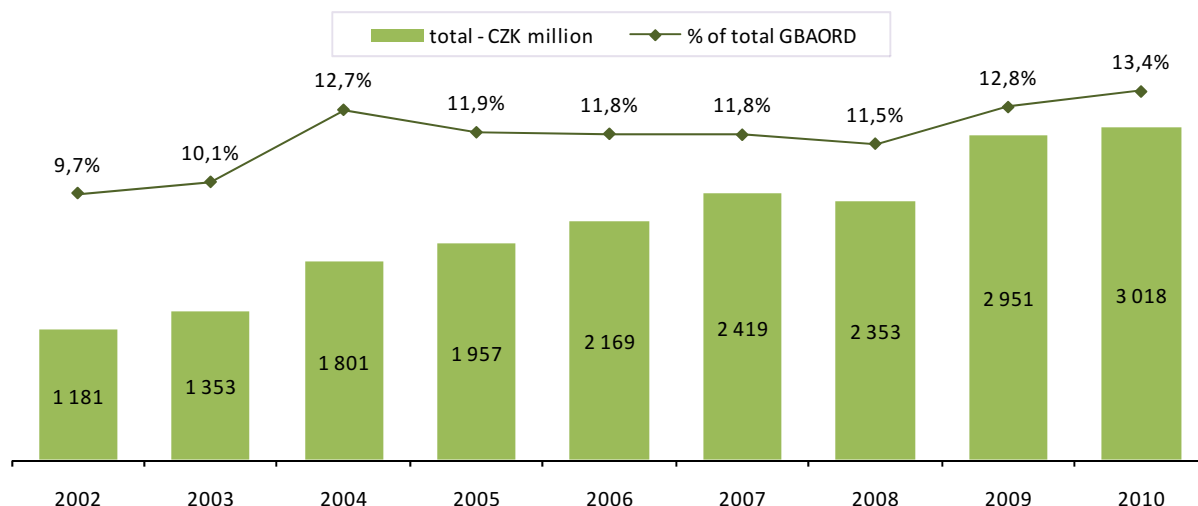


2.7 INDUSTRIAL PRODUCTION AND TECHNOLOGY (SEO 07) – part 1

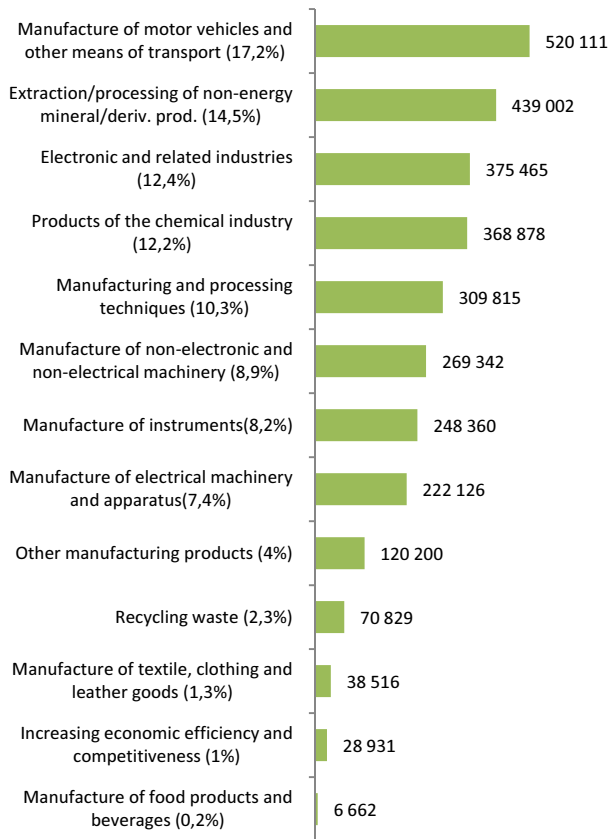
This socio-economic objective includes research on improvement of industrial production and related technologies. This includes research on industrial products and manufacturing processes. This socio-economic objective also includes various industries.

- Public funding for research and development in industrial production and technology in the period 2002–2007 grew annually. In 2008, expenditure on research declined and then in 2009 rose again up to CZK 3,018 million in 2010. The highest proportion of total GBAORD of this objective was achieved (13.4%) in 2010. The average annual growth reached 12.4% in the period 2002–2010.
- In 2010 most of the funds within this socio-economic objective (CZK 520,111 thousand) went into research and development on manufacture of motor vehicles and other means of transport with the proportion of 17.2%. This is followed by R&D in extraction and processing of non-energy mineral and derived products (SEO 0702) with the share of 14.5% (CZK 439,002 thousand). On the other hand, the smallest part of the SEO 07 funds was allocated to research and development of manufacture of food products and beverages (0.2%; CZK 6,662 thousand).
- In the period 2005–2010, the highest recorded average annual growth in support was recorded for SEO 0704 – Products of the chemical industry (an annual increase of 27.8%) and SEO 0707 – Manufacture of electrical machinery and apparatus (23.7%). On the contrary, the largest average annual decrease was found in SEO 0710 – Manufacture of food products and beverages (an annual decrease of 14.6%) and SEO 0701 – Increasing economic efficiency and competitiveness (an annual decrease of 10,7%).
- Most of the subcategories under this objective were funded only through targeted funding (CZK 2,742,535 thousand; 90.9% of SEO 07). The largest proportion of institutional funding was recorded in research and development related to manufacture of textile, clothing and leather goods (CZK 8,870 thousand; 23%) followed by SEO 0705 – Manufacture of motor vehicles and other means of transport (CZK 110,236 thousand; 21.2%). In case of SEO 0703 – Extraction and processing of non-energy mineral and derived products the share was equal to 19% (CZK 83,504 thousand). Institutional funding of SEO 0705 – Manufacture of motor vehicles and other means of transport reached 40% of total institutional funding allocated in socioeconomic objective SEO 07.
- The Ministry of Industry and Trade was the major provider of funding for this socio-economic objective with CZK 2,469,449 thousand (81.8% of SEO 07). It was followed by the Ministry of Education, Youth and Sports with the share of 12.7% (CZK 383,024 thousand). The Grant Agency of the Czech Republic and the Academy of Sciences of the Czech Republic supported SEO 07 with the share of 2.3%, respectively 1.7%. Out of the funding provided by the Ministry of Education, Youth and Sports to this objective, 59.4% of funding was through institutional funding and 40.6% was in the form of targeted funding. In case of the Academy of Sciences of the Czech Republic, 95.8% was provided by means of institutional funding for development of research organizations.

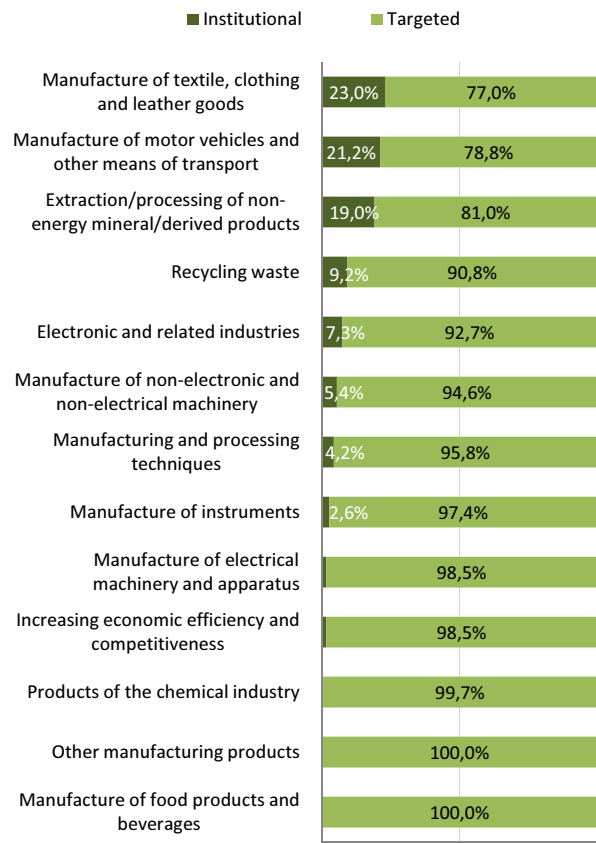
GRAPH 2.7-1: Industrial production and technology (SEO 07) in mil. CZK and as % of total GBAORD; 2002–2010



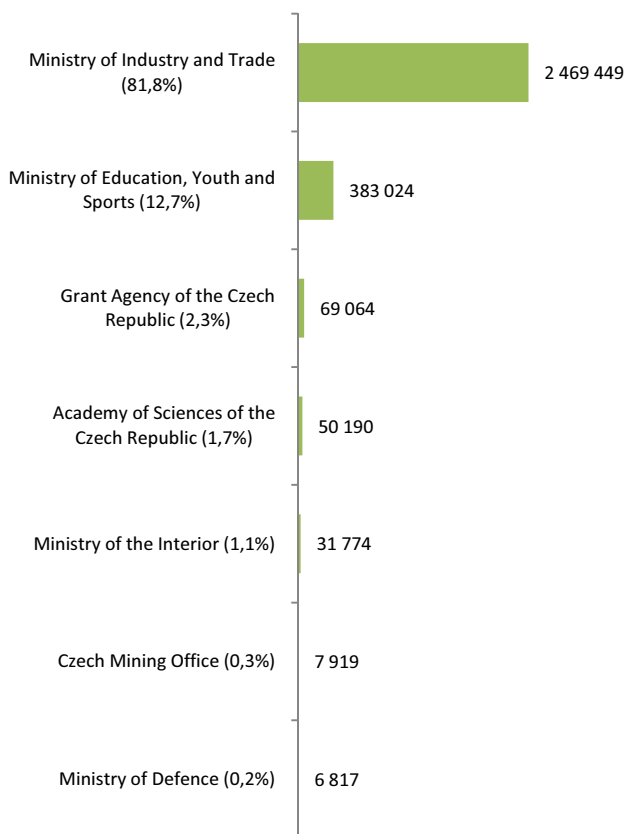
GRAPH 2.7-2: Industrial production and technology (SEO 07) – objectives by NABS1992 (% and CZK thousand); 2010



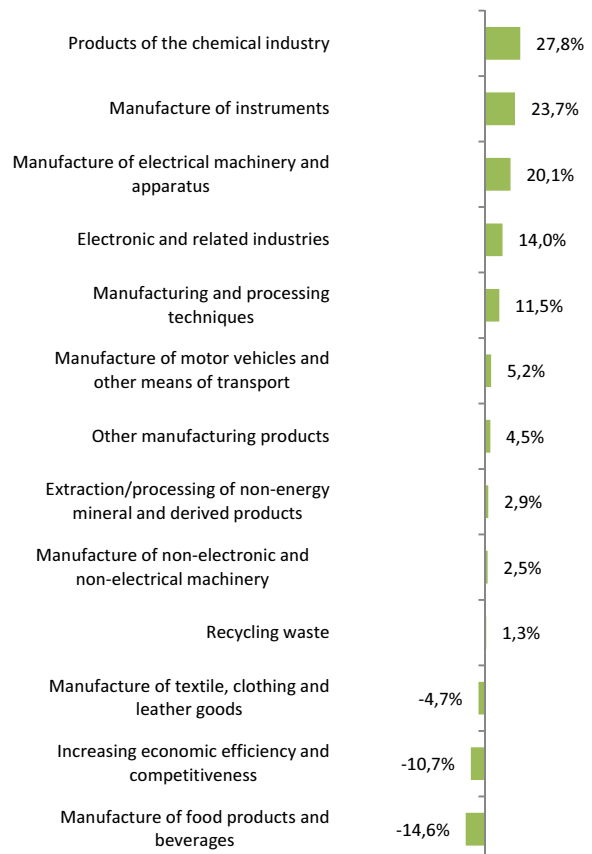
GRAPH 2.7-3: Industrial production and technology (SEO 07) – the structure by the type of funding; 2010



GRAPH 2.7-4: Industrial production and technology (SEO 07) – the support by providers (% and CZK thousand); 2010



GRAPH 2.7-5: Industrial production and technology (SEO 07) – the average annual growth rate; 2005–2010



NOTE: In graphs 2.7-2 and 2.7-4, the proportions of SEO 07 are in brackets.

2.7 INDUSTRIAL PRODUCTION AND TECHNOLOGY (SEO 07) – part 2

Socio-economic objective of SEO 07 – Industrial production and technology is broken down according to NABS 1992 into subcategories, some of which are further broken down into more detailed objectives.

SEO 0704 – Products of the chemical industry

In 2010, most of the funds (CZK 276,337 thousand) within this socio-economic objective went into research and development on petrochemical and coal by-products (74.9% of SEO 0704). The second sub-objective SEO 07042 – Pharmaceutical products was funded with CZK 92,541 thousand (25.1%).

Public support for these objectives was provided mainly through targeted funding. SEO 07041 was also supported by means of institutional funding (only 0.4% of SEO 07041).

The only providers of funding were the Ministry of Industry and Trade and the Ministry of Education, Youth and Sports.

SEO 0705 – Manufacture of motor vehicles and other means of transport

Most of the funds (CZK 340,247 thousand) were allocated into research and development on aerospace equipment manufacturing and repairing (65.4% of SEO 0705). The second sub-objective SEO 07052 – Manufacture of motor vehicles and parts (incl. agricultural tractors) was supported with CZK 99,745 thousand (19.2%). The R&D under the objective of SEO 07053 – Manufacture of all other equipment received CZK 80,119 thousand (15.4%).

Two sub-objectives received funding through institutional funding – SEO 07051 (CZK 101,118 thousand; 29.7% of this objective) and SEO 07052 (CZK 9,118 thousand; 9.1% of this objective).

Providers included the Ministry of Industry, Trade and the Ministry of Education, Youth and Sports, the Grant Agency of the Czech Republic and the Ministry of the Interior.

SEO 0706 – Electronic and related industries

Within this socio-economic objective, most of the funds (CZK 177,522 thousand) were dedicated for software development (47.3% of SEO 07063). Other objectives followed: SEO 07061 – Manufacture of office machinery and data processing equipment (CZK 114,400 thousand; 30.5%) and SEO 07062 – Manufacture of radio, television and communications equipment and apparatus (CZK 83,543 thousand; 22.3%). All mentioned objectives were supported by means of institutional and targeted funding.

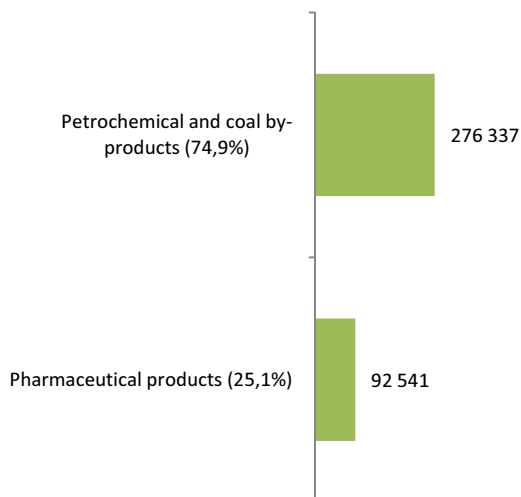
Providers of support were the Ministry of Industry and Trade, the Ministry of Education, Youth and Sports, the Ministry of Interior and the Ministry of Defense.

SEO 0709 – Manufacture of instruments

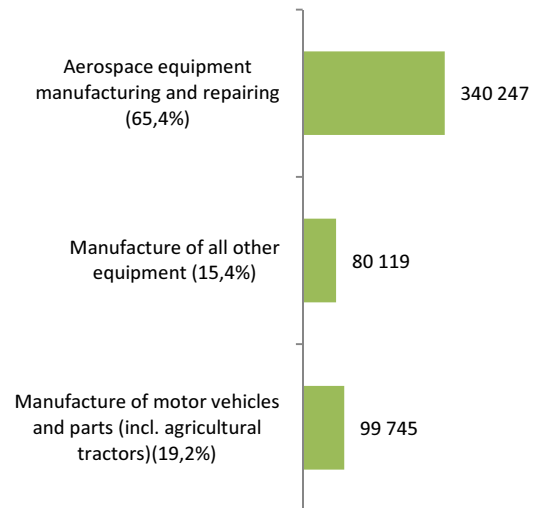
Most of the funds (CZK 166,547 thousand) were allocated to research and development on manufacture of medical and surgical equipment and orthopedic appliances (67.1% of SEO 0709). R&D classified under this objective was financed only by targeted funding. SEO 07092 – All other instrument manufacture production of all other equipment and tools received CZK 81,813 thousand, 32.9% of SEO 0709). This objective was supported by both institutional (8%) and targeted funding (92%).

These objectives received their funding only through project funding from the Ministry of Industry and Trade and the Ministry of Education, Youth and Sports.

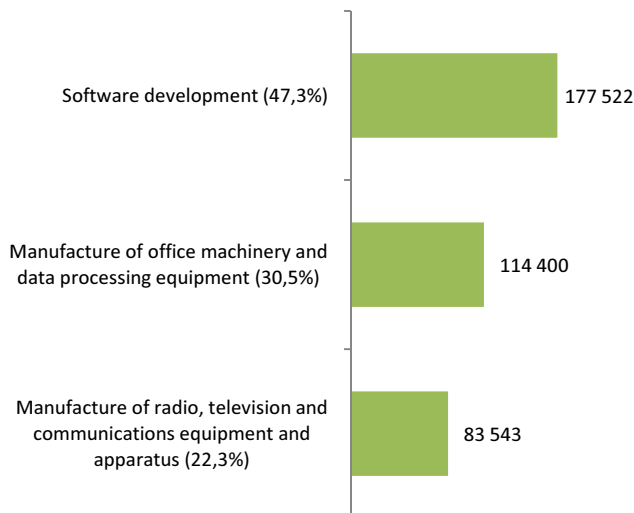
GRAPH 2.7-6: Products of the chemical industry (SEO 0704) – objectives by NABS1992 (% and CZK thousand); 2010



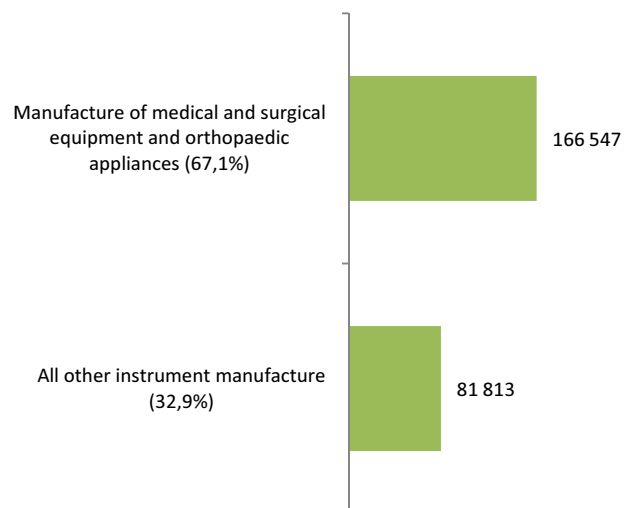
GRAPH 2.7-7: Manufacture of motor vehicles and other means of transport (SEO 0705) – objectives by NABS1992 (% and CZK thousand); 2010



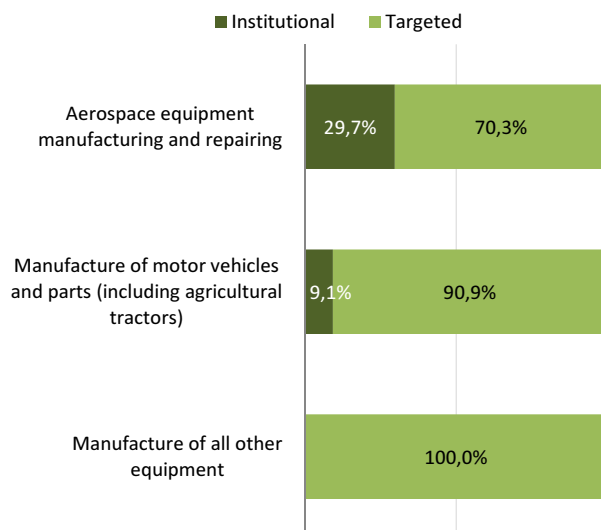
GRAPH 2.7-8: Electronic and related industries (SEO 0706) – objectives by NABS1992 (% and CZK thousand); 2010



GRAPH 2.7-9: Manufacture of instruments (SEO 0709) – objectives by NABS1992 (% and CZK thousand); 2010



GRAPH 2.7-10: Manufacture of motor vehicles and other means of transport (SEO 0705) – the structure by the type of funding; 2010



GRAPH 2.7-11: Manufacture of motor vehicles and other means of transport (SEO 0705) – the support by providers (% and CZK thousand); 2010

