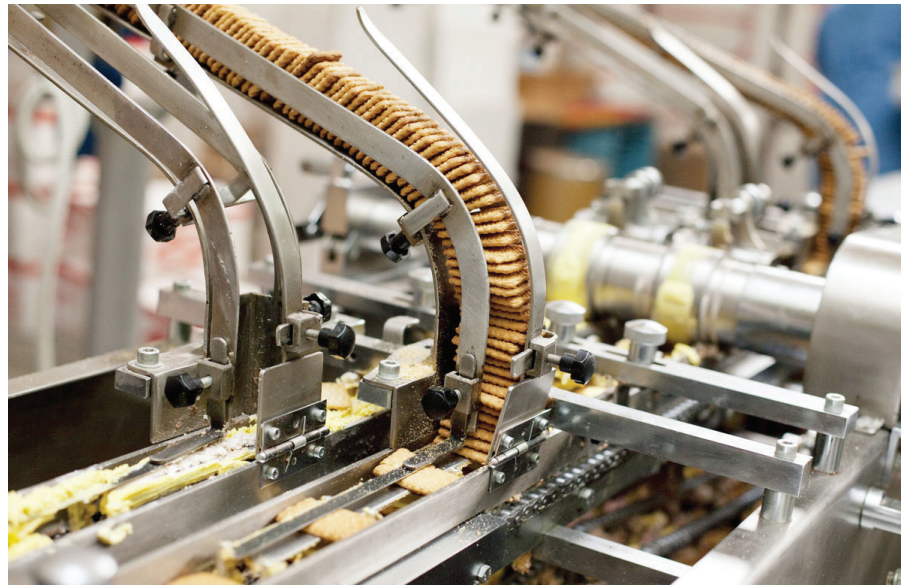


# Food Processing Industry in **SLOVAKIA**



# Food Processing Industry in Slovakia

The purpose of this publication is to present the opportunities that Slovakia has to offer to potential investors from the food processing industry. It includes facts and figures for all major subcategories of this industrial segment and serves as an introduction to why Slovakia should be a preferred location for your food processing business.



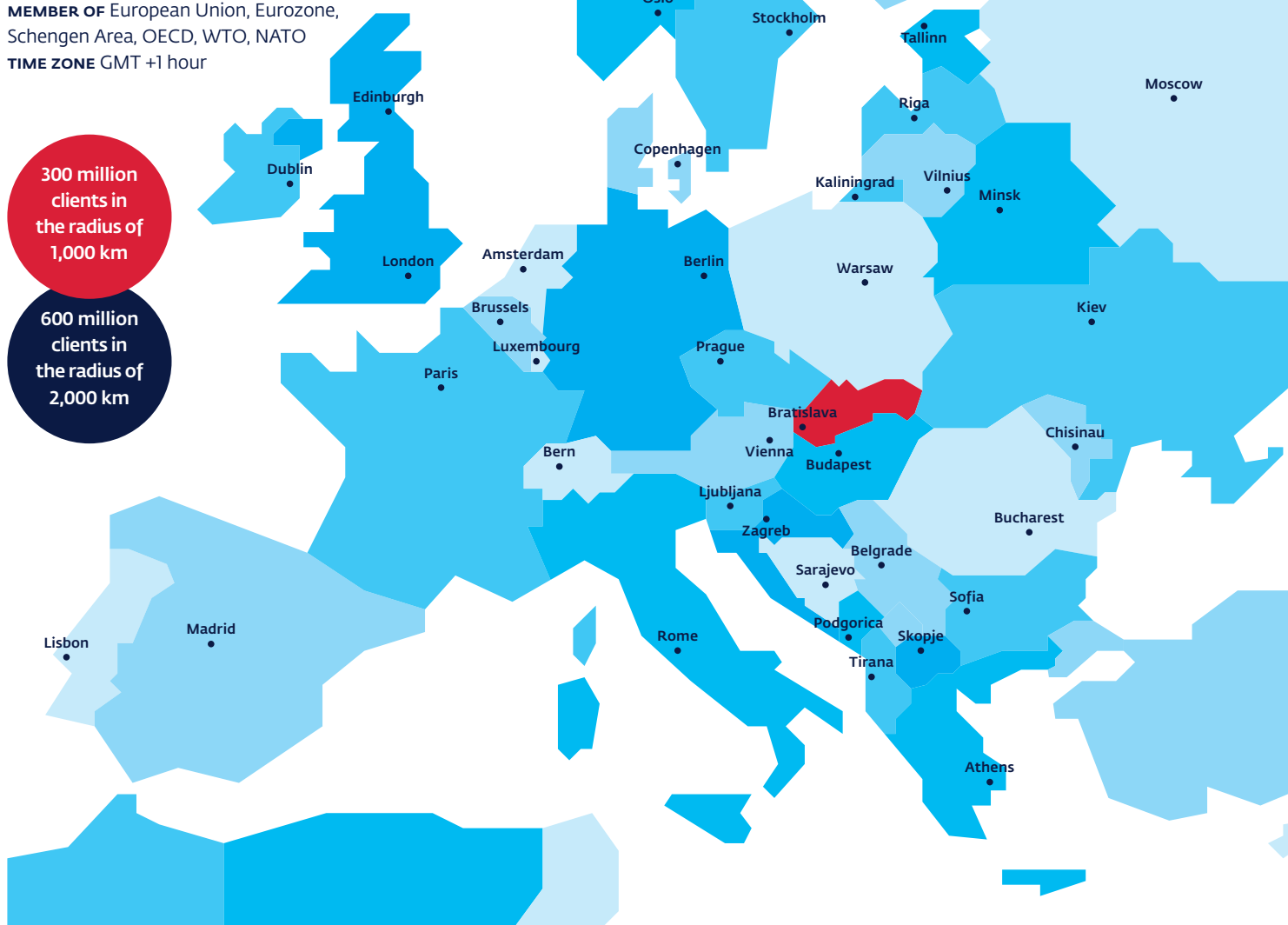
**TOTAL AREA** 49,035 km<sup>2</sup>

**POPULATION** 5.4 million

**CAPITAL CITY** Bratislava

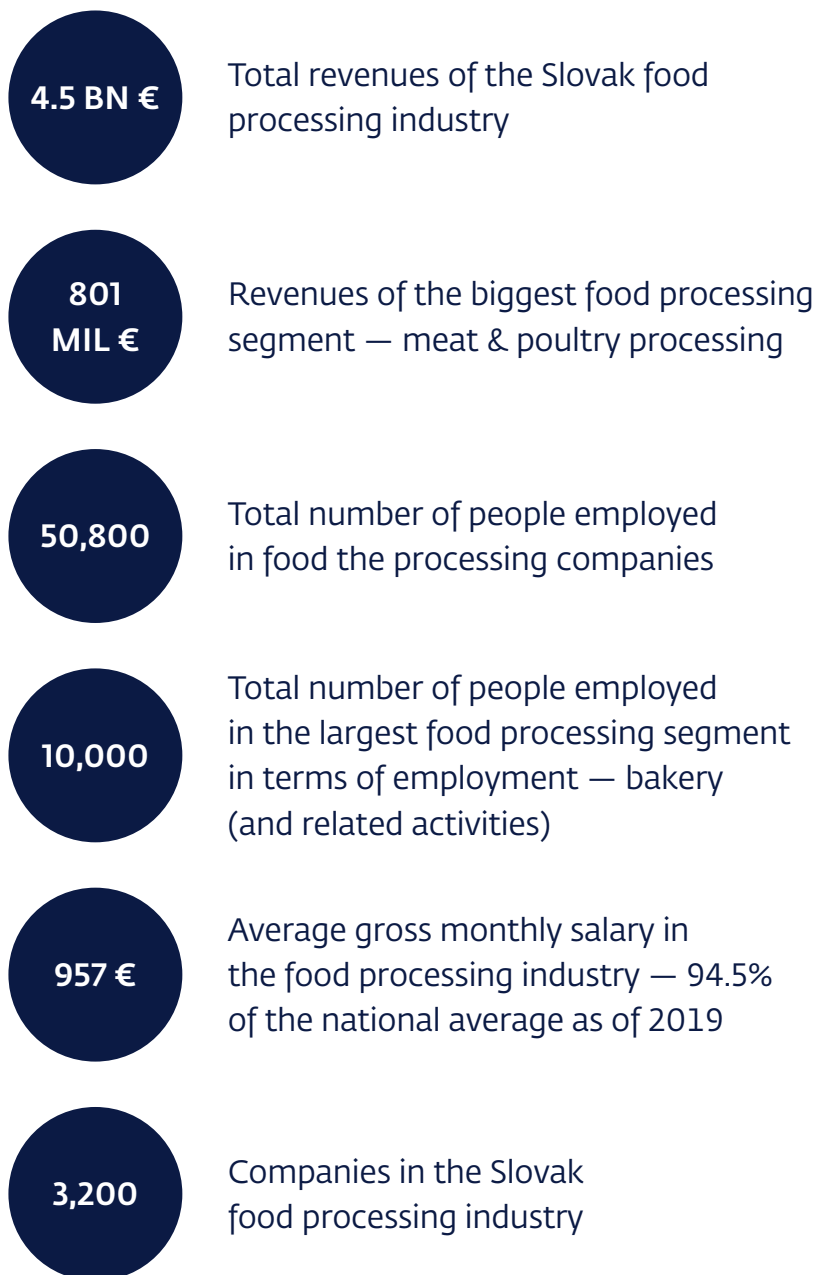
**MEMBER OF** European Union, Eurozone, Schengen Area, OECD, WTO, NATO

**TIME ZONE** GMT +1 hour



# Key Figures of Slovak Food Processing Industry

In former Czechoslovakia, a self-sufficient food producing country, Slovakia served as an agricultural and food processing powerhouse. It was caused by a strong local agricultural sector. This offers a lot of potential, as some of these opportunities still remain undiscovered.



Source: Ministry of Agriculture and Rural Development of the Slovak Republic, Green Report 2019 (data for 2018), Finstat 2020



## Top 10 Reasons Why to Invest in Slovakia

- 1 Strategic location in Europe with great export potential
- 2 Political & economic stability
- 3 Euro currency as one of the few in CEE
- 4 The highest labour productivity in the CEE region
- 5 Cost-effective, skilled & loyal labour force — average salary in the food processing industry is 94.5% of the national average
- 6 Strong local agricultural sector and supplier network
- 7 Steadily growing R&D potential of the Slovak food processing industry and academia
- 8 Attractive investment incentives for industry, including food-processing
- 9 Large selection of industrial land
- 10 Well-developed transport and utilities infrastructure



## List of Top 50 Food Processing Companies in Slovakia (by revenue)

COMPANY	LOCATION	SEGMENT	REVENUE 2019 (THS. EUR)	NUMBER OF EMPLOYEES
• Nestlé Slovensko	Prievidza	other	185,311	704
• Rajo	Bratislava	dairy	180,007	428
• Mecom Group	Humenné	meat	143,521	1,176
• Heineken Slovensko	Hurbanovo	brewing	127,407	481
• Plzeňský Prazdroj Slovensko	Veľký Šariš	brewing	126,734	563
• I.D.C. Holding	Bratislava	confectionery	120,984	1,077
• Tate & Lyle Boleraz	Boleráz	starch/sugar	110,553	226
• Tauris	Rímovská Sobota	meat	101,011	832
• Poľnoservis	Leopoldov	other	92,947	34
• Hyza	Topoľčany	poultry	92,537	859
• Syrárň Bel Slovensko	Michalovce	dairy	91,329	504
• Cloetta Slovakia	Levice	confectionery	84,328	720
• Tatranská mliekareň	Kežmarok	dairy	83,604	284
• Kofola	Rajecká Lesná	soft drinks	82,362	326
• EU Poultry	Horné Saliby	poultry	76,675	63
• Agro Tami	Nitra	dairy	74,928	268
• Ryba Žilina	Žilina	meat	65,307	92
• Savencia Fromage & Dairy SK	Liptovský Mikuláš	dairy	59,823	298
• Penam Slovakia	Nitra	baking	56,518	752
• Slovenské cukrovary	Sereď	sugar	48,437	168
• Heineken Slovensko Sladovne	Hurbanovo	brewing	41,176	46
• JAV – AKC	Vlčany	other	39,469	250
• Budiš	Budiš	soft drinks	39,353	240
• Istermeat	Dunajská Streda	meat	38,792	130
• Nourus – Mäso	Tešedíkovo	meat	35,137	72
• Dan – Slovakia Agrar	Veľký Meder	meat	35,009	136
• Agromačaj	Kráľová pri Senci	other	33,894	127
• Mílsy	Bánovce n. Bebravou	dairy	32,283	264
• Ryba Košice	Košice	meat	32,184	218
• Mlyn Pohronský Ruskov	Pohronský Ruskov	other	31,819	135
• Podtatranská hydina	Kežmarok	poultry	31,705	331
• St. Nicolaus	Liptovský Mikuláš	distilling	30,890	133
• Zvolenská mliekareň	Zvolen	dairy	30,499	123
• Koliba	Hriňová	dairy	30,127	112
• Mlyn Kolárovo	Kolárovo	other	29,618	69
• Mondelez SR Production	Bratislava	confectionery	29,431	460
• P.G.Trade	Komárno	other	28,217	132
• Hubert J.E.	Sereď	wine	27,412	95
• Baliarne obchodu	Poprad	other	26,752	216
• Mäspoma	Zvolen	meat	26,328	208
• Dr.Oetker	Bratislava	starch/sugar	25,204	107
• Minit Slovakia	Dunajská Streda	baking	24,747	275
• Lycos – Trnavské sladovne	Trnava	brewing	23,708	42
• Frost	Prešov	other	22,812	207
• Gamota JR	Bratislava	other	22,061	14
• Lycos – Trnava Malt House	Trnava	brewing	20,299	8
• Vinárske závody Topoľčianky	Topoľčianky	wine	19,857	136
• Levické mliekárne	Levice	dairy	19,663	170
• Pigagro	Ipeľský Sokolec	meat	18,555	71
• Globaltrading Slovakia	Rozhanovce	meat	18,462	55

The present list of companies is subject to change and does not represent an exhaustive overview.

Source: Finstat, 2020 (data as of 2019), official websites of the companies, 2020

Note: Other means seasoning, ready-meals, flour, etc.

\*Data for 2018

## Notable Slovak Companies



### I.D.C. HOLDING

The biggest Slovak entity in the food processing sector. It covers mainly confectionery & biscuit products, selling annually 38,000 tons of products



### ST. NICOLAUS

Slovak leader in spirits industry with dozens of products (mostly vodka), which are exported to the whole world



### KARLOFF

A family-owned company — one of the most valuable premium alcohol producers in Slovakia



### TATRAKON

Major canning industry player producing, among other things, the best-selling spaghetti sauce in Slovakia for 20 years

# Top Players of the Slovak Food Processing Industry



## Nestlé

The company has taken over an existing Slovak brand and set up a high-capacity production of bouillon cubes, dehydrated soups, and flavoring food mixtures.

Revenue: 185 mil. EUR

Employees: 704

## Rajo

One of the biggest companies in the Slovak dairy industry. Part of the Meggle AG Group.

Revenue: 180 mil. EUR

Employees: 428



## Heineken Slovensko

A leader in the Slovak beer market for almost 20 years with a stable market share of approximately 42%.

Revenue: 169 mil. EUR\*

Employees: 527\*

## Tate & Lyle

Food ingredients company. In Slovakia, the company produces glucose syrups, isoglucose and other ingredients produced from corn processing.

Revenue: 111 mil. EUR

Employees: 226



## Hyza

A modern meat processing company with a daily processing capacity of 100,000 chickens. Part of the Agrofert Group.

Revenue: 93 mil. EUR

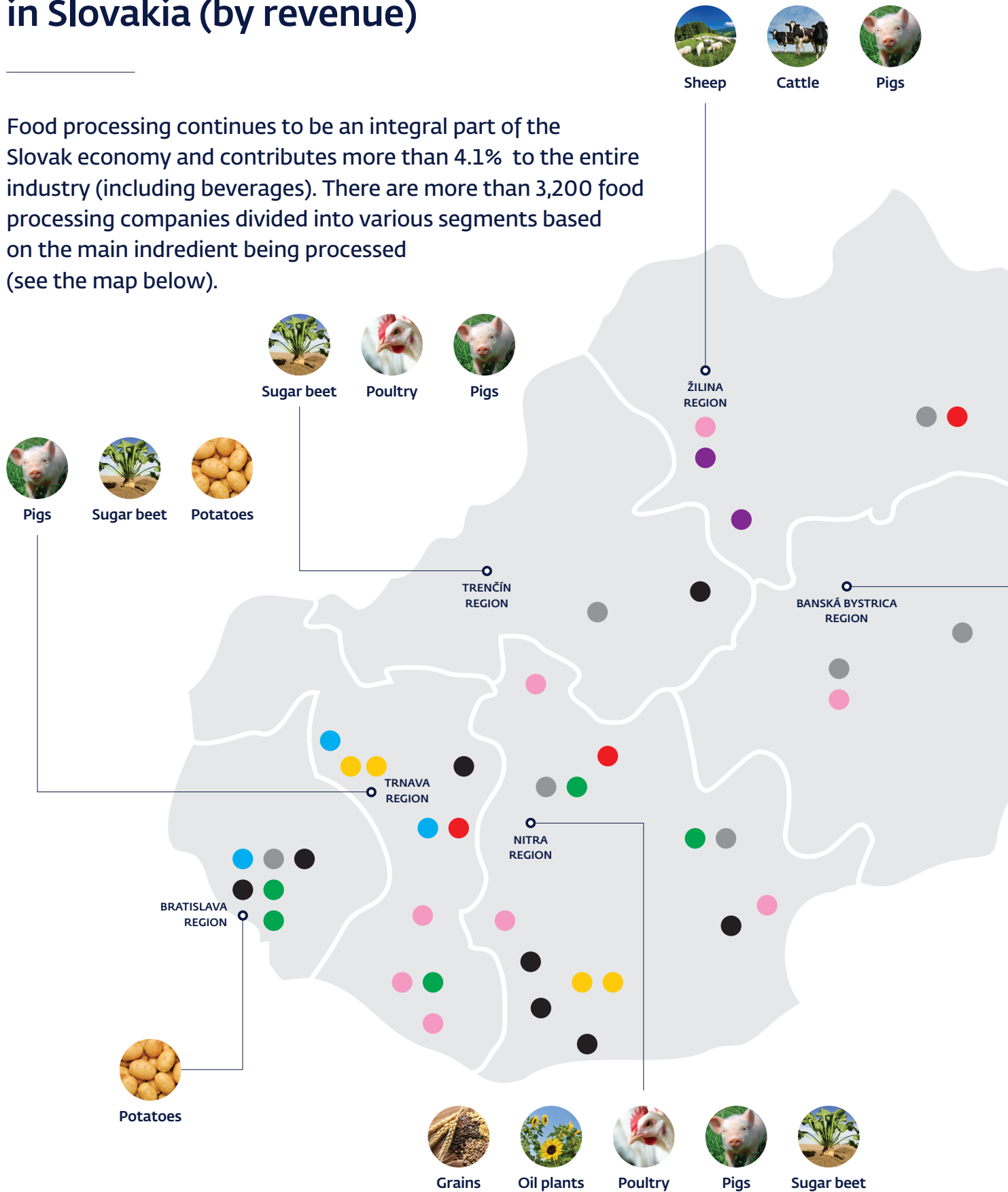
Employees: 859

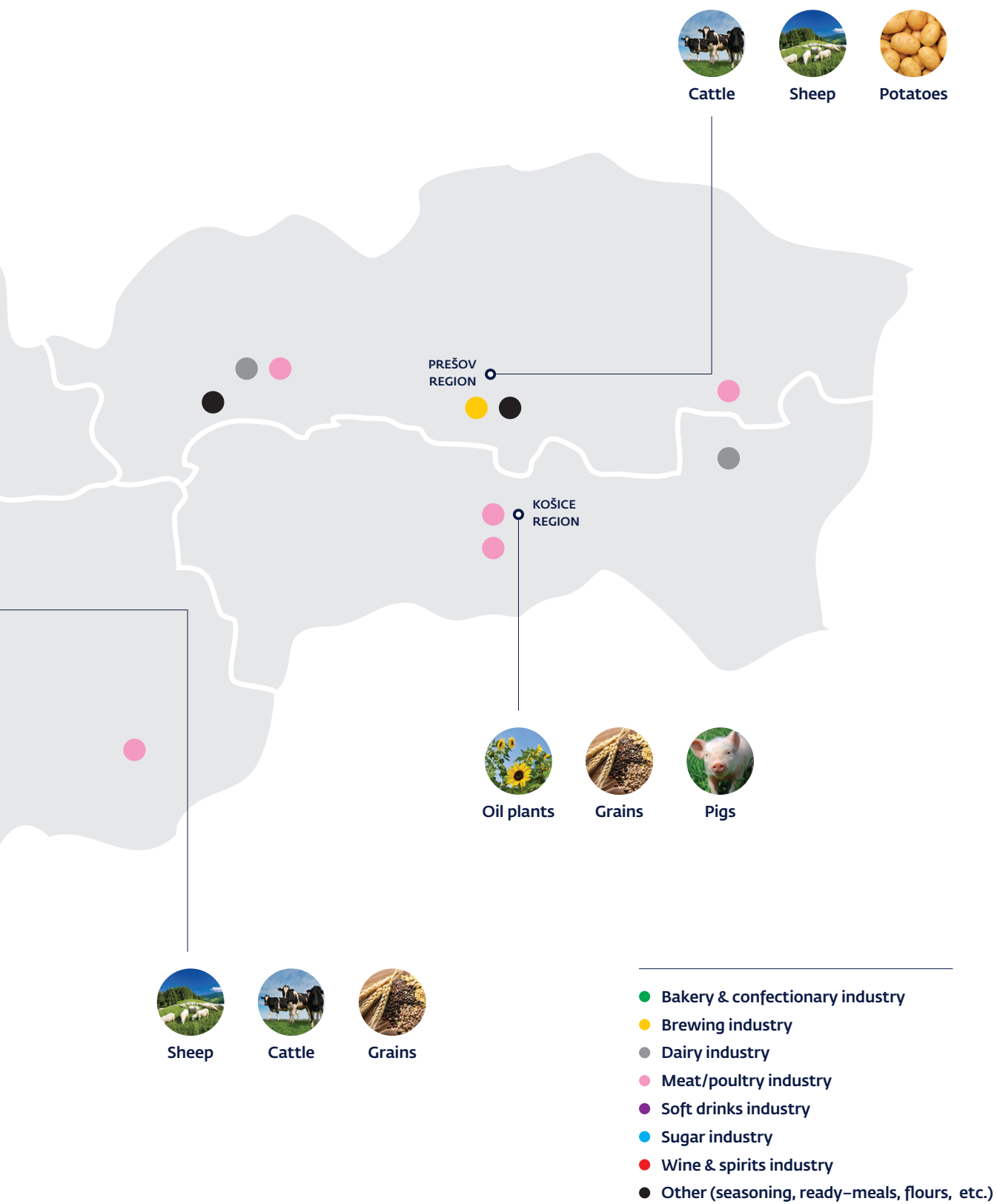
Source: Official websites of the companies, Finstat 2020 (data as of 2019)

\*Note: counted for Heineken Slovensko & Heineken Slovensko Sladovne

# Top 50 Food Processing Companies in Slovakia (by revenue)

Food processing continues to be an integral part of the Slovak economy and contributes more than 4.1% to the entire industry (including beverages). There are more than 3,200 food processing companies divided into various segments based on the main ingredient being processed (see the map below).





Source: Statistical Office of the Slovak Republic; Finstat, 2020

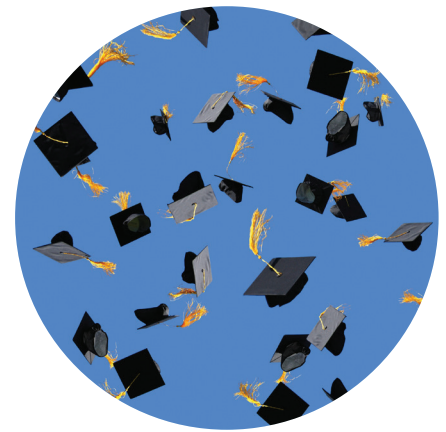
# Our Cost-Effective & Skilled Labour Force

Slovakia is praised as one of the most productive countries in the CEE region. Combined with cost-effectiveness and a high education level, the Slovak labour force excels in the three areas that often concern investors the most — labor costs, productivity and qualification.

## AVERAGE REGIONAL GROSS MONTHLY SALARY (IN EUR)

INDUSTRY	POSITION	BRATISLAVA	WEST	CENTRAL	EAST
DAIRY	Assistant Workers	950	900	850	850
	Machine Operators	1,100	1,000	950	950
	Technologists	1,400	1,200	1,150	1,150
	Production Supervisor	1,500	1,400	1,200	1,200
MEAT	Assistant Workers	950	900	850	850
	Machine Operators	1,100	1,000	950	950
	Technologists	1,400	1,200	1,150	1,150
	Production Supervisor	1,500	1,400	1,200	1,200
BAKING	Assistant Workers	950	900	850	850
	Machine Operators	1,100	1,000	950	950
	Technologists	1,400	1,200	1,150	1,150
	Production Supervisor	1,500	1,400	1,200	1,200
DRINKS & BEVERAGES	Assistant Workers	950	900	850	850
	Machine Operators	1,100	1,000	950	950
	Technologists	1,400	1,200	1,150	1,150
	Production Supervisor	1,500	1,400	1,200	1,200

Note: \* Meat industry includes poultry processing, canning and fat processing. Baking industry includes milling, sugar and confectionary production. Drinks & beverages category involves distilled spirits production, wine production, brewing & soft drinks production. \*\* Employer's contributions (35,2%) are not included.  
Source: Luger Slovakia, 2020



**7**  
technical universities

**7**  
food production oriented faculties

**7,181**  
university students in food production fields

**2,479**  
university graduates in food production fields

**130+**  
vocational secondary schools related to food processing

**10,092**  
students in food production fields

**2,599**  
graduates in food production fields



# Food Production Technology, Innovation and R&D in Slovakia



Given its level of automation, the modern food processing industry requires both strong research orientation as well as affiliation towards natural sciences.

## R&D Pioneers in the Food Processing Sector

### The AgroBioTech Research Centre (ABT RC)

Established by the Slovak University of Agriculture in 2015, this specialized facility performs concentrated innovative research in the relevant fields aimed at conducting new methods and procedures in applied research, with the express goal of transferring its results into practice. ABT RC's research is consistent with the core needs of the priorities of agrobiological, the processing technology of agricultural products and the agri-food industry, biotechnology, genetic technologies, agroecology, bioenergetics, and bioeconomy.

### Faculty of Chemical & Food Technology at The Slovak University of Technology in Bratislava (FCFT)

FCFT is one of the best performing faculties in Slovakia. The Faculty participates in applied research for industry and develops almost 100 cooperation projects with many producers and companies. What allows for a swift application of research results to production in the fields such as biologically active substances, functional materials and material technologies, or functional and safe foods.

### The National Agricultural & Food Centre

The National Agricultural & Food Centre focuses on comprehensive research in the fields of the protection of natural resources, especially soil and water resources for crop production and animal husbandry, quality, safety, innovation and competitiveness of food and non-food products of agricultural origin.

133

Number  
of R&D projects  
carried out by National  
Agricultural & Food  
Centre in 2019



## Food Processing Equipment Manufacturers Based in Slovakia

### MAREL

Marel is the leading global provider of advanced processing systems and services to the poultry, meat and fish industries.

### PSS SVIDNÍK

Notable Slovak player in the field of meat processing machines, brewery equipment, custom manufacturing as well as pressure and non-pressure vessels.

### LEKOS

Family company that designs and manufactures special machines and equipment for food industry, focusing especially on confectionery and baked goods.

Source: Faculty of Chemical & Food Technology STU in Bratislava; Slovak University of Agriculture in Nitra; NAFC Annual Activity Report 2019, 2020

# Investment Incentives

The primary goal of the investment incentives is to motivate investors to place their new projects in regions with higher unemployment and to attract projects with higher added value.

## MAXIMUM REGIONAL INTENSITIES OF INVESTMENT INCENTIVES IN SLOVAKIA

- additional 10% for medium-sized enterprises
- additional 20% for small and micro-sized enterprises
- additional 10% for investment projects carried out in regions included in Just Transition Plan

### INDUSTRIAL PRODUCTION

Minimum conditions (investment amount, number of newly created jobs and share of new technology) are subject to the unemployment rate in the selected district and forms of aid required.

If applying for income tax relief, the following criteria have to be met in regards to particular districts category:

- 3 mil. EUR and 60% share of new technology
- 1.5 mil. EUR and 50% share of new technology
- 0.75 mil. EUR and 40% share of new technology
- 0.1 mil. EUR and 30% share of new technology
- Expansion includes minimum increase in the production volume or turnover by at least 15%

Direct forms of aid are also available, different conditions apply.

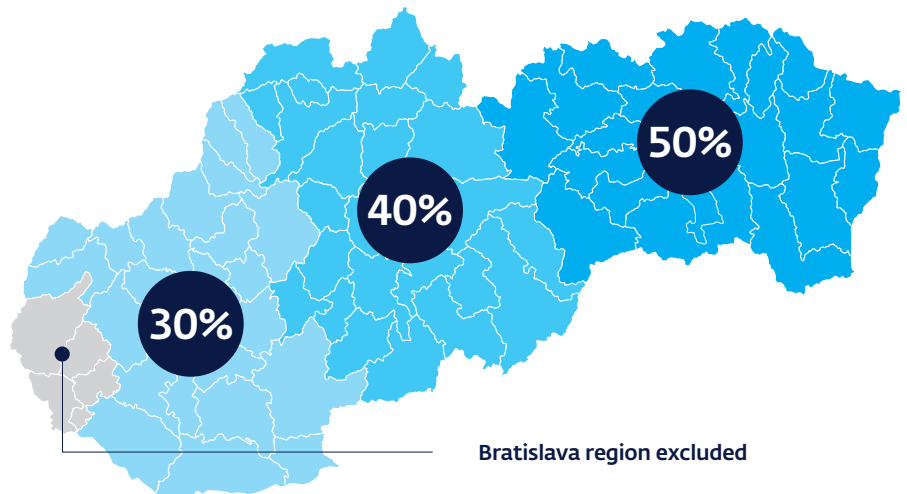
### TECHNOLOGY CENTERS

- Minimum investment of 100 ths. EUR on fixed assets in all regions
- Minimum of 10 newly created jobs
- Minimum 1.7 fold of average salary in the district paid to new employees

### SHARED SERVICES CENTERS

- Minimum of 25 newly created jobs
- Min 1.5 fold of average salary in the district paid to new employees

\*In case of Technology centers of Shared Services Centers, conditions differ for projects from 'Priority areas'. Minimum conditions for SMEs are in principle lowered by half. Please contact us at [invest@sario.sk](mailto:invest@sario.sk) for more information.



### ELIGIBLE PROJECTS

The Act on Investment Incentives divides the projects, which may be supported, into four categories:

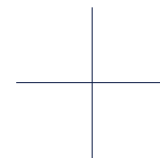
- Industrial production
- Technology Centers
- Combined Projects of Industrial Production and Technology Center
- Shared Services Centers

### ELIGIBLE COSTS

- Costs of land acquisition
- Costs of buildings acquisition & construction
- Costs of new technological equipment and machinery acquisition
- Intangible long-term assets — licences, patents, etc.
- Rent of new land/building
- or**
- Total wage costs of all new employees calculated over a period of 2 years

### FORMS OF INVESTMENT INCENTIVES

- Corporate income tax relief
- Cash grant
- Contributions for the newly created jobs
- Rent/Sale of real estate for a discounted price



Positive regional contribution of a new investment projects shall be concluded based on these categories — investment location, number of jobs created, average gross monthly salary of new employees, expected added value and possible qualification of a project respecting definition of a priority area.





## AIM INVESTMENT AWARDS DUBAI 2017

CEE & TURKEY REGION  
Best Investment Promotion Agency in 2016



# SARIO Profile

Slovak Investment & Trade Development Agency (SARIO) is a governmental investment and trade promotion agency of the Slovak Republic. The agency was established in 2001 and it operates under the Slovak Ministry of Economy.

## 01 INVESTMENT SERVICES

### FOR POTENTIAL INVESTORS

- investment environment overview
- assistance with investment projects implementation
- starting a business consultancy
- sector and regional analyses
- investment incentives consultancy
- site location & suitable real estate consultancy

### FOR ESTABLISHED INVESTORS

- identification of local suppliers, service providers
- assistance with expansion preparation and execution
- assistance with Industry 4.0 solutions and R&D implementation

## 02 FOREIGN TRADE SERVICES

### IF YOU ARE LOOKING FOR

- Slovak supplier or sub-contractor
- information about Slovak export/trade environment
- sourcing opportunities
- forming a joint venture, production cooperation or other forms of partnership with a Slovak partner

### SERVICES FOR EXPORTERS

- information on foreign territories
- customized search for foreign partners
- on-line database of business opportunities
- export Training Centre
- subcontracting assistance

## 03 INNOVATION SOURCING

- matching local tech companies with the operations of large companies that plan to implement innovative solutions to streamline and optimize their processes
- focused mostly on Industry 4.0 solutions such as digitalization, intelligent automation, and robotics as well as advanced and complex IT solutions for various industries
- based on a database of more than 300 local tech companies which is constantly updated and expanded

## 04 DIVERSIFICATION SERVICES

- supporting diversification of Slovak companies towards high-tech areas with significant growth potential
- focus on, but not limited to: space industry, aviation industry, greentech, medtech, and innovative mobility
- include consultancy for companies regarding the potential and possibilities of entering the new sectors as well as creation of new business and R&D cooperation opportunities on the national and international level

**SARIO IS YOUR ONE STOP SHOP FOR INVESTMENT & TRADE IN SLOVAKIA.  
TALK TO US TODAY!**

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