Virtual Trade Mission: Czech Republic & Slovakia

Overview of the Czech Republic

The Czech Republic has seen continuous economic growth for the last six years. This growth is driven by domestic growth and increased investment and trade. The Czech Republic is a member of the European Union but is not a member of the Eurozone. It scored 100% for macroeconomic stability on the World Economic Forum competitiveness index. It placed 32nd overall on the index and 3rd overall in Central and Eastern Europe and 29th in innovation capability globally. The Czech Republic has had the lowest unemployment rate in the European Union for two years. It boasts a strategic location between Western and Eastern Europe, well-developed infrastructure, and a skilled labor force.

Top opportunities for Virginia exporters to the Czech Republic include:
- Machinery and transport equipment
- Manufacturers
- Electronic equipment
- Chemicals
- Fuels

Overview of Slovakia

Slovakia has been a regional FDI magnet for several years due to a high-skilled, low-cost labor force and strategic European location. Slovakia has experienced continual GDP growth since 2009 and the World Economic Forum ranked it a top economy for macroeconomic stability in 2019. Slovakia is a member of the European Union and the Eurozone. Electronics and automobile exports made up 80% of the Slovakian GDP. Unemployment in Slovakia is low and rising wages have fueled increased consumption in recent years.

Top opportunities for Virginia exporters to Slovakia include:
- Automobiles and parts
- Telecommunications
- Aircraft and Spacecraft
- Education and training
- Optical, photo, and medical/surgical instruments
Opportunities in the Czech Republic

Defense
The Czech government has pledged to allocate 2% of GDP by 2024. The Czech Army has launched a campaign to recruit 4000 personnel by 2025 and remedy shortcomings in equipment. They have also unveiled plans to purchase new surveillance and combat drones worth $46.5 million by 2025 and significantly improve defense infrastructure against hybrid threats.

High-Tech Products and Advanced Engineering and Digitalization
The Czech Republic, the 2nd most industrialized country in the EU, is the most significant importer of high-tech products in the CEE region. Top high-tech imports include electronics and telecommunications equipment, computers, scientific instruments, and pharmaceuticals. As the region gears up for digital transformation, encouraged by the Government’s Industry 4.0 initiative, massive investments into Internet of Things are expected, offering opportunities worth $1 billion, mostly in manufacturing, transportation, public services, and consumer sectors.

Energy Efficiency and Green Technologies
The Czech Republic is the 4th most energy demanding country in the EU. EU regulations demand newly constructed buildings to have near zero energy consumption after 2020 resulting in investments in thermal insulation, small renewable sources of heat, and innovative technologies such as heat recuperation. The EU’s 20-20-20 goals further drive innovations in the field of waste handling, green energy solutions, or emission-free transportation.
Opportunities in Slovakia

Aerospace
Slovakia is making up for many years of a low army modernization budget. Defense spending is due to rise from 1.7% of GDP to 2% by 2020. Slovakia plans to spend about $7.41 billion by 2030 to modernize its military. The Ministry of Defense of the Slovak Republic has begun modernization of the Slovak Air Forces by purchasing U.S. helicopters, in an effort to reduce their dependence on Russian parts and servicing.

Healthcare
The healthcare market has become increasingly focused on high tech products. Following the introduction of e-health and private healthcare services to Slovakia, most private healthcare centers continue to invest considerable amounts of money in new healthcare equipment. eHealth still lacks registration of one third of Slovak healthcare providers. The total cost of eHealth is over $140 million with an additional $68.4 million to be invested in the near future.

ICT
The ICT market remains strong for the implementation of new cellular and Internet networks as well as the merging of existing data to cloud storage, implementation of cybersecurity solutions, and maintenance of existing network hardware and software, with the main end users of hardware equipment coming from the private sector, government ministries, the Parliament, and state administrative offices.
Details

The objective for this virtual trade mission is to arrange and conduct quality meetings between you, our VEDP client, and potential sales partners (agents, representatives, or distributors) and/or customers in the Czech Republic & Slovakia. Our ultimate goal is for these meetings to help you generate new sales for your company to customers in the Czech Republic & Slovakia and to provide you with market intelligence.

To verify that the Czech Republic & Slovakia are good markets for your company, contact your local International Trade Manager or the Trade Mission leader immediately! We only want you to participate if we think there is good market potential in the Czech Republic & Slovakia for your company. We can perform exploratory market research within a short period of time to verify market potential for you. The more time you give us, the better job we can do!

Trade Mission Dates
October 19-23, 2020

Registration Deadline
September 4, 2020

Schedule

The virtual trade mission will take place over a two- to three-week period (to be confirmed with consultant). This allows for flexibility when dealing with scheduling and time zone constraints.

The itinerary is planned as follows, and is subject to change:

<table>
<thead>
<tr>
<th>Date</th>
<th>Day</th>
<th>Activity</th>
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<tbody>
<tr>
<td>September 4, 2020</td>
<td>Friday</td>
<td>Last day for registration</td>
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<tr>
<td>During the week of October 12, 2020</td>
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<td>Conduct virtual Doing Business in the Czech Republic &amp; Slovakia briefing</td>
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<td>October 19, 2020</td>
<td>Monday</td>
<td>Virtual Trade Mission begins; Individual meetings</td>
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<td></td>
<td>Virtual meetings continue for two - three weeks as scheduled by the in-country consultant</td>
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<tr>
<td>November 6, 2020</td>
<td>Friday</td>
<td>Virtual Trade Mission ends</td>
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Registration

Register and pay the trade mission fee online: https://czechrepublicslovakiatrademission2020.eventbrite.com

The registration process is ongoing. Based on past trade missions, we expect 6-10 Virginia companies to participate.

You must pay the trade mission participation fee of $2,500 to the VEDP at the time of registration. The participation fee includes the following:

- Identifying, contacting, and pre-qualifying local distributors, reps, and/or partners and organizations of your meetings with interested prospects
- Briefing on “Doing Business in the Czech Republic & Slovakia”
- Your VEDP Trade Mission Leader and in-country consultant available to you to ensure everything runs to plan

Meetings

The VEDP has engaged the services of EasyLink Business Services, to identify, screen, and arrange meetings with potential partners for each of our trade mission delegates. EasyLink Business Services was selected through a competitive bidding process and has demonstrated extraordinary expertise, enthusiasm, and commitment to the work of introducing Virginia companies to their markets. If you would like to learn more about EasyLink Business Services, please review their website: https://www.easylink.cz/index_us.htm.

The virtual trade mission will take place over a two- to three-week period (to be confirmed with consultant). This allows for flexibility when dealing with scheduling and time zone constraints.

During virtual meetings, someone from the consultant’s team will likely participate in all meetings in order to facilitate the meeting, making sure everyone joins, and ensuring logistics run smoothly.

Communication

Czech and Slovakian company representatives at the managerial level often speak English. When needed, interpreters will be provided by VEDP and are included in your registration fee.

How to Prepare

To best represent your company in a virtual environment you need to be prepared. Here are some items that you should consider before your meeting:

- Do I need to have my marketing materials or presentation translated?
- Could my product best be demonstrated with a video?
- Does my company have the appropriate technology to participate in virtual meetings?
- Do I have the right people from my company on the call?

Thanks to this trade mission, our company was able to reach new markets and create new partnerships. One immediate quotation to an end customer and three qualified partner / reseller prospects. This was a very cost-effective activity for our company.

2018 Attendee, Trade Mission to Poland and the Czech Republic
Questions?

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Consultant Bio

Filip Korinek

Filip is the founder, owner, and manager of EasyLink Business Services — a strategic market research and international trade consultancy. Filip is a senior consultant with 20+ years of experience in strategic market information and research, with uniquely strong experience in assisting new-to-market companies in assessing market potential, selecting the best route to market, and identifying and addressing potential customers and distribution partners. His company has helped hundreds of foreign companies in entering markets of Central & Eastern Europe.

Filip holds a Master’s degree in Economics at the Charles University in Prague. His master’s thesis was nominated for the J. Vavrousek Prize. He also studied on a scholarship at Universite Paris I – Sorbonne. His professional experience includes work at the U.S. Embassy in Prague and the World Bank. Within his role of EasyLink’s owner and managing director, Filip leads trade promotion programs in multiple CEE markets for foreign governments including those of Virginia, Pennsylvania, Northern Ireland, Hong Kong, and others.

"As always, the VEDP and its in-country consultants were a great help in researching, vetting, and contacting prospective customers. We expect to start doing business with several clients soon."

2018 Attendee,
Trade Mission to Poland and the Czech Republic

"This trade mission allowed us to better understand the European business climate and the market for our products. The real value in this VEDP event is the connection we make with VEDP’s in-country consultants that help to rapidly narrow the search for potential partners. Every activity was well-planned and executed professionally. I had to do quite a bit of travel while in-country and I felt very safe and attended to on all levels."

2018 Attendee,
Trade Mission to the Czech Republic and Romania