

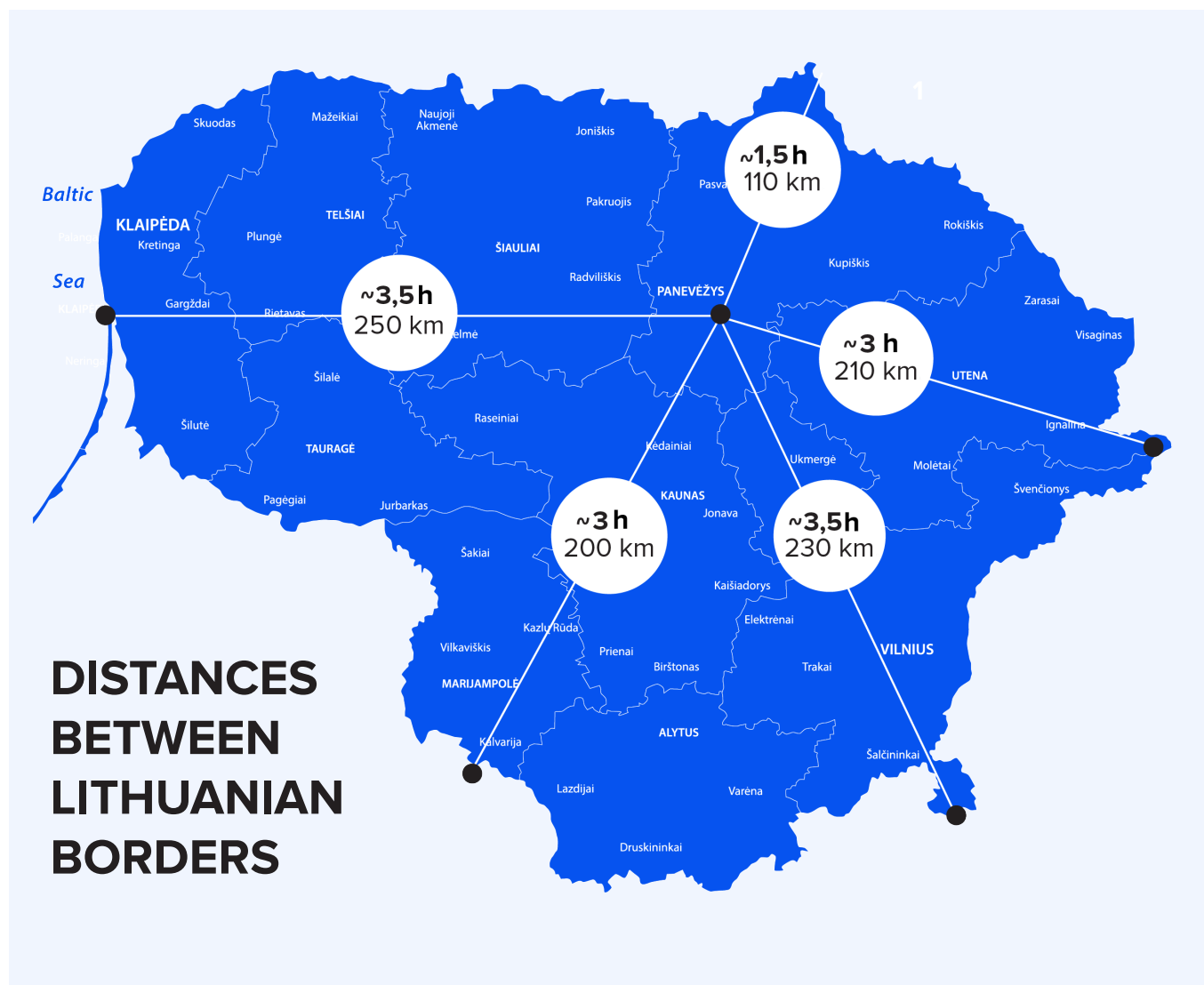


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# PANEVĖŽYS – AN OFFER OF VALUE TO BUSINESS

Panevėžys – North-eastern gate of Lithuania, a strategic node of logistics, which aspires to become a centre of innovative technology and industry, attractive to business and investment.

The centre of Lithuania's North-eastern region, where transportation infrastructure is highly developed, attracts potential investors, concentrates the businesses, provides them with a logistical benefit while integrating into European and global value chains.

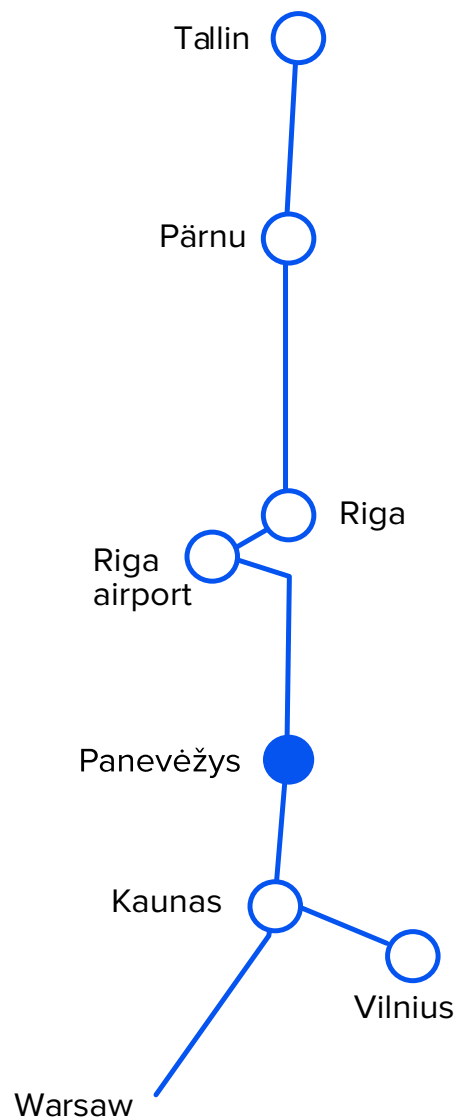


Main Lithuanian road junctions which have connections with the main cargo and passengers' streams from West and South cross the city of Panevėžys in Northern and Eastern directions.

- The route Via Baltica (the first transportation corridor) Warsaw–Tallinn
  - European route E272 (Vilnius–Panevėžys–Šiauliai–Palanga–Klaipėda)
- Routes:
- A2 (Vilnius–Panevėžys)
  - A8 (Panevėžys–Aristava–Sitkūnai)
  - A9 (Panevėžys–Šiauliai)
  - A10 (Panevėžys–Pasvalys–Bauska)

Railway line Rokiškis–Šiauliai is a railway corridor of international importance, which connects Moscow with Kaliningrad region.

Railway route Rail Baltica is projected to be finished in 2026. It will become a part of the international transportation corridor Northern sea–Baltic sea, and will connect Helsinki, Tallinn, Pärnu, Riga, Panevėžys, Kaunas, Vilnius, and Warsaw. Once the project is complete, a new intermodal cargo terminal will be built in Panevėžys.



## Manufacturing – the business sector that distinguishes the region of Panevėžys

- The most value-added in the Panevėžys region – **28 per cent** – was created in manufacturing (data of 2019).
- **31 per cent** of Panevėžys region employees work in manufacturing companies (data of 2019).
- **More than 550** companies of manufacturing industry work in the region (data of 2020).

To achieve harmonious and geographically balanced economic growth, Panevėžys region is developing directions of economical specializations, based on resources available in the region, fully formed business traditions and perspective areas of economic development.



### Robotics and automation

Regarding the resources of the Panevėžys region, robotics and automation were identified as one of the main directions of economic development.

At the beginning of 2018, Panevėžys City Municipality signed a collaboration contract with 14 institutions (Panevėžys Region Industry Association, KTU Panevėžys Faculty of Technologies and Business, Lithuanian Robotics Association, Association of School Managers, Panevėžys University of Applied Sciences, Panevėžys Robotics Center, Panevėžys Margarita Rimkevičaitė School of Services and Business, Panevėžys Business Advisory centre, Panevėžys Science and Technology Park, Panevėžys Mechatronics Center, Panevėžys Chamber of Commerce, Industry and Crafts, Panevėžys Region Industry Association, FIBA Association of Foreign Investors). They agreed to promote inventors, ensure science and business collaboration, promote robots development and implementation in various sectors of the economy and creative industries as well as ensure high value-added creative environment for innovation.



A company that offers high-quality products and engineering solutions for electricity generation, transport and management using cutting edge technologies and components. More than 150 employees work in the company.

### Transportation, industry and logistics

The Panevėžys region is highly specialized in the area of transportation and manufacturing its equipment – a share of employees working in the sector is 10 times bigger than the average in the whole country. Almost one-third



**The Trailer Company.**

One of the leaders of trailers and semitrailers manufacturing companies in Europe is a part of the Schmitz Cargobull AG group. More than 600 employees work in the company.

Area	Representatives
<p>of the value-added of this sector in Lithuania is being created in the region. 3 large companies of the sector operate in the region.</p>	
<p><b>Food and beverages</b></p> <p>This sector is distinguished by the significant number of companies working in the sector, the number of employees, turnover and the volume of exports. The food industry development tradition was historically decided by favorable geographical position and climate, beneficial to agriculture (especially to dairy and crop production).</p>	<div data-bbox="986 591 1265 734" data-label="Image"> </div> <p>The Kalnapilis brewery has been in business since 1902. Its production is being transported to many other countries of the world.</p>
<p><b>Furniture and textile</b></p> <p>The impulse for the growth of the textile industry in the region was given by AB Linas – formerly the biggest flax textile manufacturer in Baltic states, which has been developing its activities for over 60 years. On this day, the company that is still working successfully exports over 90 per cent of its production and holds a firm position in the global market of textile products.</p> <p>Convenient logistical position of Panevėžys is beneficial to the growth of the furniture industry in the region – within 50 km it is possible to reach the manufacturers of wooden, foam, textile, metal, and other components. The furniture industry on this day is represented by several large and medium companies and a lot of small furniture manufacturers.</p>	<div data-bbox="866 1229 1410 1305" data-label="Image"> </div> <p>One of the leading furniture manufacturers in the Baltic states and Eastern Europe, which is founded in the Panevėžys region. Over 1000 employees work in the company.</p>

Area	Representatives
<p><b>Biotechnology</b></p> <p>Biotechnology is the region's specialization, that connects region's natural resources, the potential of industry and science cooperation, and allows developing business in the green European course.</p>	<p><b>ROQUETTE   amilina</b></p> <p>One of the 3 largest manufacturing companies in Northern Europe, which extracts plant-based products for food and industry sectors from wheat using biorefining methods. The company, oriented towards the development of modern solutions, produces products dedicated to food, paper, industrial production, and the animal nutrition industry. The company was founded in Panevėžys, in the capital of the agricultural industry and the centre of the Baltic wheat belt.</p> <p>(source: <a href="https://raquetteamilina.com/">https://raquetteamilina.com/</a>)</p>
<p><b>Agriculture and natural resources</b></p> <p>The sector's development has been based on beneficial geographical position of the region, which is especially favourable for crop production (the region is located in the centre of the Baltic wheat belt). The resources are successfully integrated into the food, beverages, and biotechnology sectors.</p>	<p><b>linas agro</b></p> <p>One of the leaders in Lithuania in supplying certified seeds, fertilizers, and plant protection products and one of the biggest Lithuanian grain exporters. Over 100 employees work in the company.</p>

Having evaluated and seeking to employ the latter economic strengths, Panevėžys region strives to become a competitive centre of Industry 4.0 solutions creation and application. In closely cooperation between business, education, science and public sectors, the high value-added ecosystem of Industry 4.0 is being purposefully developed in the region. The knowledge and experience in the field of engineering accumulated in the region, infrastructure accommodated for research and development (R&D) activities grant necessary prerequisites to develop competencies and specialists needed for Industry 4.0.



A trademark „Industry 4 Panevėžys“ has been created for Industry 4.0 ecosystem, which symbolizes the importance of the industry to the region's growth and the fourth revolution of the industry, which has been the main direction of the region's evolution.

## Solution providers



## Educational and scientific institutions



## Associated structures and non-governmental organizations



## Public sector and public institutions providing services to business



The general search for innovative solutions, technological development, and integration into international value chains is based on the networking of regional and state businesses. Industrial companies of Panevėžys are engaged in the following cluster cooperation networks.

# Cluster representatives in Panevėžys

Cluster	Representatives in Panevėžys
ABBI cluster, joining together companies of the beverage industry	 <b>Warta GLASS Group</b>
SMART FOOD cluster, joining together companies of the Lithuanian food industry	
BACC cluster, joining together the Baltic suppliers of automotive parts	 
LAuGEA, association, joining together Lithuanian manufacturers of automotive parts and exporters	
Cluster of Lithuanian plastics	
Cluster of plastics and innovative materials	
Cluster of Lithuanian wooden prefabricated houses	

For business creation and development, Panevėžys is establishing an adapted infrastructure and working on research and experimental development potential.

Panevėžys has a Free Economic Zone (FEZ), which covers an area of 47 ha, and offers all the infrastructure needed to create and develop businesses. The area has well-lit and paved internal routes, electricity line of 7000 kW has been installed together with gas and water pipelines



and sewage. The proposed package of services Easy Start allows the investor to start their activity immediately after signing the contract – to temporarily rent the premises for manufacturing and warehousing (build-to-suit).



Special services and support base creates and helps companies implement Industry 4.0 solutions.

Panevėžys Mechatronics Centre (further referred to as PMC) offers solutions of IT, electronics, electricity, and mechanics for business innovation, starting with construction and design and ending with the creation of technological solutions. Scientific research using micro/nanotechnology equipment is being carried out in the institution.

## Success stories of cooperation

### AQ Wiring Systems - PMC:

- Equipment for electric connectors sealing in transportation vehicles;
- Ergonomic, mobile workstation for cable loom assembly;
- Visual recognition system, which measures voids in cable cross-sections.

### Adax - PMC

- Telemetry unified information system for industrial machinery;
- Programmed equipment for conveyor belt for allocation of tasks to operators who assemble the products.

### **Roquette Amilina - PMC - KTU**

- A project of scientific research “Extraction of high nutritional value from starch production waste”.

### **PMC - KTU:**

- A project of scientific research “Application of electrostatic structures in environmental and community health sensors”.

**Panevėžys Science and Technology Park** – an incubator for innovative business, which provides services of business incubation and support for innovation development. Projects to activate innovative partnerships and international collaboration are being developed in the centre.

**Panevėžys City Municipality provides support to promote the collaboration between science and business, supports public institutions which carry out scientific research and experimental growth.**

**40%**

of companies in the Panevėžys region were carrying out innovative activities (in 2016 – 2018)

**36%**

of companies in the Panevėžys region were installing innovative business processes (in 2016 – 2018)

**63%**

of region employees were working in companies that were carrying out innovative activities (in 2018)

## **BUSINESS SUPPORT**

Panevėžys City Municipality promotes the growth of socially responsible business and strengthens cooperation between public and private sectors. Discounts for state land plot rent, land, and real estate taxes are being applied for companies that offer sponsorship to social initiatives of culture, art, sport, and science and promote growth in these areas.

Discounts for state land plot rent, land and real estate taxes can also be applied to small and medium business companies in the Panevėžys region, which create and preserve jobs. It is aimed to improve business and investment conditions consistently

and systemically in Panevėžys, to hear and expeditiously solve problems that business is facing. Aiming for this goal, Panevėžys City Municipality and Panevėžys District Municipality have concentrated efforts and founded a public entity Panevėžys Development Agency in 2020. The agency consults and provides support to investors, joins together efforts of public and private sectors and the potential of their experts while creating products and services of improving investment and business climate in Panevėžys city and district.

# Panevėžys brings together and unites business representatives

## **Panevėžys Chamber of Commerce, Industry, and Crafts**

The association brings together and represents interests of regional business in local, regional, and state institutions, provides the newest information relevant to businesses, organizes business trips, training, and projects to help the business grow and expand local and international

experience.

## **Industry 4.0 Development Advisory Board of the City of Panevėžys**

It consists of specialists of high competencies, who represent companies of the Panevėžys region, institutions of science and education, public sector, together with independent experts of innovation, economic growth, and other areas. The goal of the advisory board is to research Industry 4.0 development changes in the Panevėžys region, in the country and on an international level, to consider any problems that may arise, to present the possible solutions for those problems to responsible institutions and make other strategic decisions.

## **Foreign Investors Business Association FIBA Association**

The association actively cooperates with local authorities in creating beneficial conditions for foreign investors in creating and developing business in the Panevėžys region, promotes cooperation of local and foreign investors, helps newly created businessmen of foreign countries to integrate into the local community.

markets.

## **Panevėžys Region Industry Association**

Panevėžys Region Industry Association was established for cooperation, to grow the competitiveness of industrial companies and to create a platform, which enables collaboration between companies, to carry out common ideas, share knowledge and

## **Business Council of the Panevėžys City**

It consists of representatives of Panevėžys City Municipality, Panevėžys Chamber of Commerce, Industry, and Crafts, Panevėžys Region Industry Association and Panevėžys Business Leaders Association, who cooperate in creating and consistently improving environment, beneficial to business growth, and conditions in Panevėžys, maintaining business growth as one of the biggest priorities in city growth and strengthening dialogue of business with local authorities.







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**PANEVĖŽIO  
MIESTO  
SAVIVALDYBĖ**

The publication was prepared by a public entity Panevėžys Development Agency, while implementing a business growth climate improvement project „Improvement of the business climate in Panevėžys“, funded by the Panevėžys City Municipality.

