

# Industrial and logistics parks sector recovering in Slovakia

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“Many investors were waiting last year and they want to continue in their activities this year. Here is the chance for planners. An example is the company Proma where many more contracts have been concluded than this time last year. Our plan for this year is currently filled to approx. 60 per cent. We continue working on projects for Univerzita Komenského and Slovenská technická univerzita in Bratislava,” said Jozef Štrba, managing director and proxy of the group Proma from Žilina. The company designs, invests and builds and it is one of the most successful Slovak companies of its kind. This year it is defending its good position in the civil as well as in transport engineering and its focus is on energetics of buildings.

## The tone is set by a Taiwanese investor in Trenčín

The company AU Optronics will start construction of its new plant nearby Trenčín by the end of first quarter 2010 and it wants to invest over EUR 91,3 mill. within three years. 1 300 new workplaces should be created nearby Trenčín by the end of 2013. Further 2 000 jobs should be created indirectly. AU Optronics will produce LCD modules for television sets in the Trenčín plants. The plant will be its main production plant in Europe.

Kuen Yao Lee, president of AU Optronics, said that the company chose Slovakia mainly for its location and the quality of human resources. Research and development department could also be created in the Trenčín plant. The government has approved returnable financial subsidy amounting to EUR 5,6 mill. The money should serve for buying land which will be organized by MH Invest. This is an important impulse for the development of the industrial zone and the town, it is the biggest investment in the history of the town.

“We wanted to attract a respectable and perspective foreign investor. We now have one and the company will buy over 20 ha of area where infrastructure is being built. The town bought the plots and consolidated them. Our nearly one-and-a-half year long effort climaxed in the arrival of AU Optronics. We want to bring investments with a higher added value, focused on innovations, research and modern technologies. The industrial park was prepared for several investors, including the Dutch-Czech company CTP which was supposed to be there, it was planning to build a logistics centre. Preferred companies will be those whose activities are connected to the Taiwanese company,” said head of Trenčín Municipal Authority, František Orolín.

## Activities expanding also in the northwest of the country

Company Proma from Žilina is building an industrial-logistics park for EUR 50 mill. in Varín nearby the automobile factory Kia Motors Slovakia. It will take up the area of 18,6 ha; the halls and administration spaces will take up 10 ha. “Industrial as well as logistics companies have shown interest in the park. We have zoning and building permit and I don't think we are risking. Construction of operational train station in Teplička nad Váhom is under way, it had been started in 80s of the last century. This will be a large reloading centre, our park is one and a half kilometre away and it will be connected by a four-lane road. It will be suitable for industrial and logistics companies, not only from the automobile sector,” added Jozef Štrba.

Management of Liptovský Mikuláš plans to create 240 jobs in an industrial park in the town part Okoličné

on the left bank of the river Váh. “Our main targets of the area of business include creating suitable investment environment, completion the brownfield industrial park and preparation of an attractive offer for the investors,” emphasized town mayor Ján Blcháč. 2 production halls with 6 plants should grow in the industrial zone. “One of the possibilities is to relocate existing plants here. They include those located in the town which mean a transport burden for the town centre and its surroundings,” explained vice-mayor Pavel Bobák. The town management want to meet the requirements of the businesses as much as possible. Conditions for the potential tenants of the industrial park include rent 20 % below the average in Liptov.

Grafobal Group (GGE), subsidiary of Grafobal, is preparing a brownfield industrial zone in the place of the unfinished heating plant in Považska Bystrica. According to GGE spokesman Petr Kresánek, the company in co-operation with the town wants to transform the 10-hectare complex of the closed Považská Bystrica machine-works into an industrial park for EUR 10 mill. The electricity produced by gas-steam will be supplied in the public electricity network and the heat will be sold to housing developments and industrial companies in Považská Bystrica. Therefore the city will not need a new heating plant and it will free space for the industrial plant.

### **The east is mobilizing after a long lag**

Although the east of Slovakia is lagging in the construction of logistics and industrial property in the long-term, important investors are starting to settle there too. An example in the logistics park built by the company HB Reavis offering 16 thousand m<sup>2</sup> of new spaces in the Prešov district. Companies operating in the logistics sector as well as suppliers of Slovak automobile plants have found their home there. One of the most successful parks in eastern Slovakia remains the industrial zone nearby Kechnec not far from Košice. 15 companies have their seats there; 1500 people found jobs there. “Investors are still contacting us, the park has established a good name and reputation,” said the mayor of Kechnec Jozef Konkoly.

Slovakia Steel Mills (SSM) is building a new steel mill and a rolling mill in the industrial zone in Strážske. 600 people will find work there after its completion. Approx. 500 thousand EUR are invested in the current 3rd stage of construction daily, it is being built by the Czech company Metrostav. The main supplier of raw products is Thyssen Stahl Recycling. Company Slovakia Steel Mills has concluded long-term contracts for supply of its finished production with multinational holdings Stemcor Holdings Ltd and Voest- ALPINE Intertrading AG. Elektrovod Holding will supply electrical equipment amounting to EUR 22 mill. The project is financed by J&T Banka together with Česká exportní banka. The steelworks will produce over 600 thousand tons of products per year, it plans to supply customers in 12 countries of three continents.

Photo and visualization - Ján Filip (1-2), Proma (3-5), Viktória Čapčíková (6), Anna Podlesná (7-8)

- 1 - Industrial park Teplička nad Váhom and Varín - aerial view
- 2 - Kia Motors Slovakia and industrial park Varín in the background
- 3, 4 - Industrial park nearby Strečno
- 5 - Industrial park in Varín which will grown on the other bank of the river Váh
- 6 - Visualization of the park Okoličné in Liptovský Mikuláš
- 7, 8 - Construction of steel works in Strážske in Eastern Slovakia

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