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 km²
POPULATION 5.4 million
CAPITAL CITY Bratislava
MEMBER OF European Union, Eurozone, Schengen Area, OECD, WTO, NATO
TIME ZONE GMT +1 hour

300 million clients in the radius of 1,000 km
600 million clients in the radius of 2,000 km
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.

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues of the Slovak food processing industry</td>
<td>4.4 BN €</td>
</tr>
<tr>
<td>Revenues of the biggest food processing segment — meat &amp; poultry processing</td>
<td>796 MIL €</td>
</tr>
<tr>
<td>Total number of people employed in food the processing companies</td>
<td>50,500</td>
</tr>
<tr>
<td>Total number of people employed in the largest food processing segment in terms of employment — bakery (and related activities)</td>
<td>10,500</td>
</tr>
<tr>
<td>Average gross monthly salary in the food processing industry — 87.5% of the national average as of 2018</td>
<td>887 €</td>
</tr>
<tr>
<td>Companies in the Slovak food processing industry</td>
<td>2,100+</td>
</tr>
</tbody>
</table>

Source: Slovak Agriculture and Food Chamber (2019, data for 2018); Ministry of Agriculture and Rural Development of the Slovak Republic, Green Report 2018 (data for 2017)

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 87.5% 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)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>LOCATION</th>
<th>SEGMENT</th>
<th>REVENUE 2018 (THS. EUR)</th>
<th>NUMBER OF EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rajo</td>
<td>Bratislava</td>
<td>dairy</td>
<td>176,864</td>
<td>393</td>
</tr>
<tr>
<td>Nestlé Slovensko</td>
<td>Prievidza</td>
<td>other</td>
<td>173,501</td>
<td>736</td>
</tr>
<tr>
<td>Mecom Group</td>
<td>Humenné</td>
<td>meat</td>
<td>134,389</td>
<td>863</td>
</tr>
<tr>
<td>Píleruský Prazdroj Slovensko</td>
<td>Veľký Šariš</td>
<td>brewing</td>
<td>131,539</td>
<td>648</td>
</tr>
<tr>
<td>Heineken Slovensko</td>
<td>Hurbanovo</td>
<td>brewing</td>
<td>124,353</td>
<td>436</td>
</tr>
<tr>
<td>TATE &amp; LYLE Boléraz*</td>
<td>Boléraz</td>
<td>starch/sugar</td>
<td>117,154</td>
<td>221</td>
</tr>
<tr>
<td>I.D.C. Holding</td>
<td>Bratislava</td>
<td>confectionery</td>
<td>114,714</td>
<td>1,068</td>
</tr>
<tr>
<td>Polnoservis</td>
<td>Leopoldov</td>
<td>other</td>
<td>95,421</td>
<td>31</td>
</tr>
<tr>
<td>Hyza</td>
<td>Topoľčany</td>
<td>poultry</td>
<td>95,139</td>
<td>867</td>
</tr>
<tr>
<td>Tauris</td>
<td>Š自制ická Sobota</td>
<td>meat</td>
<td>91,440</td>
<td>679</td>
</tr>
<tr>
<td>Syráreň Bel Slovensko</td>
<td>Michalovce</td>
<td>dairy</td>
<td>89,673</td>
<td>510</td>
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<tr>
<td>Kofola</td>
<td>Rajecká Lešná</td>
<td>soft drinks</td>
<td>82,059</td>
<td>311</td>
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<tr>
<td>Cletotta Slovák</td>
<td>Levicí</td>
<td>confectionery</td>
<td>79,318</td>
<td>671</td>
</tr>
<tr>
<td>Považský cukor</td>
<td>Trenčianska Teplá</td>
<td>sugar</td>
<td>78,771</td>
<td>191</td>
</tr>
<tr>
<td>Tatranská mliekaření</td>
<td>Kežmarok</td>
<td>dairy</td>
<td>77,795</td>
<td>215</td>
</tr>
<tr>
<td>Agro Tami</td>
<td>Nitra</td>
<td>dairy</td>
<td>70,804</td>
<td>205</td>
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<tr>
<td>Hydina Slovensko</td>
<td>Lieskovec</td>
<td>poultry</td>
<td>65,129</td>
<td>279</td>
</tr>
<tr>
<td>EU Poultry</td>
<td>Horné Saliby</td>
<td>poultry</td>
<td>64,435</td>
<td>22</td>
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<tr>
<td>Savencia Fromage &amp; Dairy SK</td>
<td>Liptovský Mikuláš</td>
<td>dairy</td>
<td>58,881</td>
<td>241</td>
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<tr>
<td>VVSS</td>
<td>Madunice</td>
<td>other</td>
<td>58,333</td>
<td>87</td>
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<tr>
<td>Penam Slovakia</td>
<td>Nitra</td>
<td>baking</td>
<td>57,319</td>
<td>726</td>
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<tr>
<td>Slovenský cukrovec</td>
<td>Sered</td>
<td>other</td>
<td>51,220</td>
<td>185</td>
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<tr>
<td>JAV — AXC</td>
<td>Viľany</td>
<td>sugar</td>
<td>45,275</td>
<td>219</td>
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<tr>
<td>Podtatranská hydina</td>
<td>Kežmarok</td>
<td>poultry</td>
<td>41,266</td>
<td>106</td>
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<tr>
<td>Slovenské prameňe a žiželia</td>
<td>Dubové</td>
<td>soft drinks</td>
<td>38,644</td>
<td>314</td>
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<tr>
<td>Heineken Slovensko Sladovne</td>
<td>Hurbanovo</td>
<td>brewing</td>
<td>37,646</td>
<td>47</td>
</tr>
<tr>
<td>Zvolenská mliekaření</td>
<td>Zvolen</td>
<td>dairy</td>
<td>35,714</td>
<td>115</td>
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<tr>
<td>Ryba Kolíče</td>
<td>Kolíče</td>
<td>meat</td>
<td>34,358</td>
<td>171</td>
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<tr>
<td>Pierre Baguette</td>
<td>Sládkovičovo</td>
<td>other</td>
<td>33,346</td>
<td>326</td>
</tr>
<tr>
<td>HOELPE Family</td>
<td>Poprad/Matejovce</td>
<td>other</td>
<td>32,608</td>
<td>231</td>
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<tr>
<td>Koliba</td>
<td>Hriňová</td>
<td>dairy</td>
<td>30,181</td>
<td>101</td>
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<tr>
<td>Istermeat</td>
<td>Dunajská Streda</td>
<td>meat</td>
<td>29,802</td>
<td>132</td>
</tr>
<tr>
<td>St. Nicolas</td>
<td>Liptovský Mikuláš</td>
<td>distilling</td>
<td>29,347</td>
<td>143</td>
</tr>
<tr>
<td>P.G. Trade</td>
<td>Komárno</td>
<td>other</td>
<td>28,710</td>
<td>132</td>
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<tr>
<td>Miliny</td>
<td>Bánovce n. Biebravu</td>
<td>dairy</td>
<td>28,454</td>
<td>289</td>
</tr>
<tr>
<td>Mlyn Pohronský Rusov</td>
<td>Pohronský Rusov</td>
<td>other</td>
<td>28,320</td>
<td>146</td>
</tr>
<tr>
<td>Ballarne obchodní</td>
<td>Poprad</td>
<td>other</td>
<td>27,372</td>
<td>223</td>
</tr>
<tr>
<td>Nourus — Mäso</td>
<td>Teščidoňov</td>
<td>meat</td>
<td>26,766</td>
<td>50</td>
</tr>
<tr>
<td>Hubert J.E.</td>
<td>Sereď</td>
<td>wine</td>
<td>26,744</td>
<td>93</td>
</tr>
<tr>
<td>Mondelez SR Production</td>
<td>Bratislava</td>
<td>confectionery</td>
<td>26,484</td>
<td>405</td>
</tr>
<tr>
<td>Mlyn Kolárovo</td>
<td>Kolárovo</td>
<td>other</td>
<td>26,424</td>
<td>70</td>
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<tr>
<td>Minátk Slovácko</td>
<td>Dunajská Streda</td>
<td>baking</td>
<td>26,073</td>
<td>319</td>
</tr>
<tr>
<td>Májsomara</td>
<td>Zvolen</td>
<td>other</td>
<td>25,936</td>
<td>173</td>
</tr>
<tr>
<td>Dr. Oetker</td>
<td>Bratislava</td>
<td>starch/sugar</td>
<td>23,335</td>
<td>109</td>
</tr>
<tr>
<td>Frost</td>
<td>Prešov</td>
<td>other</td>
<td>21,327</td>
<td>34</td>
</tr>
<tr>
<td>Lycoš — Trnavské sladovne</td>
<td>Trnava</td>
<td>brewing</td>
<td>21,252</td>
<td>34</td>
</tr>
<tr>
<td>Vinárske závody Topoľčiansky</td>
<td>Topoľčiansky</td>
<td>wine</td>
<td>21,033</td>
<td>120</td>
</tr>
<tr>
<td>McCarther</td>
<td>Bratislava</td>
<td>other</td>
<td>20,349</td>
<td>133</td>
</tr>
<tr>
<td>Swaman</td>
<td>Myjava</td>
<td>meat</td>
<td>19,293</td>
<td>97</td>
</tr>
<tr>
<td>Levické mliekaře</td>
<td>Levicí</td>
<td>dairy</td>
<td>18,817</td>
<td>163</td>
</tr>
</tbody>
</table>

The present list of companies is subject to change and does not represent an exhaustive overview.
Source: Finstat, 2019 (data as of 2018), official websites of the companies, 2019
Note: Other means seasoning, ready–meals, flour, etc.
*Data for 2017

Notable Slovak Companies

I.D.C. HOLDING
The biggest Slovak entity in the food processing sector. It covers mainly confectionary & 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

Rajo
One of the biggest companies in the Slovak dairy industry. Part of the Meggle AG Group.
Revenue: 177 mil. EUR
Employees: 393

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: 174 mil. EUR
Employees: 736

Heineken Slovensko
A leader in the Slovak beer market for almost 20 years with a stable market share of approximately 42%.
Revenue: 124 mil. EUR
Employees: 436

Tate & Lyle
Food ingredients company. In Slovakia, the company produces glucose syrups, isoglucose and other ingredients produced from corn processing.
Revenue: 117 mil. EUR
Employees: 221

Hyza
A modern meat processing company with a daily processing capacity of 100,000 chickens. Part of the Agrofert Group.
Revenue: 95 mil. EUR
Employees: 867

Source: Official websites of the companies, Finstat 2019
*Note: counted for Heineken Slovensko & Heineken Slovensko Sladovne
Food processing continues to be an integral part of the Slovak economy and contributes more than 4% to the entire industry (excluding beverages). There are more than 2,100 food processing companies divided into various segments based on the main ingredient being processed (see the map below).
Bakery & confectionary industry

Brewing industry

Dairy industry

Meat/poultry industry

Other (seasoning, ready-meals, flours, etc.)

Soft drinks industry

Sugar industry

Wine & spirits industry

Source: Statistical Office of the Slovak Republic; Finstat, 2019
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)

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>POSITION</th>
<th>BRATISLAVA</th>
<th>WEST</th>
<th>CENTRAL</th>
<th>EAST</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAIRY</td>
<td>Assistant workers</td>
<td>900</td>
<td>810</td>
<td>770</td>
<td>770</td>
</tr>
<tr>
<td></td>
<td>Machine operators</td>
<td>1,100</td>
<td>990</td>
<td>940</td>
<td>940</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,300</td>
<td>1,170</td>
<td>1,100</td>
<td>1,100</td>
</tr>
<tr>
<td></td>
<td>Production supervisor</td>
<td>1,250</td>
<td>1,120</td>
<td>1,060</td>
<td>1,060</td>
</tr>
<tr>
<td>MEAT</td>
<td>Assistant workers</td>
<td>900</td>
<td>810</td>
<td>770</td>
<td>770</td>
</tr>
<tr>
<td></td>
<td>Machine operators</td>
<td>1,000</td>
<td>900</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,200</td>
<td>1,100</td>
<td>1,020</td>
<td>1,020</td>
</tr>
<tr>
<td></td>
<td>Production supervisor</td>
<td>1,300</td>
<td>1,170</td>
<td>1,100</td>
<td>1,100</td>
</tr>
<tr>
<td>BAKING</td>
<td>Assistant workers</td>
<td>850</td>
<td>770</td>
<td>720</td>
<td>720</td>
</tr>
<tr>
<td></td>
<td>Machine operators</td>
<td>950</td>
<td>850</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,200</td>
<td>1,100</td>
<td>1,020</td>
<td>1,020</td>
</tr>
<tr>
<td></td>
<td>Production supervisor</td>
<td>1,400</td>
<td>1,260</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>DRINKS &amp; BEVERAGES</td>
<td>Assistant workers</td>
<td>900</td>
<td>810</td>
<td>770</td>
<td>770</td>
</tr>
<tr>
<td></td>
<td>Machine operators</td>
<td>1,100</td>
<td>990</td>
<td>940</td>
<td>940</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,250</td>
<td>1,120</td>
<td>1,060</td>
<td>1,060</td>
</tr>
<tr>
<td></td>
<td>Production supervisor</td>
<td>1,400</td>
<td>1,260</td>
<td>1,200</td>
<td>1,200</td>
</tr>
</tbody>
</table>

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: Lugera Slovakia, 2019
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 agrobiology, 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.

**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.

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Source: Faculty of Chemical & Food Technology STU in Bratislava; Slovak University of Agriculture in Nitra; NAFC Annual Activity Report 2019
The primary role 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. The positive impact of a new investment shall be proved by job creation, improved chances for the graduates to get a job, as well as by creation of new entrepreneurial opportunities for local companies.

**MAXIMUM REGIONAL INTENSITIES OF INVESTMENT AID IN SLOVAKIA**

for SMEs additional 10 to 20%

**INDUSTRY**

Minimum 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:

- 6 mil. EUR and 60% share of new technology
- 3 mil. EUR and 50% share of new technology
- 1,5 mil. EUR and 40% share of new technology
- 0,2 mil. EUR and 30% share of new technology
- Expansion includes minimum increase in the production volume or turnover by at least 15%

Other forms of aid are subject to different requirements.

**TECHNOLOGY CENTERS**

- Minimum investment of 200 ths. EUR on fixed assets in all regions
- Minimum of 20 newly created jobs
- Minimum 1,7 fold of average salary in the district paid to new employees

**SHARED SERVICES CENTERS**

- Minimum of 50 newly created jobs
- Min 1,5 fold of average salary in the district paid to new employees

*Conditions differ for projects from 'Priority areas'. Please contact us at invest@sario.sk for more information.

**ELIGIBLE PROJECTS**

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

- Industry
- 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

- Wage costs of new employees for the period of 2 years

**FORMS OF INVESTMENT INCENTIVES**

- Tax relief
- Cash grant
- Contributions for the newly created jobs
- Rent/Sale of real estate for a discounted price
SARIO Profile

Slovak Investment and 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 Ministry of Economy of the SR.

INVESTMENT SERVICES

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 and suitable real estate consultancy

SERVICES FOR ESTABLISHED INVESTORS

• Identification of local suppliers, service providers
• Assistance with expansion preparation and execution
• Relocation assistance, work/stay permits
• Support of innovation and R&D activities
• Social networking

FOREIGN TRADE SERVICES

IF YOU ARE LOOKING FOR

• Slovak supplier or subcontractor
• 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

INNOVATION SUPPORT

• Support activities for development and popularization of Slovak innovations and R&D environment
• Establishment of relations with domestic and foreign well-established innovative companies
• Interconnection of Slovak R&D capacities with industrial production and investors’ needs in order to transfer leading innovative technology processes closer to production praxis
• Encouragement to foreign investors to bring investments with substantial R&D components to the SR
• Ecosystem analysis of local investment opportunities as well as domestic and foreign investors in order to support acquisitions and joint ventures projects
• Specific information from the field, in order to obtain capital and foreign markets penetration

To find out more about the Slovak investment environment visit our website sario.sk

500+

more than 500 successful SARIO projects since 2002

AIM Investment Awards
Dubai 2017

CEE & TURKEY REGION
Best Investment Promotion Agency in 2016

All our services are free of charge!
SARIO IS YOUR ONE STOP SHOP FOR INVESTMENT & TRADE IN SLOVAKIA.
TALK TO US TODAY!

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