

# Czech Republic Land of Automotive



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# CzechInvest

Investment and business development agency

Business and Investment Development Agency CzechInvest, is an agency of the Ministry of Industry and Trade. Established in 1992, the agency contributes to attracting foreign investment and developing domestic companies through its services and development programs.

- Our Mission
- to **support** foreign direct investment
- to **develop** local companies
- to **implement** business-development programs
- to **improve** the business environment



Source: CzechInvest, 2020



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## Our services for potential investors

- Business intelligence
- Consultancy on available financial support for investment projects (investment incentives)
- 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
- Liaison with government bodies
- Aftercare services



**All CzechInvest's services are free of charge as part of the Czech government's business support measures**

Source: CzechInvest, 2020



# Key sectors

Focus on Innovation



**Mobility**



**AI & Digital**



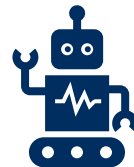
**Creative Industries**



**Aerospace & Defence**



**Health Tech**



**Advanced Industrial Technologies**



**Eco Tech**

Source: CzechInvest, 2020



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**CZECHINVEST**

# Investment Incentives

## Supported Activities



### MANUFACTURING INDUSTRY

Production



### TECHNOLOGY CENTRES

R&D centres



### BUSINESS SUPPORT SERVICES CENTRES

- shared service centres
- SW development centres
- high-tech repair centres
- data centres

**Condition of High Added Value  
in developed regions**



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Source: Act on Investment Incentives No. 72/2000 Coll., 2019

# Foreign investors and key players in the Czech Republic



# Major Automotive Investment Projects in the Czech Republic

Based on the Investment Incentives applications

Company	Country of Origin	Investment (mil. EUR)	Jobs	Year
Hyundai Motor Company	South Korea	1,333	3,514	2006
Toyota/PSA	Japan / France	910	3,000	2002
Nexen Tire	South Korea	882	1,384	2014
Volkswagen	Germany	475	600	1998
Nemak	Mexico	440	1,361	2000
Denso	Japan	371	936	2001
Robert Bosch	Germany	329	1,485	2000
Volkswagen	Germany	237	2,150	2004
Volkswagen	Germany	194	865	2011
Continental	Germany	146	1,900	2002
Robert Bosch	Germany	126	368	2004
Brose	Germany	102	810	2014
Volkswagen	Germany	102	600	2009
Continental	Germany	101	648	2014
BMW	Germany	99	250	2017

Source: CzechInvest, 2020



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# Spanish companies in the Czech Republic

2003 - 2019



**56**

Spanish fDi projects



**36**

Spanish companies



**7,808**

Total job creation



**1,451 mil. EUR**

Total investment amount

Source: fDi Markets, 2020

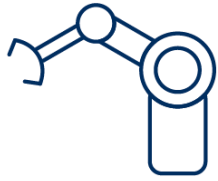


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# Spanish automotive companies in the Czech Republic

2003 - 2019



**15**

Number of Spanish fDi projects



**8**

Number of Spanish companies



**2,349**

Total job creation



**EUR 304,290,000**

Total investment amount

Investing Company	Number of Projects	Capex
Cie Automotive	4	82.9 mil. EUR
Grupo Antolin	3	86.8 mil. EUR
Maier	3	46.2 mil. EUR

Source: fDi Markets, 2020



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# Automotive R&D

- 13,3 bil. CZK private automotive sector investments in R&D in 2019
- Cca 20 % of total private sector expenses in R&D in to automotive
- Over 4500 R&D employees in automotive sector
- 37,6 bil. CZK – state expenditure on R&D in 2019
- Financial programs focused on mobility: Doprava 2020+, TREND



## R&D expenditure by source of funding

Sector	Share of GERD
Enterprises	58.0%
Public sector	33.7%
Foreign public sources	7.2%
Other sources	1.1%

Source: CZSO, 2020



# Automotive R&D in the Czech Republic

## Segmentation

OEMs

- Hundreds or thousands people in R&D
- Škoda Auto, IVECO, Tatra Trucks, SOR

Engineering

- Hundreds of employees in R&D
- Often outsourced to OEMs and tier-1s
- Akka, Porsche Engineering, Aufeer Design, Swell, Idiada, Ricardo, etc.

Tier-1

- Valeo, Bosch, Faurecia, ZF, Denso, Continental, etc.
- Centres of Excellence

Universities

- 9 main technical universities
- Cca 25,000 students & graduates in 2019/2020

# Global centres of excellence in the Czech Republic

ŠKODA



Škoda Auto

Engines (MPI series)

1,900 engineers



BOSCH

Robert Bosch

Fuel and powertrain systems

500 engineers



Valeo

Autonomous driving

700 engineers



Varroc Lighting

Lighting

600 engineers

Garrett

ADVANCING MOTION

Garrett

Turbochargers

1,150 engineers



ZF Engineering

Mechatronics + testing

250 engineers

Source: ŠA, Bosch, Valeo, Varroc, Honeywell, ZF, 2019



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# Testing grounds

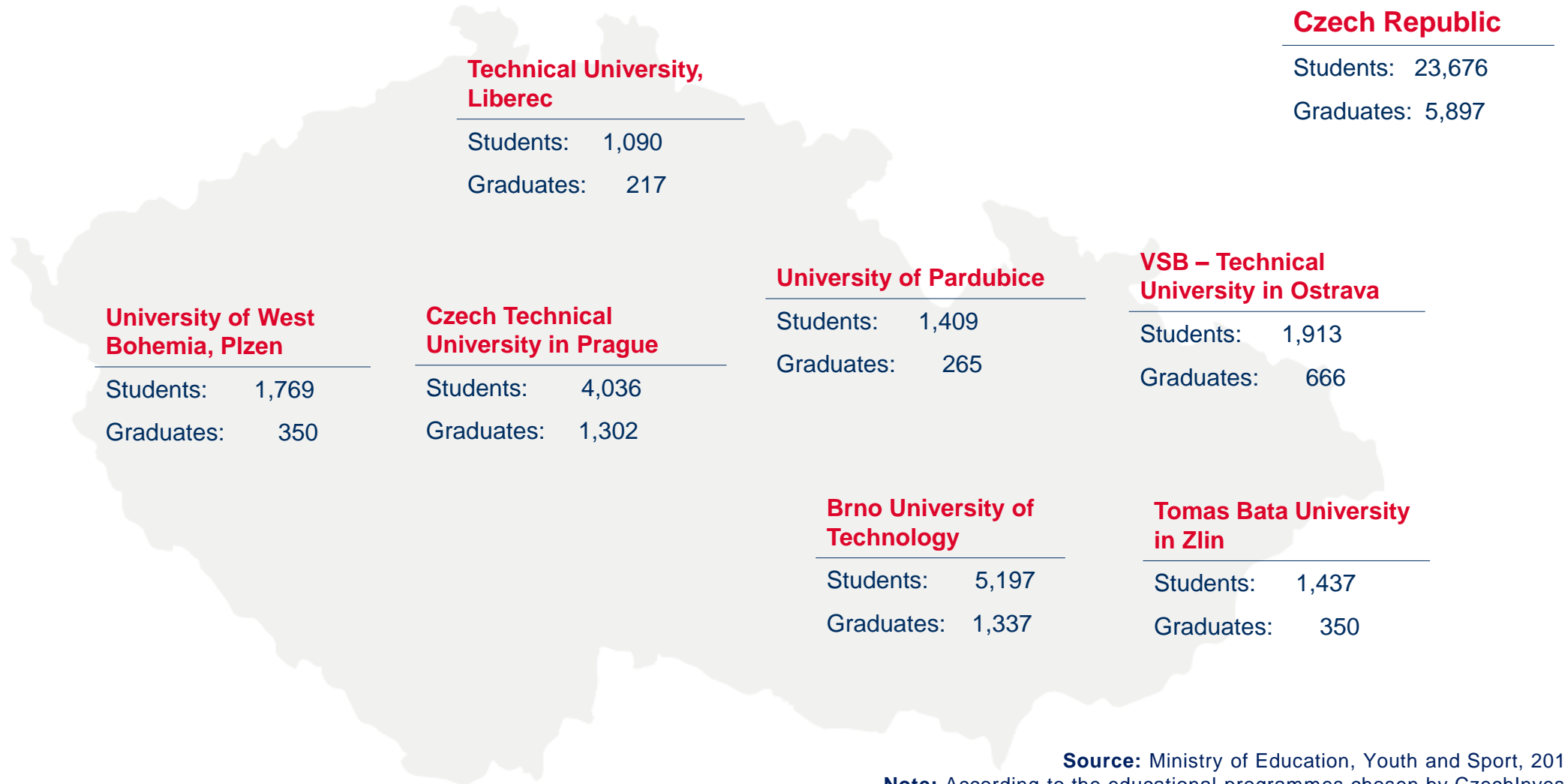


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Source: Tatra, Valeo, BMW Group, Aurel, Autonomne.cz, 2020



# Main universities with Automotive study programmes, 2018/2019



**Source:** Ministry of Education, Youth and Sport, 2019

**Note:** According to the educational programmes chosen by CzechInvest.



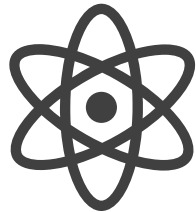
# Technology Incubation

## TECHNOLOGY INCUBATION

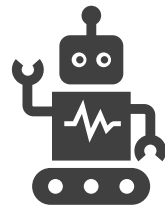
- **Scouting** of the projects and ideas for incubation
- **Pre-incubation** of less developed projects before entering the incubation
- **Incubation** of start-ups and spin-offs
- **Investment** and match-making services



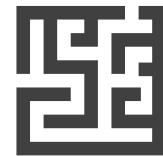
**MOBILITY  
INNOVATION  
HUB**



**CERN  
BIC**



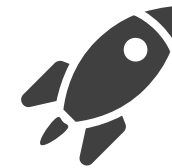
**AI  
HUB**



**CREATIVE  
BIC**



**ECOTECH  
HUB**



**SPACE  
HUB**



**CRISIS  
RESPONSE  
HUB**



# Thank you for your attention

**Karolina Konicarova**

Business Development Manager for Automotive & Future Mobility

karolina.konicarova@czechinvest.org

+420 725 595 579



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