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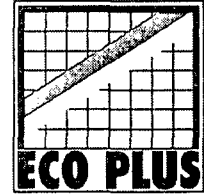
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Report on activities implemented by Eco Plus Ltd.  
for the UNIDO project:

**Support to Regional Development in Slovakia:  
The Role of International Experience and Networking**  
Workshop in Galanta, Slovakia, 20-21. November 2001

## 1. Background

The workshop "Regional Development in Central European Countries: Effective Strategies and Efficient Tools" (RESET) held on 10 - 11 May 2001 in Trenčín, Slovakia has been organized by UNIDO, UNDP, the Slovak Government Office and Eco Plus. Eco Plus activities have been carried out within the EU co-financed INTERREG IIc project CEDA ([www.rda-ceda.net](http://www.rda-ceda.net)).

A second workshop was held on 20 - 21 November 2001 in Galanta *in order to assist the regional Governments to finalize their regional development operational programmes* which had been drafted with help of the inputs of the first workshop.

Eco Plus has been assigned by UNIDO to support the workshop:

- in the preparatory phase,
- in the workshop 20-21. November in Galanta &
- in the follow-up activities.

This report describes the activities implemented by Eco Plus Ltd. The final report for the workshop itself is prepared separately by UNIDO. (Eco Plus has provided inputs for the final report.)

## 2. Activities implemented by Eco Plus

### 2a) Preparatory phase

#### ASSIGNED TASKS:

- To provide contributions to the preparation of agenda and aide-memoire of the workshop
- To prepare presentation on the experiences of the regions of Austria in the establishment of business incubators, techno-parks.
- At the request of the participants to provide advice and assistance to the participating regions of Slovakia in the preparation of their position papers (list and contacts attached)

Additional to general support to the UNIDO Consultant Paul Hesp in preparation of agenda, aide-memoire and format for the Slovak regions' position papers Eco Plus prepared

- a workshop design (prepared by Stefan Bauer-Wolf, see annex 1) &
- a presentation (prepared by Theodor Krendelsberger, see annex 2).

### 2b) Workshop, 20-21 November 2001, Galanta, Slovakia

#### ASSIGNED TASKS:

- To participate and present experiences of the regions of Austria in the establishment of business incubators, industrial and technology parks
- Moderate the workshop
- To provide advice to the participants during the group and panel sessions
- To contribute to the formulation of recommendations

Stefan Bauer-Wolf, Michaela Roither and August Wieland (the latter two substituting the ill Theodor Krendelsberger) participated in the workshop.

Stefan Bauer-Wolf moderated the Workshop in co-operation with Paul Hesp.

Michaela Roither and August Wieland gave the prepared presentation and participated among other international experts in workgroups revising the Slovak regional project proposals and giving concrete recommendations.

### 2c) Follow-up

#### ASSIGNED TASKS:

- To provide inputs to the preparation of the final report
- Based on the outcome of the workshop to prepare a programme for the study tour for the representatives of the Slovak regions to the relevant sites in Austria (business incubators, industrial science and technology parks).
- To prepare recommendations on the next workshop to be held in 2002 in Slovakia (including subject, agenda and proceedings).
- Prepare final report on subcontract activities implemented

Inputs to the final report include the workshop programme / design and the presentation given by Eco Plus as well as copies of the flip charts elaborated by the moderators and the workgroups. The proposed study tour programme and recommendations on the next workshop are described in chapter "3. Proposals and Recommendations".

### 3. Proposals and Recommendations

#### 3a) Proposed study tour

In (individual) discussions with workshop participants the UNIDO proposal to carry out a study tour to Austria was very much welcomed.

All incubator projects, industrial parks and technology centre projects were of interest to the participating Slovak representatives, even if the regional studies currently carried out considered only one of these respective project types.

Hence we propose a common 3 days study tour to the three Austrian provinces Vienna, Lower Austria and Burgenland visiting different project types.

(Selected projects and programme sequence are no more than proposals. The responsible managers have not been contacted yet. Variations of the programme are of course possible).

#### DAY 1 Vienna

- **Arrival - Welcome at UNIDO**
- **Eco Plus Headquarter, Vienna** - Introduction to the activities of Eco Plus
- **Vienna Business Agency (WWFF), Vienna** - Introduction to the activities of the WWFF
- **Industrial Park IZ NÖ Süd (Eco Plus Wiener Neudorf), Lower Austria**
- **Reception**

#### DAY 2 Wr. Neustadt, Eisenstadt

- **Technology and Research Center Wiener Neustadt, Lower Austria**
- **RIZ Regional Innovation Center (Incubator) Wiener Neustadt, Lower Austria**
- **Technology Center Eisenstadt, Burgenland**

#### DAY 3 Gmünd/Ceske Velenice (CZ), Vienna

- **The Access Industrial Park, Gmünd/Ceske Velenice (Crossborder A/CZ)**
- **Plenary session for conclusions in Vienna**
- **Departure**

At each of the mentioned locations specific projects (e.g. cluster projects, competence centers, SME consultancy services) can be presented.

Presentations of cluster activities in the Vienna Region could be of special interest to include the topic of "virtual competence and technology centres" also briefly discussed at the workshop in Galanta.

### 3b) Recommendations for the next workshop in Slovakia (2002)

In the two workshops carried out so far (May 2001, Trenčín, November 2001, Galanta) there was a **mixture of goals and interests**, partly due to the fact that there were up to four organising institutions.

The initial intention of an international workshop to reflect regional development tools and their embeddedness in regional development strategies in the CEEC - enabling reflective discussions between regional stakeholder from governance, private and intermediary institutions from five different countries - and the intention of the Slovak government to develop concrete projects in three regions were combined in two lively workshops, very positively commented by the participants.

**Nevertheless there is a point reached to separate these two intentions on an operational level.**

The **next workshop** should from our point of view therefore cover **one of the following two aims**:

1. **Support for the concrete project proposals** in the three Slovak regions:

The next support services should address the three regions separately until they have further developed their project proposals. After that time a next **common workshop** for the three Slovak regions to **reflect efforts and develop strategies** for realisation could be suitable and useful to keep the started processes alive after the project concept papers have been delivered by the regions to the Slovak government.

Workshop participants would be representatives of the three Slovak regions, the Slovak government, UNDP and UNIDO. Additional international experts would not be necessary but could be helpful.

2. **Facilitate international know-how exchange** and reflection on regional development instruments.

Facilitating international know-how exchange was the initial intention of the programme and would from that point of view be the preferable aim of the next workshop. Similar to the first workshop in Trenčín a concrete instrument (e.g. incubator, regional management or cluster management structures) could be chosen as a topic and its utility, effectivity and efficiency within regional development strategies could be reflected by representatives of experienced CEEC regions. Alternatively an approach (e.g. "sustainable development") could be topic of such a learning event for CEEC regional development experts.

In either case it seems important to have experienced, but different types of regions represented. A mixture of experienced regions - represented by paid (!) experts - and inexperienced ones is also feasible but not recommendable.

Since a new phase of the programme is reached at this moment the next workshop requires beforehand anyway detailed **preparation to clarify the intentions of the participating partners**. Eco Plus would be happy to take part in this process within the bounds of possibilities.

# **ANNEX 1**

## **Workshop Design**

**Support to Regional Development in Slovakia:  
The Role of International Experience and Networking**  
Workshop in Galanta, Slovakia, 20-21. November 2001



11:00 12:30 1:30 **Feedback** (group 1-3 & group 4-6)

\* TABLES (30 Min): 4-6: questions&comments to 1-3;  
1-3: think of questions to external experts (where would you like to use additional expertise - you will have possibility

\* PRESENTATION (each 15 Min group 4/5, 30 Min group 6)

12:30 14:00 1:30 **Lunch**

**DAY 1 - afternoon**

14:00	15:00	1:00 <b>Food for thought</b>	experts from A/CZ/H/PL
		4*max. 15 Min: foreign RD experts from A/CZ/H/PL	
15:00	15:30	0:30 <b>Discussion</b>	all
15:30	15:45	0:15 <b>Tea break</b>	
15:45	17:30	1:45 <b>Group work - "Revising the proposals"</b>	group 1-5

**changed groups**

\* Introduction BW: Splitting up group 6: 1-3 have thought about need for external expertise, foreigners have presented themselves - so 1-3 have the chance to choose - "who from the foreign experts shall work with you this afternoon" - Galanta has first cho  
\* Group 1-3: Task = integrate feedback, possible results: what are the changes and challenges? Next steps to implement feedback?



Tabelle1

\* Group 4-5: RELEVANCE TO THEIR WORK!  
Recommendations, what is / will be needed from their point of view? recommendations, comments, wishes & necessities

19:00 Reception (Reflection: Zemko, Berenyi, PH,BW)

DAY 2 - morning

10:00	11:30	1:30 Presentation of group work I	as group work I	group 1-3: 15 min presentation
11:30	12:00	0:30 Discussion		group 4,5: comparing their work with 1-3

Tabelle1

12:00	12:30	0:30	Group work II - agenda after the study: next steps to realisation	as group work I
12:30	12:55	0:25	Presentation of group work II	as group work I
12:55	13:25	0:30	Discussion	
13:25	13:45	0:20	Summing up and closure	BW,PH, Akhvlediani, Berenyi
13:45			Lunch	

**ANNEX 2**

**Eco Plus Presentation**

**"Matching support infrastructure and development needs"**

**Support to Regional Development in Slovakia:  
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# SWOT - Analysis

## 1.) Typical weak points in less developed regions

- the volume of economic activities is too small
- too few of the existing companies are expanding
- the number of company set ups is too low
- incubators, regional innovation centers, technology transfer centers, competence centers, industrial parks, technology parks, science parks are not existing
- tertiary sector of education is not existing in the region, vocational training opportunities are scarce
- the administration is not very effective
- locations are not very attractive for foreign direct investments (FDI)
- **a strategic development program for the region is not existing**



## 2.) Development of strong points and realisation of options

A sensible start of new efforts must be based on a

### **"strategic concept for the development of the region"**

This concept must contain

- list of development options
- the resources, which are available, e.g.
  - money
  - estates, premises
  - technical infrastructure and institutions
  - qualified personnel

- the ranking of the options with regard to the limited resources

- list of projects to be carried out.

This list must fit into the strategic development concept and must be based on the availability of resources



## Requirements of international investors on business sites

### Geographical position

- Closeness to urban agglomerations,
- At least closeness to provincial capitals or cities with capital importance

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## Requirements of international investors on business sites

### Transport infrastructure

- Connection with an excellent road-network (motorways, highways)
- Closeness to an international airport which offers worldwide connections
- Advantageous connections with international borders
- Rapid execution of toll and entry formalities
- Widespread offer of logistics services
- Railway or harbor connections

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## Requirements of international investors on business sites

### Economic infrastructure

- Ready developed, immediately available industrial parks including modern communication and logistics facilities
- Ready developed, immediately available industrial parks including modern communication and logistics facilities
- Moderate prices
- Possibilities of expansion



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## Requirements of international investors on business sites

### Closeness to the market

- Existence resp. closeness to the sales market
- Existence resp. closeness to the buying market (suppliers, economy-related companies and other service companies)



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## Requirements of international investors on business sites

### Labor market

- Supply of labor corresponding to:
  - Quality, quantity and availability
  - Motivation, flexibility and mobility
  - Internationality (knowledge of foreign languages, open mindedness for other peoples/ culture)
- Internationally competitive wage level in relation to productivity
- Placement of so-called key workers from the non-EU area and workers from Eastern neighbour countries
- Rapid and unbureaucratic execution of applications for residence permits and work permits



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## Requirements of international investors on business sites

### Education

- Internationally orientated and accepted educational systems and institutions
  - Dual professional training
  - College education (technics, commerce) as well as technical schools which offer courses in English language international offer of foreign languages
  - Fachhochschulen
  - Universities
  - Post-graduate training



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## Requirements of international investors on business sites

### Research and development

- Internationally renowned research and development centers
- Networking in cooperation with teaching, research and economy resp. Institutions
- Existence of corresponding state incentives for R&E activities

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## Requirements of international investors on business sites

### Competitive ability of economic general framework

- Low strike rate, high productivity
- Clear, stable legal system
- Stable currency
- Simple fiscal system, moderate tax rates
- International economic treaties and trade agreements
- Double taxation avoidance agreement
- Efficient instruments for business development
- Efficient and effective administration
- Stable social and political position

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## Requirements of international investors on business sites

### Quality of life

- Attractive housing facilities for managers
- Housing facilities for employees
- Kindergartens, elementary schools, secondary schools, tertiary schools
- Health care
- Recreational facilities: art and culture, sport, wellness



## **Areas of regional development**

- A. Infrastructure and public services**
- B. Legal and financial environment**
- C. Innovation of existing enterprises in the region**
- D. Expansion of existing enterprises, foundation of new enterprises**
- E. Inward investment - settlement of foreign companies**
- F. Foundation of centers with high economic impact in the region**

## **F.) Foundation of Centers with high economic impact on the region**

- **Economic Parks (Industrial, Trade and Services Parks)**
- **Business parks**
- **Technology parks**
- **Science parks - Centers for applied R & D**
- **Regional Innovation Centers**
- **Incubations Centers**
- **Technology Transfer Centers**
- **Know-how Transfer Centers**
- **Creation of technology transfer-, innovation and incubation centers**

## **Number of necessary business foundations for the creation of 1000 jobs**

<b>in the Sixties</b>	<b>20 - 50 business foundations</b>
<b>1995 more than</b>	<b>200 business foundations</b>
<b>Tendency</b>	<b>250-300 business foundations</b>

- **Assumption:** In the 90's the number of newly created jobs shall equal the number of the 60's.
- **Conclusion:** We need at minimum 5 times more business foundations than in the Sixties of this century. Therefore the society has to produce a lot of entrepreneurs.

## **Push-Factors**

- bottleneck in available space (sites)
- rise in costs of labour
- tighter environmental regulations
- lack of expansion possibilities
- difficulties with neighbours
- logistical problems e.g. lacking highway
- bureaucracy - complicated procedures, long waiting times for authority decisions
- infavourable taxation
- strikes
- hostile economic policy

## **Pull-Factors**

- **wide range of qualified labour force**
- **cost advantages (cost of land, labour, material and energy)**
- **availability of commodities, services and other resources**
- **advantages in financing**
- **possibility to improve market position**
- **advantages in logistics**
- **up-to-date infrastructure and economically oriented legal framework**
- **entrepreneurial economic climate, economically oriented governmental politics**
- **cultural attractions and leisure facilities**

## **Medium term goals for the development of the Lower Austrian Economy**

- 1.) Augmentation of economic activities in Lower Austria**
- **Expansion of existing enterprises**  
e.g. export offensive, expansion of the national markets, technology consultancy
  - **foundation of new enterprises, setting up of new companies**  
e.g. participation model, reduction of bureaucratic barriers, quick administration, incubators, competence centres
  - **increase in inward investment**



## **2.) Improvement of efficiency of the economic system and of the enterprises**

- **Improvement of the framework of economy**
- **improvement of basic infrastructure and of infrastructural institutions**
- **modern, competent and quick administration**
- **innovative enterprises (products, processes, organisation, selling methods and so on.)**
- **integration of sectoral and regional policy**



### **3.) To raise the standard of internationalisation of the economy**

- foster cosmopolitan attitudes, to foster studies of foreign languages
- to expand sales to overseas countries
- to utilize multicultural population
- to foster international cooperation
- to foster multinationality of industrial cooperation/groups



### **4.) Codevelop and design the Central European economic functions of the Vienna region**

- turntable function
- exchange function
- intermediary function
- docking function
- impulsion function
- motor function
- approach and gateway function for settlement of enterprises who want to work on the emerging markets of the CEEC (MOEL)
- connecting function
- corridor and transit function
- support and help function versus our neighbours



**5.) To push (force) Research  
Development policy,  
technology policy**

- to foster and support research institutions
- to foster and support competence centres
- to subsidise the utilisation of modern technologies
- to develop a public climate friendly to the introduction of new technologies
- to foster experiments



**6.) To further modernise the  
educational system**

- to expand "Fachhochschulen" a modern system of tertiary education
- to establish institutions for "lifelong learning"

**7.) To push EU expansion**

- to prepare well for expansion
- to push expansion on EU level
- to foster interregional activities within EU and applicant states

