

# CZECH REPUBLIC

## A forward-thinking central European powerhouse committed to innovation

A popular tourist destination, the Czech Republic has unveiled its desire for space exploration and has become known for its economic resilience and willingness to embrace technology

Nestled in the heart of Europe, the Czech Republic's dynamic and resilient economy has helped the country to achieve regional influence and catapult it onto the global stage. Boasting a GDP of more than \$290 billion and attracting substantial foreign direct investment stock of over \$185 billion, it is now recognized as one of the most prosperous nations in central Europe.

Beyond its strategic location and economic resilience, the Czech Republic has demonstrated a commitment to innovation and advanced manufacturing that has propelled it to the forefront of global industry. Home to forward-thinking entrepreneurs and fast-growing start-ups, the country is leading the way in sectors such as automation, robotics, artificial intelligence and cybersecurity.

There are also ambitious plans in place to become a leading player in the field of space exploration. Earlier this year, Czechia became the 24th country to sign the Artemis Accords — an American-led effort to return humans to the Moon by 2025, with the ultimate goal of expanding space exploration to Mars and beyond — with Minister of Foreign Affairs, Jan Lipavský, stating the importance of the accords.

"I see this as a historic signature, not only because it opens up a new opportunity for co-operation between Czechia and the US but it also marks our dedication to peaceful, transparent and responsible conduct for space exploration," said Lipavský.

Deputy Prime Minister for Digitalization and Minister of Regional Development, Ivan Bartoš, added: "In Prague we have the European Space Agency Centre and there are around 100 companies in the city that are related to that industry. We are definitely pursuing going to space.

"This is just one area where we have cutting-edge technology and where a significant transformation is underway. We also have projects that support the development of quantum computing and we are piloting hydrogen technologies."

### Tourism targets

While the Czech Republic is in the midst of an innovation boom, the country also works hard to promote its cultural heritage and breathtaking landscapes. Its capital, Prague, remains one of Europe's most visited cities and provides visitors with the opportunity to immerse themselves in historic castles and medieval monuments.

Away from Prague, beauty can be found throughout the country. Český Krumlov is home to Czechia's only Baroque theatre, Kutná Hora's gothic St. Barbara's Church is a UNESCO World Heritage site and Brno boasts a plethora of Baroque and Gothic architecture,



The famous Charles Bridge in the capital of Prague



Petr Fiala  
Prime Minister

while Špindlerův Mlýns is an in-demand ski resort in winter and a hiker's paradise during the rest of the year.

With so much on offer, the government has worked tirelessly to improve transport connections throughout the country. "The Czech Re-

public, from the north to the south and the east to the west, varies and is easily accessible. There are incredible monuments across the country and you can easily do day trips from Prague to explore other areas. In fact, that is the main task of the Czech Tourism Agency, to promote the entire country as a tourist destination," explains Bartoš.

"We have UNESCO sites throughout the country and visitors will find everything from hiking and skiing to culture and first-class gastronomy on offer."

In order to make experiences and sites even more accessible, the Czech Republic is pushing ahead with a digital transformation that will benefit numerous sectors, including tourism.

"We want e-tourism to be a main platform, as it is in Austria, where business entities in tourism, hospitality companies and the relevant ministries all work together," says Bartoš. "This ensures that visitor numbers and local fees are all registered on the same platform. It also means that tourists could bundle together a special multi-day travelling ticket in Prague, for example, that would include entry to specific monuments and even travel to other parts of the country.

IVAN BARTOŠ  
DEPUTY PRIME MINISTER FOR  
DIGITALIZATION AND MINISTER OF  
REGIONAL DEVELOPMENT

**"We also have projects that support the development of quantum computing and we are piloting hydrogen technologies."**

"Tourism is an area we are focused on as shown by the Czech Republic succeeding in becoming a member of the executive board of the United Nations World Tourism Organization. This was a significant diplomatic success that will enable us to influence global developments in the tourism industry."

With a diverse economy driven by multiple innovation-driven industries and a thriving tourism sector, the world is beginning to embrace the boundless potential of the Czech Republic. All bodes well for the future of this central European gem with both business and leisure endeavors seemingly destined to reach new heights.

## Pro-business policies

A stable economy and legislation changes have boosted direct foreign investment

More than 20 years ago the Czech Republic introduced a series of incentives that stimulated a massive inflow of foreign direct investment. Since that moment the government has worked tirelessly to ensure the country remains attractive to foreign investors and it is still one of the most successful countries in Europe when it comes to bringing in investment from US companies.

Bolstered by a strong and diverse economy, more than 150,000 Czech firms across all sectors are supported by foreign capital. Much of this success comes down to creating an enticing business environment that appeals to investors.

Playing an important role in this area is the Association for Foreign Investment (AFI), a non-profit organization that was created by the Czech government and by international global service providers to attract foreign investors.

"We were created in the 1990s to help change the legal, regulatory and political environment in a way that is attractive for investors and provides long-term stability," states Kamil Blažek, Chairman of the Steering Committee, AFI.

"The concept of what we do is based on the idea that to have a successful investment you need trust. To build that trust it's helpful to have someone in between who can moderate the communication and help the public side to understand the needs of private investors. That's the role we play."

The ability to attract investment has made a substantial contribution to the country's economic growth and the creation of jobs, as well

as fostered innovation and technological advancements. This has led to the Czech Republic earning a deserved reputation as a country where forward-thinking companies are developing cutting-edge technology that is being used on the global stage.

In order to further develop these companies, incentives have been made available for foreign investments in certain sectors such as aerospace, nanotechnology and life sciences, and for those that require R&D activities or create jobs for university graduates.

"We are very future-orientated and are currently supporting numerous areas that are still being developed. This covers industries such as biotechnology, nanotechnology and space-related ventures, which all require investment in order to grow," reveals Blažek.

Ranked in the top quarter of the global Ease of Doing Business index, the AFI is working to further enhance the business environment for foreign investors and is hoping to attract more interest from the US.

"We like to stress that Czech legislation is extremely similar to major players in the rest of Europe such as Germany, Spain and France," adds Blažek.

"We find that a lot of investors from the US don't realize this fact so we highlight that we have identical rules and frameworks to those nations. That means you get the same level of protection as other western European jurisdictions. In fact, I am in no way hesitant to compare the Czech Republic to Scandinavia or other powerful European countries."



Prague Astronomical Clock was first installed back in 1410



Ivan Bartoš  
Deputy Prime Minister for Digitalization and  
Minister of Regional Development



Kamil Blažek  
Chairman, AFI

## TOP FIVE REASONS TO INVEST IN THE CZECH REPUBLIC



Well-connected gateway to Central and Eastern Europe, with the world's 2nd-best public transport, according to TimeOut



Highly educated population that was ranked 8th worldwide for vocational and technical skills in 2022 by INSEAD



The Czech Republic offers the world's 4th-most attractive FDI regime, according to INSEAD, and its tax system ranks 5th in the OECD



Industry-focused Czech Republic is the EU's 3rd-largest producer of cars, says the European Automobile Manufacturers' Association



The US is the Czech Republic's largest non-EU export destination after the UK, according to US State Department data







# A modern metropolis with a medieval past

Prague is renowned for its architectural beauty but is also home to innovative tech companies

One of Europe's most popular tourist destinations and regularly attracting more than nine million annual visitors, Prague boasts an enticing blend of history, culture and modern charm. Renowned for its picturesque castles and stunning architecture, the capital of the Czech Republic is also home to innovation-driven industries that have positioned the Central European nation as a regional leader.

By far the most developed tech hub in the country, with numerous startups and IT companies now based in the mediaeval city, Prague has the ability to attract both business and leisure visitors. Due to this, tourism remains one of the cornerstones of its economy.

Now there are plans to further improve the city after Bohuslav Svoboda was named mayor for a second time. Having previously been in the role from 2010 to 2013, the Czech politician and physician has witnessed firsthand the growth of Prague and is keen to expand its already significant offering.

"There are already large transportation projects currently underway, including two major ring roads and a new metro line, so there is a huge amount of work that I can start with in my second term," says Svoboda.

"During my last term in office, I was very much in favor of the construction of a new concert hall in Prague because the Czech Republic is a country that is synonymous with music. Our concert hall is already more than 120 years old and unfortunately it can no longer meet the acoustic demands of modern times.

"Now there is a project underway to create



**Bohuslav Svoboda**  
Mayor of Prague

a new concert hall and we had an international architectural competition in which some 18 studios took part.

"The biggest problem I have now is that the three leading projects are all so beautiful that it is truly difficult to select a winner. But I'm delighted that this demanding project has the full support of citizens in Prague, even during these tough economic times."

The stunning capital city is also home to a vibrant hub of prestigious universities and leading research institutions that attract students from across the globe. These academic facilities have helped to fuel advancements in technology and healthcare, and have contributed to the



Prague's stunning Old Town Square dates back to the 12th century

country's intellectual prowess.

"Prague is the most important center of education in the country and we have a variety of top-class universities. We have three medical facilities, that I must mention as I am a medical doctor by profession, and just recently we were chosen to host the International Neurosurgical Congress and the Congress of Orthopedists," states Svoboda.

"Prague has become a favorite destination for international expert conferences, not only because we have beautiful weather and historic monuments to explore, but also because of our advanced scientific programs.

"We find that many foreign medical students want to come and study here in Prague. However, we have to limit these numbers slightly as if we allowed everyone to come here and study then we would have more international students than Czech students.

"Another reason our universities are so popular is because the curriculum of our educational institutions is pretty much identical to the European curriculum. Therefore, whatever degree you obtain will be recognized across Europe so if you are a graduate and move abroad there are no further educational conditions that will need to be met."

An attractive destination for students, startups and international companies alike, Svoboda is confident that Prague will continue to flourish and outlines just why people should consider visiting the city.

**BOHUSLAV SVOBODA**  
MAYOR OF PRAGUE

**"There are already large transportation projects underway, including two major ring roads and a new metro line."**

"We have the greatest concentration of historical monuments in the whole of Europe, our history dates all the way back to the Middle Ages and you can find beautiful statues from the Baroque and Art Nouveau eras," he adds.

"In addition to all of this history, Prague has developed into a modern metropolis and is one of the safest cities in Europe. Visitors to the city will also discover that we have delicious food as well as fantastic beer and excellent wines."

## Moving towards a sustainable future

The Czech Republic is pursuing green policies across a variety of industries

The Czech Republic is in the midst of a remarkable transformation as it embraces sustainability across numerous sectors. The country has managed to reduce its greenhouse gas emissions by 43% over the last three decades by decreasing the share of coal in the energy mix and shifting towards less polluting technologies.

With global disruptions in the energy market, the need for a green transition has been heightened and there is a growing need to decarbonise the economy. While this is already underway, the government plans to ramp up its efforts in the years ahead, with a specific focus on solar energy.

"We will contribute to the rehabilitation of photovoltaics because we consider it a key renewable in our geographical conditions. We will contribute to the establishment of new photovoltaic installations on at least 100,000 roofs by 2025," the Czech government promised in a policy statement last year.

In addition to solar, the state plans to make greater use of wind, hydro and biogas, providing financial support for the construction of projects and speeding up the process of ob-

taining permits in relation to renewable energy sources.

This transition is also being aided by the support of energy companies such as Pražská Plynárenská whose roots within the gas industry can be traced all the way back to 1847.

"The Czech Republic has a history of using coal to heat properties but we are trying to now move to natural gas," explains Martin Pacovský, former chairman of the board of directors at Pražská Plynárenská. "We want to transition to a fully green economy so these central heating solutions will move away from coal.

"We want to move to a net zero economy in the Czech Republic by 2050 and we want to help the country achieve this goal. We are already playing a major role in Prague and we hope to help the capital reach its own climate targets. We want the city and the surrounding areas to become a carbon-light economy."

Another company heavily involved in the move to a green economy is SOLEK Holding, a leading renewable energy firm with a focus on solar energy. Established in 2010, it builds, operates, owns and maintains numerous power plants throughout Europe and Latin America.



Spanning the River Vltava, Charles Bridge is one of Prague's iconic landmarks

"Across Europe it is appreciated when you deliver green energy because every country is trying to meet their environmental, social and corporate governance goals," explains Zdeněk Sobotka, CEO, SOLEK Holding. "That's the reason why we have direct clients with power purchase agreements (PPAs).

"We use utility-scale projects for those PPAs and in the Czech Republic we like to explore industrial rooftops as they have the ability to accommodate a good size in relation to megawatts."

It is not just in the energy sector that the

government is focused on sustainability, the Czech Tourism Authority has recently launched a campaign to promote sustainable and responsible tourism practices and to raise awareness about the importance of protecting its natural and cultural heritage.

This included the construction of a website that features a range of informative articles, guides and resources on sustainable travel, eco-friendly accommodation, green transportation and more. It also highlights organizations and businesses making a positive impact on the environment and local communities.

## Unlocking tomorrow's metals

Draslovka's patented **Glycine Leaching Technology** helps mines recover metals in a way that is safer, more environmentally friendly and more cost effective than any other process available today. This revolutionary technology provides substantial ESG benefits and enables a reduction in processing costs of up to 50%.

**Partner with the chemistry experts & innovators as we lead the charge toward sustainable mining.**



Learn more  
[draslovka.com](https://draslovka.com)

**Draslovka**