Czech Republic
Association of Chemical Association of the Czech Republic (SCHP CR)

<table>
<thead>
<tr>
<th>Number of companies</th>
<th>Turnover</th>
<th>National contact</th>
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<tbody>
<tr>
<td>854</td>
<td>€21.4 billion</td>
<td>Ivan Soucek</td>
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<td>Director <a href="mailto:ivan.soucek@schp.cz">ivan.soucek@schp.cz</a></td>
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<td></td>
<td></td>
<td>Direct employees</td>
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<td>124,142</td>
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CHEMICAL INDUSTRY SNAPSHOT

The Republic’s second-largest manufacturing industry

Chemicals are the second-largest manufacturing industry in the Czech Republic by sales, after automotive. The main chemical clusters are in North-West Bohemia, North Moravia and Central Bohemia, but plants can be found throughout the Republic.

The Czech chemical industry spans petroleum refining, chemicals, pharmaceuticals and rubber and plastics processing (NACE 192, 20, 21, 22).

From motor fuels to tyres
Products include motor fuels, heating oils, lubricants, paraffin and asphalt, inorganic and organic bulk chemicals, fertilizers, basic petrochemicals, plastics, synthetic resins and rubbers, as well as paints, dyestuffs and pigments, agrochemicals, pharmaceuticals, tyres and other rubber products.

A leading employer

In 2016 Czech chemical industry sales at current prices were €21.4 billion and the industry employed 124,142 people. But nevertheless chemical imports exceeded exports by €6.9 billion – a deficit that had increased by €1 billion year-on-year. In 2016, 854 chemical companies had more than 20 workers.

Annual investment were €1.1 billion, and Czech companies financed 50-70 % of R&D themselves, with the balance from EU and state funding. Collaboration between industry and academia is working well.

HOW ARE WE DOING?

Strengths

- Well-educated workforce
- Strategic central European location
- Unique national pipeline network crude oil, motor fuels, ethylene, ethylbenzene
- Longstanding history of chemical production
- Ongoing investment
- A significant manufacturer of industrial and agricultural tires and plastic automotive parts
Excellent cooperation between companies and unions

**Weaknesses**

- Relatively high energy and input costs natural gas, electricity and water
- Dependence on imported raw materials, especially crude oil
- Burdensome Czech and EU legislation
- Insufficient waste recycling
- Poor scale economies

**OUR CONTRIBUTION TO A COMPETITIVE EUROPE**

The Czech Republic favours a market-led economy, enabled by framework conditions in energy, research, education, infrastructure and other areas. These are backed by a national Smart Specialisation strategy and 14 regional Smart Specialisation strategies.

**Industry leads**

The Association of Chemical Industry of the Czech Republic promotes links with research and other industries via the Czech Technology Platform for Sustainable Chemistry; the Czech Technology Platform PLASTICS; and the Czech Bio Technology Platform. These Focus on new (nano) materials, effective and flexible processes, biotechnologies, renewable resources, bioplastics and recycling of plastics and other materials.

**Chasing added value**

Opportunities for growth lie in the production of high value added products, notably nanomaterials, bioplastics, polymers, epoxy resins. There is scope for more polyethylene, polybutadiene and ethylbenzene capacity.

Landscape of the European Chemical Industry Website:
http://www.chemlandscape.cefic.org/country/czech-republic/