



# Newsletter

Slovak Investment and Trade Development Agency

December / 2011

***Slovakia in  
the spotlight  
of investors***

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## VW READY TO INVEST AGAIN

*Europe's No. 1 in terms of car sales, Volkswagen, will land another investment in Slovakia.*

**T**he German group decided to pump EUR 1.1 billion and create 1,200 jobs at its plant in the Slovak capital. The company has submitted

the investment plan to an EIA study. The car manufacturer wants to build a new weld shop for luxurious SUVs in Q1 2012. Additionally, VW plans to

open a research and innovation weld center in Bratislava which should work on development of car components.



# INVESTMENTS IN THE EASTERN SLOVAKIA

**I**talian packaging technology manufacturer Travelin is heading towards the IPZ Presov- Zaborske industrial park. The investor, a sub-contractor of the U.S. turbocharger maker Honeywell, will create 100 jobs in the horizon of two years. The company has not yet applied for investment incentives never the less the Ministry of Economy refrains from providing state aid to sub- contractors. Minister Miskov announced also an interest for location of Presov

of another unnamed big U.S. automotive investor that should create 1,000 jobs. Good news for Presov is also the plan of car seat manufacturer Lear to open 132 new jobs within production expansion.

**V**elke Kapusany will get the investment of the year in the energy industry. Gas utility SPP plans to invest nearly EUR 55 million in the eastern Slovakia via its affiliation Eustream. The company intends to

generate electricity and heat in its compressor station in Kapusany. Construction works will create 200 jobs. The gas supplier assumes this project will produce annual capacity at 200,000 MWh of electricity.

# REFINERY

*The refinery and petrochemical giant Slovnaft is planning to invest EUR 300 million in plastics production.*

The company wants to bolster its competitiveness in the sale of plastics and improve ecological aspects of production. The refiner wants to build a new polyethylene

production line that will make nearly thirty kinds of this thermoplastic.



# UNFLATTERING FORECAST

*The National Bank of Slovakia (NBS) has revised downward its estimate of Slovakia's economic growth for next year.*

**A**ccording to the latest prognosis, the central bank expects gross domestic product to grow at 2.3 percent, while in the previous prognosis it estimated growth of 3.8 percent. The continued deceleration of the economy should thus continue in 2011. NBS governor Jozef Makuch, however, admits

that the real development might be even worse than the official prognosis says. "We consider the 2.3-percent growth to be realistic according to data available as of November 17, 2011. Of course, we also have an alternative forecast. If downward risks materialize, it will be at 0.5 percent," Makuch said.

# SLOVAKIA DROPPED DOWN IN THE RANKING

*Slovakia slipped from the 131st to the 135th place in the latest PwC Paying Taxes Rankings that compared tax systems in 183 countries.*

*"Slovakia plunged in the ranking for 2012 because other countries managed to do more to reform their tax systems," reasoned Country Managing Partner of PwC Slovensko Todd Bradshaw.*



## CRISIS AFFECTS SLOVAKS OPINION

Still more Slovaks believe that the crisis will last several years. Thirty-nine percent of respondents offered this opinion in the poll in September, what was 10 percentage points more compared to April last year.

The EU median in September was 41 %, according to a Eurobarometer survey conducted among more than 26,000 respondents. Almost 70 % of Slovaks confirmed that the crisis afflicted their lives. Slovaks prefer solutions

coordinated with other EU states but the support for this path weakened 3 percentage points.



## ISRAELI COMPANIES ARE INTERESTED IN SLOVAKIA

Slovak Investment and Trade Development Agency (SARIO) continues to fulfil its mission to attract foreign investors. Therefore the Agency organized at the end of November 2011 an investment seminar and a series of trade negotiations in Israel. This business trip was prepared in cooperation with the Embassy of the SR to Israel and the Israeli-Slovak Chamber of Commerce. SARIO was represented by Robert Simonic, SARIO CEO, Andrea Gulova, the Deputy CEO and the Head of the FDI Section as well as SARIO project managers.

During the visit to Israel SARIO representatives focused mainly on meetings with potential investors – successful Israeli companies as well as meetings with Israeli institutions and scientific and technological incubator. More than 15 meetings were held during three days visit.

*"Israeli companies have great potential for investment in Slovakia. They have the capital for which they need partners in Slovakia. They are interested mainly in investment into existing projects in food industry and engineering,"* said Robert Simonic, SARIO CEO.

The investment seminar in Tel

Aviv attended more than 50 business subjects interested mainly in economic conditions in Slovakia, opportunities for doing business and possible government and municipalities support. Since Israel is the leader in research and development, the topic of cooperation with technology centers in the fields of ICT, software, natural sciences, semiconductors and others was in the forefront of discussions.



## SLOVAKIA IN THE SPOTLIGHT OF INVESTORS

**S**lovak Investment and Trade Development Agency (SARIO) has had a successful 2011. According to SARIO's statistics the investment volume in comparison with the last year increased 4-fold and 2-fold increase was observed in the number of new jobs.

*„The aim of the Ministry of Economy of the SR together with SARIO under new management is to build name of Slovakia as business friendly country and thanks to the quality of business environment to turn it into a gateway for all investors. Today's results are a clear indication for us that we are on the right track to hit our target.“* said Juraj Miskov, the Minister of Economy of the SR.

In 2011 SARIO managed to conclude projects totaling EUR 517.6 million which have

the potential to create 2,634 to 4,353 new jobs. Most of the completed projects so far are directed towards disadvantaged regions. The regions of Trnava, Prešov, Trenčín, Banská Bystrica and Žilina will receive majority of them. In terms of distribution of the industries the largest volume of investments traditionally goes to the automotive, electrical and metal processing industries.

*„Thanks to its new strategy SARIO was able to attract to Slovakia more foreign investors than in the last period. I am pleased that this will create new jobs and help to improve the living standards of citizens of Slovakia,“* said Robert Simoncic, SARIO CEO.

*„We are very pleased that we managed to localize projects to the regions with*

*high unemployment rate. Thanks to new foreign investment the inhabitants of these regions will be given the opportunity to find jobs and consequentially provide them with social security,“* said Andrea Gulova, Director of the Division of Foreign Direct Investment of SARIO.

SARIO's aim is to be a modern agency, which will be perceived by foreign investors and domestic partners as a vehicle for growth and innovation. SARIO wants to assist to the development of the Slovak economy in the maximum extent possible by attracting new investment and offering trade support, which shall bring its results in creation of new jobs and ultimately increase the living standards in Slovakia.

# SARIO: 2011 STATISTICS

No. of concluded projects (Q1-Q4)	2009			2010			2011		
	Volume of investment		New jobs	No. of concluded projects (Q1-Q4)	Volume of investment in mil. EUR	New jobs	No. of concluded projects (Q1-Q4)	Volume of investment in mil. EUR	New jobs
mil. EUR	mil. SKK								
1	6,30	189,79	150	1	0,02	3	4	86,40	1 146
1	5,00	150,63	70	7	35,20	498	6	173,12	534
3	24,50	738,09	1 200	6	40,70	935	6	31,30	920
3	208,63	6 285,19	3 030	6	47,00	915	10	226,77	1 754
<b>8</b>	<b>244,43</b>	<b>7 363,70</b>	<b>4 450</b>	<b>20</b>	<b>122,92</b>	<b>2 351</b>	<b>26</b>	<b>517,59</b>	<b>4354</b>

Region	No. of Concluded projects (2011)	Volume of investment in mil. EUR (2011)	New jobs (2011)
Prešov	4	59	701
Košice	1	10	100
Banská Bystrica	3	46	570 - 750
Žilina	3	47,17	607
Trenčín	4	138,30	454 - 624
Nitra	3	31,2	347
Trnava	6	55,9	555 - 925
Bratislava	2	130	300

Investments by sector	No of projects
Manufacture of wood and product of wood except	1
Manufacture of paper and paper products	2
Manufacture of rubber and plastic products	8
Manufacture of fabricated metal products	5
Manufacture of computer, electronic and optical products	2
Manufacture of electrical equipment	1
Manufacture of motor vehicles, trailers and semitrailers	3
Manufacture of furniture	1
Supply of electricity, gas, steam and cold air	2
SSC & CC	1

# 2011: LIST OF CONCLUDED PROJECTS

Nr	Company Name	Country of Origin	Sector	Location in the SR	Region of the SR
1	<b>Funderia</b>	Spain	Manufacture of fabricated metal products, except machinery and equipment	Prešov	Prešov
2	<b>HONEYWELL II.</b>	U.S.	Manufacture of motor vehicles, trailers and semitrailers	Prešov	Prešov
3	<b>Amazon</b>	U.S.	SSC & CC	Bratislava	Bratislava
4	<b>Topaz</b>	Republic of Korea	Manufacture of computer, electronic and optical products	Piešťany	Trnava
5	<b>Behr</b>	Czech Republic	Manufacture of fabricated metal products, except machinery and equipment	Námestovo	Žilina
6	<b>KMF</b>	Great Britain	Manufacture of fabricated metal products, except machinery and equipment	Trenčianske Stankovce	Trenčín
7	<b>Swedspan Slovakia s.r.o.</b>	Sweden	Manufacture of wood and product of wood except of paper and paper products	Malacky	Bratislava
8	<b>Biometrix s.r.o.</b>	Holland	Manufacture of rubber and plastic products	Šamorín	Trnava
9	<b>Daejung</b>	Republic of Korea	Manufacture of rubber and plastic products	Ilava	Trenčín
10	<b>SLOVAKIACONSULT</b>	Slovakia	Supply of electricity, gas, steam and cold air	Rimavská Sobota	Banská Bystrica
11	<b>Horecup</b>	Slovakia	Manufacture of paper and paper products	Nitra	Nitra
12	<b>Magna Slovteca</b>	Germany	Manufacture of rubber and plastic products	Trnava	Trnava
13	<b>Eilersen</b>	Denmark	Manufacture of furniture	Veľký Krtíš	Banská Bystrica
14	<b>Fremach</b>	Belgium	Manufacture of rubber and plastic products	Trnava	Trnava
15	<b>Arcelor MTB</b>	Slovakia	Manufacture of fabricated metal products, except machinery and equipment	Senica	Trnava
16	<b>Piva Group</b>	Italy	Manufacture of rubber and plastic products	Trenčín	Trenčín
17	<b>SUNGWOO</b>	Republic of Korea	Manufacture of motor vehicles, trailers and semitrailers	Žilina	Žilina
18	<b>Plastiflex Slovakia spol. s r.o.</b>	Belgium	Manufacture of rubber and plastic products	Kežmarok	Prešov
19	<b>Johnson Controls Námestovo</b>	U.S.	Manufacture of computer, electronic and optical products	Námestovo	Žilina
20	<b>Aspel Slovakia</b>	Slovakia	Manufacture of rubber and plastic products	Kežmarok	Prešov
21	<b>Celltex</b>	Slovakia	Manufacture of paper and paper products	Rožňava	Košice
22	<b>Dometic</b>	Sweden	Manufacture of motor vehicles, trailers and semitrailers	Fíľakovo	Banská Bystrica
23	<b>FLH ENALCO</b>	Slovakia	Supply of electricity, gas, steam and cold air	Palárikovo	Nitra
24	<b>ESNASA</b>	Spain	Manufacture of fabricated metal products, except machinery and equipment	Leopoldovo	Trnava
25	<b>Continental Matador Rubber</b>	Germany	Manufacture of rubber and plastic products	Púchov	Trenčín
26	<b>Secop</b>	Germany	Manufacture of electrical equipment	Zlaté Moravce	Nitra



# SARIO

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