech companies seeking for Australian and New Zealand partners

AEROPILOT – Czech **ultralight plane** manufacturer interested in finding distribution partners in Australia and New Zealand. An ultralight sport airplane LEGEND is an all-composite high-wing strut-braced two-seater. An ultralight airplane is suitable for sport and recreational flying and tourism.

Contact: Lucie Smékalová , Export Manager

Telephone: +420 605 296 563

E-mail: smekalova@inpro-caslav.cz

Web: www.aeropilotcz.com

ENELEX - production of on-line **radiometric coal ash analyzers** for continual measurement of ash content and oxygen analyzers helping to reach optimal heating efficiency in power stations, industrial boiler rooms and incineration plants. This program is connected with production and assembling camera systems, especially for demanding conditions, assembly of electronic security and fire alarms.

Contact: Libor Vacek, Export Manager

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Web: www.enelex.cz

VIADRUS - is a traditional Czech manufacturer of cast iron products. Longstanding tradition of the company dates back to 1885 and the experience in the foundry industry in conjunction with modern technologies provide the guarantee of a thorough processing, reliability, high quality warranty and lifetime of products. The cast iron **solid fuel boilers, gas and oil boilers** with cast-iron heat exchanger are the core products offered by VIADRUS. Cast iron solid fuel boilers with manual stoking have been serving as a reliable source of low-cost heat for several decades and almost all over the world. Solid fuel boilers with automatic operation constitute a very modern and comfortable way of utilization of resources of fossil fuels. VIADRUS offers also boilers for combined operation, biomass boilers and boilers that are subject to strict environmental standards. The range of gas boilers includes stationary, wall mounted and high efficient condensing boilers.

Company exports to more than 40 countries and through high quality of workmanship, long service life, favourable price of products and good commercial conditions is seeking for distribution partners in Australia and New Zealand.

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EGO ZLIN - Czech company is a highly regarded producer and distributor of complex **biological protection system, logistic and decontamination system** for urgent medicine or long-term treatments. The company also deals with developing programmes which are based on customer actual requirements or global needs.

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MOSER – Luxury Bohemian crystal glass from the Moser glassworks includes a wide range of hand-made crystal products having been produced for more than 150 years. The assortment of Moser art glass is hand-blown, hand cut, hand engraved and hand painted with gold or platinum. Moser is the world known brand in the production of ecologically lead-free crystal glass, seeking distribution in Australia and New Zealand.

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Introducing: Bohemia Crystal Australia

Bohemia Crystal Pty Limited Australia closely represents the Glassworks and crystal producers in the Czech and Slovak Republics.



These factories, which include **Sklarny Bohemia Podebrady**, **Bohemia Crystalex Novybor**, **Crystalite Bohemia Svetla** and Slovglass Poltar are exporters of fine products from the glassmakers of the Czech and Slovak Republics. Bohemia Crystal services not only the Australian market but also New Zealand, South East Asia and the South Pacific Islands from our headquarters in Sydney Australia.

Bohemia Crystal is proud of the fact that they sell the finest quality crystal and glassware on the Australian Market.



Before 1939 there was little importation of Czechoslovakian (now Czech and Slovak Republics), glass and crystal into the Australian Market.

Immediately after the war, a Bohemia Crystal Factory at Havlickuv Brod contacted the Australian Chamber of Commerce to find an agent in Australia with knowledge of

crystal and glass products and in 1946 an agent was appointed for Bohemia Crystal product in Australia.

In 1948 all the individual factories throughout Czechoslovakia joined together to form one multinational organisation. This company was named Glassexport Co. Limited.

From 1949 onwards, the Australian agent visited Czechoslovakia each year to co-ordinate production programs and to source and improve ranges and designs with each factory to suit the needs of the Australian market.

In November 1975, Bohemia Crystal Pty Limited Australia, began with a main office in Double Bay, distributing goods from a warehouse in Alexandria. As the existing agent already imported certain ranges directly, it was decided that they would still import directly from the Czech Republic under their own brands and that Bohemia Crystal Australia would be responsible for delivering, promoting and bringing the quality Bohemia branded to the market.



During the 1980's with business increasing on the Australian market, the office in Double Bay was considered undersized and new premises with an adjoining warehouse were purchased in Artarmon.



In 1989 the first Bohemia Crystal retail shop in the world, opened its doors in Pitt Street, Sydney. This shop was a prestigious outlet allowing Bohemia Crystal Pty Limited to display all our product lines. Bohemia Crystal has continued this tradition with having outlet shops in Victoria, New South Wales and Queensland.

With the continuing growth of the brand Bohemia, it was necessary to enlarge our warehouse premises and subsequently moved into a larger office and warehouse complex located in Marrickville, Sydney.

November 1995 saw Bohemia Crystal Pty Limited officially open the new premises at Marrickville, which coincided with our 20th Anniversary of business in Australia. Since then the company has continued to grow and has opened a number of franchise stores within well known Department Stores as well as opening Factory Outlet stores.

As the new century opened, Bohemia Crystal continued to expand, bringing quality design and craftsmanship to the market at affordable prices for the population of Australia. The trend to continue to provide both traditional, contemporary and modern pieces to the market was further enhanced by the introduction of new technologies and brands.

Both the company and the brand continue to go forward creating new designs and developments which bring the product into the future.

Tradeshows and Exhibitions in Australia

CzechTourism presentation in Brisbane, Melbourne and Sydney

CzechTourism office in India is presenting Czech Republic as an attractive tourist destination in Brisbane (November 17, 2011), Melbourne (November 23, 2011) and Sydney (November 29, 2011). In co-operation with Check Us Out Travel Agency – Brisbane based, specializing in Czech Republic and ČSA – Czech Airlines. The CzechTourism roadshow is focused on Australian outbound tourism organizations and travel agents to introduce Czech Republic as an attractive European destination. For more information, contact [CzechTourism India](#).

Thorium Symposium in Canberra

The use of thorium within a nuclear fuel cycle was investigated as corollary to conventional uranium fuel cycles as it wasn't currently in commercial operation. It was noted that this fuel cycle offers several advantages including a low proliferation risk, no 'melt- down' risk, and a far greater abundance of thorium for fuel than is offered by uranium. Key speakers were: The Hon Martin Ferguson AM, MP (Minister for Resources, Energy and Tourism), Martin Hoffman (Deputy Secretary of the Commonwealth Department of Resources, Energy and Tourism), Dr. Juraj Chmiel (Former Czech Ambassador to Australia, Former Minister for European Affairs), Dr. Miloslav Hron (Chief Scientist at Nuclear Research Institute, Řež – Czech Republic), Dr. Hynek Kmoníček (Ambassador of the Czech Republic to Australia). For more information, contact [Thorium Australia](#).

General Information www.czech.cz
Czech Supplier www.supplier.cz
CzechTrade www.czechtrade.cz
CzechInvest www.czechinvest.org
Tradeshows www.veletrhyavystavy.cz
Doing Business in the Czech Republic www.doingbusiness.cz

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