

REPORT CZECHTRADE



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CZECHTRADE PROFILE

The CzechTrade agency is the national organisation for export support established by the Ministry of Industry and Trade with the objective of developing international trade and mutual cooperation between Czech and foreign entities. Thanks to over twenty years of experience, the agency has become an expert in supporting Czech exporters, and their long-term partner on their path to export success. CzechTrade provides a wide portfolio of mutually interconnected and comprehensive services, which is a real advantage. Setting up basic management processes in the agency helps to improve the quality of services provided as well as customer satisfaction.It also improves strategic and risk management. CzechTrade has been a holder of an ISO quality certificate continuously since 2002, and it has passed recertification audits on a regular basis.

VISION AND KEY VALUES

The agency has the vision to be the first choice of Czech companies, especially small and medium-sized ones, in a partnership aimed at the support of internationalisation of their business activities.

CzechTrade's key values include goal orientation as well as a focus on professionalism, opportunities and cooperation. In practice, this means setting clearly defined objectives and systematic work aimed at their achievement. The agency also consistently monitors the quality of services provided. These high-quality services have been built on many years of experience and knowledge of foreign markets, as well as on long-term relationships. Furthermore, the agency is bound by its status as a government agency. CzechTrade focuses on new business opportunities and their implementation even in the event of obstacles. It knows the potential risks well and can manage them professionally. The agency's highest priority is the customer. It also focuses on the targeted establishment of mutually beneficial relationships with other partners in the field of export promotion. Last but not least, it is very important for the agency that the people in the agency create a team with enough space for the development of talent of individual members.

MAIN PROJECTS AND PARTNERSHIPS

- CzechTrade together with the Ministry of Foreign Affairs and the Ministry of Industry and Trade operates its Client Export Centre.
- CzechTrade operates 50 foreign offices in 58 countries through the shared foreign CzechTrade and CzechInvest network, thanks to which it provides services of both agencies in 23 countries.
- Since 2001, CzechTrade has been operating BusinessInfo.cz, the official portal for business and export.
- CzechTrade has been supporting industrial design as a tool for increasing the competitiveness of companies and their internationalisation. CzechTrade has been a partner of the CZECH GRAND DESIGN AWARD and the international Designblok exhibition.
- CzechTrade has been regularly informing the general business public through its export magazine; in 2020 under the title Český export a podnikání (Czech Export and Business).
- CzechTrade has been sharing experiences with foreign trade promotion organisations on a regular basis and has been an active member of the European Trade Promotion Organisations.
- CzechTrade has been organising a series of online consultations called E-MEET EXPORT. It took place twice in 2020: in June in cooperation with SPCR and AMSP and in November in cooperation with HK, EGAP and CEB.



SERVICES FOR CZECH EXPORTERS

WE HELP CZECH COMPANIES TRADE SUCCESSFULLY IN INTERNATIONAL MARKETS THROUGH OFFICES ABROAD BACKED BY OUR LOCAL EXPERTS

INFORMATION SERVICES FOR EXPORTERS

Guidebooks for exporters, market analyses, news from foreign markets

PROFESSIONAL CONSULTING

Export industry sector consultancy, consultations and strategy planning with CzechTrade specialists in local markets

INDIVIDUAL SERVICES ENSURED BY

specialised detailed foreign refinement of the company's export business plan, connecting it to the right business partners, verification of interest in the client's product in the given market

PRESENTATIONS OF CZECH COMPANIES ABROAD

B2B events, joint participation of companies at international exhibitions and trade fairs

EXPORT EDUCATION

Courses, conferences, seminars, customised education for companies both in person and online

PROJECTS CO-FINANCED BY EU FUNDS

Projects to support small and medium-sized enterprises partly financed from EU funds and the NOVUMM and NOVUMM KET programmes

DESIGN CENTRE CZECHTRADES

Support for industrial design and creative industries

SUPPORT FOR FOREIGN COMPANIES TO ESTABLISH CONTACT WITH CZECH COMPANIES

CZECHTRADE PROVIDES SERVICES FOR FOREIGN
COMPANIES TO CONNECT THEM WITH THEIR CZECH
COUNTERPARTS VIA ITS GLOBAL NETWORK OF
FOREIGN OFFICES.

- Information about trade in the Czech Republic
- Identification and compilation of a list of potential suppliers of products and services
- Mediation of B2B meetings and finding suitable business partners
- Sourcing Days organised one-to-one business meetings for foreign companies with matched Czech partners

MAIN RESULTS FOR 2020

- 1,202 clients including 847 clients obtaining free assistance services in connection with COVID-19
- **2,757** contracts, including **2,050** contracts implemented free of charge by CzechTrade foreign offices
- 1.15 service quality rating on a scale from 1 to 4

successful export cases confirmed by 137 companies

- 760 export opportunities, including 415 inquiries by foreign companies and 276 tendering procedures,
- 4 investment opportunities and 65 offers published via the BusinessInfo.cz portal
- 1,837 news items from the Czech Republic for foreign audiences at www.czechtradeoffices.com
- 1,408 news items from foreign markets for the Czech audience at www.czechtrade.cz
- **1,028** daily subscribers to the CzechTrade online service
- 3,100 participants to 51 export-oriented workshops and conferences
- 1,263 thirty-minute long consulting sessions with representatives of 350 companies within the CzechTrade Meeting Point event
- 5 Sourcing Days meetings, which took place between foreign purchasing managers and Czech companies, i.e. 121 online meetings for 190 Czech companies
- 5 organised trade fairs within the NOVUMM project for 55 companies
- 28 implemented SME projects within the framework of the preferential "Individual cooperation with a designer" service
- 17 partnerships with Czech companies at international trade fairs under the banner of CzechTrade for 97 companies

the average monthly traffic at BusinessInfo.cz: 313,550 visitors

- 736 responded questions entrepreneurs/businessmen asked at the Client Centre for Export
- 10 issues of the Český export a podnikání (Czech Export and Business) magazine

FOREIGN NETWORK



Countries where CzechTrade provides services • CzechTrade office

CZECHTRADE FOREIGN NETWORK

As of 31st December 2020, the CzechTrade foreign network provided its services in 58 countries around the world.

The offer has been extended to include investment and start-up projects in 14 selected foreign offices of CzechTrade, thanks to the cooperation with the CzechInvest agency. On the other hand, CzechInvest provides its services to exporters in foreign representative offices in Seoul, Tokyo, San Francisco and New York.

Both agencies provided their services concurrently in 22 countries.

Foreign offices are divided into 9 regional centres. This type of division allows for an efficient management of the individual offices operating in a particular region.

Regional centre	Foreign office		Extended competency
	Chicago		
	San Francisco	•	
North America and Australia – Regional Director: Jan Kubata	New York	•	
g.oa. z eccezaaza.a	Canada		
	Australia	•	New Zealand
	Colombia		
	Peru	•	
Latin America – Regional Director: Jiří Jílek	Mexico	•	
JIII JIICK	Chile	•	
	FO Brazil	•	Argentina
	Thailand		
	India – Bangalore	•	
India and South-East Asia – Regional	India – Mumbai	•	
Director: Ladislav Graner	Indonesia		
	Singapore	•	
	Vietnam		
	South-East China -Shanghai		
	South-West China – Chengdu		
China – Regional Director: Aleš Červinka	Northern China – Beijing		
, nes cervina	Japan	•	
	South Korea	•	

Regional centre	Foreign office	Extended competency
	Latvia	Lithuania, Estonia
Central Europe and the Baltic	Germany	
Region – Regional Director:	Austria	
Adam Jareš	Hungary	
	Poland	
	UK	Ireland
	France	
North-Western Europe – Regional Director: Vítězslav Blažek	Belgium	
Director: Vitezsiav Biazek	Netherlands •	Luxembourg, Belgium
	Sweden	Norway, Finland, Denmark
	Spain	
	Italy	
	Croatia	Slovenia
Southern Europe and Balkan – Regional Director: Martin Hlavnička	Serbia	
Regional Birector, Martin Thavineka	Romania	
	Montenegro	Bosnia and Herzegovina, Albania
	Bulgaria	
	Russia – Moscow	
- 1 les - 1 les .	Russia – Ekaterinburg	
Russia and CIS – Regional Director: Aleš Červinka	Azerbaijan	
	Kazakhstan	
	Ukraine	
	Morocco	
	United Arab Emirates	
	Turkey	
Middle East and Africa – Regional Director: Jiří Mašata	Egypt	
	Nigeria	
	Israel	
	South Africa	

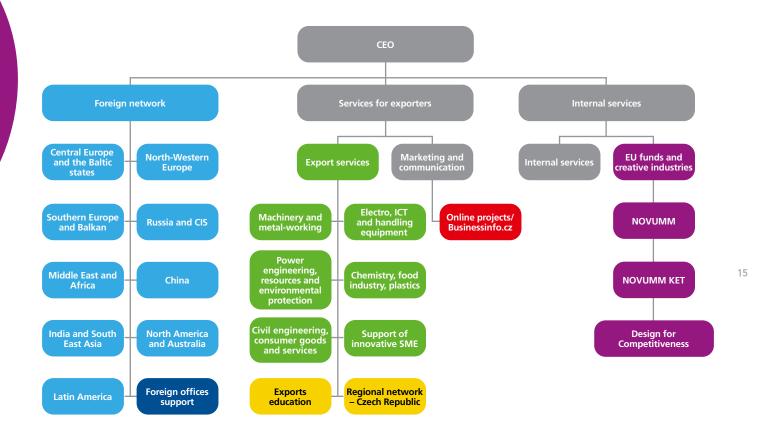
- CzechInvest foreign representative offices providing export services to CzechTrade customers
- CzechTrade Foreign Offices performing activities also for CzechInvest customers

ROTATION OF FOREIGN OFFICES MANAGERS

In 2020, personnel changes took place in seven foreign offices of CzechTrade: Colombia, Mexico, South-West China – Chengdu, Egypt, United Kingdom, Singapore and Russia – Yekaterinburg.



ORGANISATIONAL STRUCTURE



Organisational structure legend:

- The foreign network consisting of foreign offices established in regional centres (1–9)
- Sales teams consisting of industry-specialised export consultants (1–6)
- Department providing educational services and consultation to companies in the regions (regional export consultants)
- Projects financed from EU funds intended to support companies at foreign exhibitions and fairs (NOVUMM and NOVUMM KET) and the industrial design support (DESIGN FOR COMPETITIVENESS)
- Implementation of the business and export BusinessInfo.cz portal, which is managed by the Ministry of Industry and Trade

As of 31st December, the CzechTrade Agency had 101 employees.

5 ECONOMIC REPORT

In 2020, the agency achieved an improved profit of CZK 8.4 million. These funds will be used in 2021, firstly, for foreign events then for the business incubator project and the Digital Czechia project. Due to the coronavirus pandemic, the agency started to provide its services free of charge, and above all, many foreign trade fairs had to be cancelled. As a result, the amount of its own revenue dropped dramatically, decreasing by CZK 48.3 million compared to 2019.

The agency's total expenses amounted to CZK 324 million, including structural funds, with services as an item contributing the most (CZK 204 million), followed by personnel costs, which accounted for CZK 74.4 million.

Investments amounting to CZK 15.9 million were made in that year. Most investments were spent on software purchases – the technical upgrade of the CRM system IS Sinpro, Intranet on the EBS platform and other software solutions to the value of CZK 10.1 million; furthermore, the planned renewal of the vehicle fleet equal to CZK 5.8 million took place.

In 2020, the agency continued to run three SF OPPIK projects, which also contributed to the increase in the organisational expenses and revenues, though the activities within these projects were also curtailed due to the pandemic.

CZECHTRADE BUSINESS RESULTS IN 2018-2020 (CZK 000)

Items	2018	2019	2020
Total revenues	416,449	418,408	332,206
Revenues from services	59,509	58,193	9,940
Other revenues*	16,979	27,176	16,100
Contribution for operation	339,961	333,039	306,165
Including the contribution for the agency operation	290,518	285,891	297,033
Including structural funds financing	49,443	47,148	9,132
Total expenses	402,924	416,957	323,839
Consumed purchases	8,703	7,950	7,017
Services	243,359	256,272	204,044
Personnel expenses	66,170	73,752	74,382
Amortisation	15,044	14,456	16,047
Other expenses, incl. funds clearing	69,648	64,527	22,348
Including EU funds clearing	62,291	56,036	15,792
Profit/Loss	13,525	1,451	8,366

^{*}Including structural funds

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WHAT THEY SAID ABOUT CZECHTRADE

... BUSINESS REPRESENTATIONS

"It was in this period when the business support and in particular the presence of representatives of Czech companies abroad proved to be important. CzechTrade provided lots of assistance to a number of companies upon their entering the markets both of European and non-European countries. It has facilitated the search for new business partners, helped to shorten processes and implemented cost savings. The unique breadth of foreign representations is the main asset that should be used effectively to our advantage. Our people who make up CzechTrade and provide their knowledge, experience, contacts and good work for the benefit of current and future Czech exporters are our greatest asset."

Radek Jakubský, Vice-President, Czech Chamber of Commerce "Our chamber connects business entities from the renewable energy sector. The cooperation in finding opportunities abroad is an important part of our work. That is why I would like to thank the whole CzechTrade team for the preparation of the Renewable Energy Sector Catalogue, skilfully mapping the trade and development and production potential of the Czech Republic in this field."

Chamber of Renewable Energy Sources

Štepán Chalupa, Chairman

"The Industrial Design Association really appreciates the establishment of the CzechTrade Design Centre and is ready to develop the mutual cooperation within the framework of its planned activities using its suggestions to arrange efficient support, especially aimed at small and medium-sized companies in the field of industrial design while increasing their competitiveness and developing internationalisation."

Industrial Design Association Martin Wichterle, Chairman

... COMPANY REPRESENTATIVES

"We have been cooperating with CzechTrade for a number of years, and we have always been very satisfied. At the moment, we really appreciate the work of Vladislav Polách based at the Istanbul office. His open and helpful approach, professionalism and knowledge are invaluable for us (in spite of the fact that we have already been present in the Turkish market for some time). Everything worked perfectly."

EVONA a.s.,

Ms. Petra Hulinová, Export/Import Manager

"Big thanks for all the information and unremitting efforts leading to new business cooperation in Belgium, which – thanks to your professional work – has been gradually becoming a reality. We really appreciate your commitment, diligence and outcomes, which convincingly prove that you are the right person for this job."

GENTEC CHP S.r.O.

Mr. Václav Klein, Managing Director

"Thanks to CzechTrade for their efforts to help our company develop even in difficult times. We appreciate this so much, looking forward to our further cooperation in the future after this situation is over."

Fatra a.s.

Pavel Rozaci, Sales Representative

"We appreciate the cooperation with the CzechTrade office for Azerbaijan and Georgia very much. Following the EU Market, the Eastern Partnership countries are a priority for us; however, this region is more difficult in terms of coordination. We would like to especially highlight the mediation of meetings with precisely selected prospective partners as well as the high professional commitment of the whole office there."

GRADE MEDICAL S.F.O.

Mr. Jan Kaval rek, Chief Executive Officer

"Thanks for your online workshops and meetings for exporters. We have discovered something new, which has meant a new shift toward the future for us. Great cooperation and communication on the part of all CzechTrade staff members, who have been very positive and hard-working in helping us – Czech companies." LITES Liberec S.r.o.

Tomáš Szabo, Sales Manager

... AGENCY EMPLOYEES

"The superior design offers both new solutions to problems and new opportunities. What I really appreciate in my more than thirteen years of employment in the CzechTrade Agency has been in particular the opportunity to connect Czech companies with designers. The fact that I have personally witnessed the creation of a number of successful products and assisting with their journey to satisfied customers has really driven my commitment."

Zuzana Sedmerová, Head of the Design for Competitive Strength

"I have found working at CzechTrade exciting from day one. The job of the exports consultant offers lots of opportunities for the everyday communication with Czech manufacturers as well as with agencies representing the Czech Republic abroad. CzechTrade forms a hypothetical bridge between the state administration, private sector and foreign countries. It is therefore very pleasant to work in the agency providing services, which are really appreciated and sought after. We support Czech manufacturers interested in doing business abroad in more than fifty countries of the world, and this makes us an unique partner. I personally find it very appealing to be able to look for inspiration in the successes of Czech entrepreneurs and businessmen as well as my colleagues, who have got lots of experiences both from working in agencies abroad and at the CzechTrade headquarters." Levan Bokeria, Exports Consultant, Electro, ICT, transport and handling equipment department

"Working for CzechTrade made my dream come true: working abroad and being engaged in building Czech-Mexican trade relationship. At the same time, I have found qualities in CzechTrade sought by perhaps every young person: flexible and dynamic work, new challenges and continuous education. We have been cooperating with a number of Czech companies long term and been close to their business success in Mexico. The moment when a company confirms the first purchase order from a Mexican customer we connected them with really energises you for more projects to come. At the same time, working with Czech companies shows what an incredibly creative and innovative country we are."

Tereza Vítková, Manager of the CzechTrade Office in Mexico

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