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TIMBER FRAME BUILDINGS FOR EMERGENCY SHELTER

US/CRO/92/162. UC/CRO/93/053
and TF/CRO/93/D10

CROATIA

Technical report: Progress report No. 4*

Prepared for the Governments of Italy and Japan by the
United Nations Industrial Development Organization

Programme Manager: Robert M. Hallett
Agro-based Industries Branch

* This document has not been edited.

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1. Introduction

This report follows on from Progress Report No. 3 which covered up to 30 September 1995 and covers the period 1 October 1995 through 31 January 1996. Although it deals primarily with project TF/CRO.93/D10, funded by The Government of Japan, some aspects include the results of activities of project US/CRO.92/162, funded by the Government of Italy. In fact a summary of the entire project was reproduced in the September 1995 issue of UNIDO SCOPE as "Reconstruction in Croatia with Italian and Japanese funding", which is attached as Annex 1.

The main activities during this period related to completing the last purchases of materials, closing down fabrication facilities, construction of the three buildings (in Lukac, Vocin and Ceralije) and securing the balance of materials and equipment. A mission to Croatia in late November by the Project Manager and an Evaluation Officer visited all sites and met with key regional staff and the national counterpart in the Ministry of the Economy.

During the first project, the original counterpart agency, the Ministry for Reconstruction became a Bank, then a Fund, with the result that no central coordination was possible except through the Permanent Mission in Vienna. The successor counterpart, the Ministry of the Economy, took a positive and active interest in the project, and, thanks to similar support from the Mission, many problems were resolved. Throughout, the absence of a UNDP office was a factor.

2. Impact of the Projects

It should be recalled that these two projects represented an intermediate concept between emergency relief and technology transfer and that immediate or short term results were not expected. Owing to the degree of devastation suffered by the town of Vinkovci and the surrounding villages the initial counterparts were unable to appreciate the advantages of, and so be more receptive to the light timber framing building method as was eventually adapted to Croatian conditions. Had this not been the case, considerably more in the way of physical outputs would have been achieved. The in-depth evaluation exercise pointed to the lack of promotional effort during the early stages of US/CRO.92/162 as a weakness in project strategy, which could have prevented some if not most of the problems encountered later. Instead, believing that this building system would quickly be recognized as a means of alleviating the shelter shortage, project staff concentrated on establishing workshop facilities and site work. The evaluation report recommended a seminar aimed at promoting the system and stimulating interest in its application.

The result of this was reluctance to try to promote widespread use of the system since there was a distinct lack of completed buildings to demonstrate to other regional authorities and central government officials until the summer of 1994 when the 320 m² school in Slavonski Brod was structurally completed. This allowed early efforts of the successor project TF CRO 93/D10 to invite representatives of other municipalities to see for themselves what was being proposed. Despite this opportunity, only two regional governments expressed their interest in collaborating with the next project, and it was only after the first building (in Lukac) was well underway that local interest became stronger. Political changes in both Slavonski Brod and Vinkovci meant that momentum was lost and potential impact suffered. Other problems in Sisak prevented the project from demonstrating the effectiveness of the building system there, so it was only in Virovitica where a real impact can claim to have been made. In this region, both the appearance and the cost factor combined to convince those involved that the system would be successful. Now that the political situation has settled down and steps are being taken to restructure/rehabilitate the entire forestry/wood industry sector there is convincing evidence that this building system will succeed.

2.1 Market analysis

Owing to early emphasis on operational aspects at the beginning, it was simply assumed that there was a great demand for buildings of almost any kind and that bureaucratic hurdles would be overcome as the project progressed. It became clear that local and central authorities did not want encampment type settlements although for many there was no alternative. Private homeowners were prevented from considering this option by the lack of a demonstration building and building permission problems in Vinkovci. The preference for traditional construction is very strong and for this reason the second project concentrated on community buildings. Similarly, although there was and still is a great need for roofs, early ambitious plans to introduce trussed rafters for partly destroyed houses were not followed up due to these reasons, and the fact that Croatia was still in a war situation.

Nevertheless, during 1995, an attempt was made to quantify the potential demand for this building system by a national consultant and a questionnaire was circulated to sound out opinions and demand for three types of building: community buildings of 320 m² as built in Slavonski Brod and Virovitica, mini-farm buildings of 50 m² as built in Vinkovci, and, tourist or vacation houses of 40-60 m². No replies were received and the report had to rely on interviews and individual contacts for data. The most important of these were with the Deputy Minister of Development and Reconstruction who was very positive owing to the cost advantage over existing systems and the possibility of making use of casual labor, making staged purchases of materials as is customary and the absence of need for cranes. Details are in the report which will be reproduced in early February 1996. Discussions have also pointed to the

acute need for roofs and according to information from this Ministry, the priority regions have been identified as:

1. Požeško-slavonska county (Slavonski Brod)
2. Sisačko-moslavačka county (Sisak)
3. Karlovačka county (Karlovac)
4. Ličko-senjska county (Gospić)
5. Zadarsko-kninska county (Zadar)
6. Splitsko-dalmatinska county (Split)
7. Dubrovačko-neretvanska county (Dubrovnik)

The two types of products most needed are roof trusses and community buildings such as produced by these projects. At least 15-20 such buildings would be needed especially in the "special areas" where the need is greatest. Also, the agricultural development plan, recommended in an FAO Study, April 1995, would be able to incorporate the mini farm type buildings.

Annex 2 comprises letters from Ruscica, Slavonski Brod and Suhopolje, Virovitica, requesting community buildings. It is expected that considerable interest will be generated following completion of the last three buildings and the seminar now that rebuilding can begin in earnest. It must be stated that the Croatian authorities have expressed strong support to this project as part of their reconstruction programme.

2.2 Technology transfer

This aspect may be considered under two headings, legislative and human resources. The authorities in Slavonski Brod participated actively in the design of the school and collaborated closely with project staff to secure planning and building permissions. Although officials in Vinkovci were at first negative, the system was approved after examining the first example. There were no problems in this respect in Virovitica but in Sisak the education authorities would not accept the Brod design and in the end, delays and other preoccupations prevented even one building from being built there. It would be reasonable to conclude that there would be no further problems with permits for future buildings of this type, although the follow-up activities proposed below are intended to reinforce this point.

As for human resource development, this has proceeded at three levels: that of the professional civil engineer, technical supervisory management and workshop or site operator/labourer. The few engineers and architects involved in the building permission exercise will have gained at least a fundamental knowledge of the system but unfortunately only one civil engineer, who was engaged as a national consultant during 1995, can be considered completely familiar with the details. Another, working with the project in Slavonski Brod in late 1994, made a substantial contribution and even

continued, after his emigration to New Zealand, to support the project with structural advice.

One national was engaged for a total of 22 months and is completely trained in all workshop and site supervisory aspects, while another two are competent to handle a prefabrication workshop. Various personnel were engaged on site and in the workshops, particularly a group of students in Vinkovci, who participated in the project there. All, to varying degrees can be considered to have absorbed the technology. The first national to be employed in Vinkovci worked almost continuously with the project as clerk, administrative assistant, interpreter and liaison officer and would be a valuable asset to any firm deciding to take over the technology since he knows about all the operations and sources of supply as well as UNIDO procedures. Thus a core of people are trained and, should the system be implemented at the commercial level, they would be able to contribute in a variety of ways.

As stated above, a national seminar aimed at publicizing the projects would help mobilize these resources and ensure continued transfer of the technology.

3. Operational Aspects

3.1 Project staff

Over the duration of the projects there was a succession of nationals employed. Annex 3 shows the staffing of both projects plus that of an interim project (UC CRO 93 053) funded by UNIDO. Aside from these, a substantial number of nationals worked in the three workshops (Vinkovci, Brod and Zagreb). It was unfortunate that there was so much trouble finding either space or an existing enterprise that had the foresight to collaborate in the production part of the projects, and doubly unfortunate that, when a partner was found (DREN in Zagreb) the events of August 1995 conspired to bring the firm to bankruptcy. Although all staff were either mobilized or just left the firm, the few project staff continued to produce the required components up to October 1995. An amendment to the original agreement with DREN comprises Annex 4.

As of 31 January 1996, only two nationals were on board to ensure completion of the buildings in Ceralje and Vocin, the respective municipalities having undertaken to finish off the interiors. It is recommended that these two be contracted during the transition phase to ensure that commercial production proceeds smoothly.

3.2 Project assets

These should be considered under the headings: physical (buildings, balance of material and equipment); personnel; and, technology.

By the end of the operational stage there will be six buildings totaling about 1930 m² whose title must be transferred to the respective municipalities.

There will also be enough plywood and roofing shingles for another three buildings of 320 m² and much smaller quantities of other materials such as PVC film, insulation, nails and such leftovers. The main workshop equipment is in storage at a warehouse in Zagreb (thanks to the goodwill of a firm which had been a major supplier of materials) and the plywood and shingles are in a warehouse in Lukac (also as a courtesy). The three sites have lockable facilities for the smaller tools and equipment needed for site work. All these are inventoried and shown in Annex 5. It is estimated that the total value of materials is US\$40,000 and the value of equipment and hand tools is US\$15,000 (approx). Note Sufficient gypsum board, nails and plumbing fixtures are stored at the "Tena" Zalužja b.b Warehouse in Vinkovci awaiting a decision (and funds) by the local authorities to complete the 600m² building. Also, a substantial contribution of plumbing fixtures and boilers was made in late 1993 to the IRC Refugee Center in Gasinci (as per Progress Report No. 5, 11 January 1995, Annex 2)

Finally, the value of project personnel who know the system should not be underestimated as an asset

3.3 Budgets

As with project assets, there remain uncommitted balances in both projects of US\$31,356 and approximately US\$32,000 respectively. Project UC CRO 93 053 is financially completed. At the time of writing, these were being rephased into 1996 to prepare for the transition stage leading to commercial production and use of the system and the rehabilitation of the wood processing industry. In general terms, the remaining funds on US CRO 92 162 will be used for the seminar including the return for about one month of the international consultant who spent three years with the projects and for other international specialists to present specific technical papers. The balance of funds on TF CRO 93 D10 will be used for national staff and operating expenses plus headquarters staff travel. No further purchases of building materials are foreseen and only minor spare parts or tooling are likely to be bought.

UNIDO plans to organize a seminar within a few months to facilitate the development of this rehabilitation/restructuring programme. Tentatively, this will cover:

- Case studies from the UNIDO projects (buildings in Lukac, (Virovitica) and mini farm, Vinkovci).
- Presentations : EUROCODE 5 "Design of Timber Structures"
 - : Roofing systems
 - : Status of the industry
 - : Demand in Croatia
 - : Policies for small business creation and investment promotion
- Discussions on future developments

The Ministry of the Economy would be the official host and invitations to participate would be extended to the Institution of Professional Engineers University staff from Civil Engineering and Architecture faculties, the wood industry, forestry (Hravtska Sume) and the regional governments (Zupanje)

Therefore, efforts will concentrate on promotion and preparation for a follow-on project to rehabilitate the industry (including forestry) and on helping commercialization to succeed. The latest expenditure status is shown for each project in Annex 6

4. Development Strategy

4.1 Timber framed buildings

Given the great demand for reconstruction, it is surprising that only two firms have so far indicated willingness to use the system commercially. These are PROSO, Zagreb on behalf of a partner building contractor, and Građa, Slavonski Brod, the Croatian partner of a Czech firm engaged in timber frame house building (see Annex 7). Provided that agreement can be reached between them and the Ministry, it is proposed that they share the project assets and be assisted to continue with the system. The seminar described in the Country Strategy Note is expected to stimulate interest in such buildings but a key issue will be financing. The Ministry for Development and Reconstruction should try to assist the selected regions and municipalities to identify funds for community buildings in severely affected areas and support should also be requested from bilateral sources directly, with UNIDO playing only a coordinating and advisory role.

4.2 Forestry and wood industries

The above-mentioned Note was aimed at initiating a fundamental restructuring of the forestry and wood processing subsectors of Croatia. It is considered essential by UNIDO that all "stakeholders" or parties interested in this mutually beneficial objective be involved from the beginning and that they should all share in identifying problems, strategy and needs for external assistance. An important feature will be the promotion of investment, particularly in fabrication and fixing of roofing systems using prefabricated trusses using metal nail-plate connectors. The major roofing system holding company in the world has shown interest in entering into licensing agreements but until recently was presumably awaiting an improved investment climate. This should be pursued as a matter of priority.

5. Conclusions

The two emergency shelter projects managed to create interest in the light timber framing system which is by far the most common house and small building system used in North America, Australia and New Zealand and which is increasingly being used in Western Europe. Preliminary cost estimates show that it is competitive and that the kit-form approach is appropriate for Croatia and customary building habits. Initial reactions to the appearance, both exterior and interior, have been positive. Two private sector enterprises have expressed interest in continuing with production and construction on a commercial basis with initial help from UNIDO.

The formulation of a national plan for restructuring the forestry and wood processing industrial sectors has begun and the completion of these two projects will lead, through a transition stage, to additional support for this important sector.

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... Project Focus continued from page 7

Reconstruction in Croatia with Italian and Japanese Funding

In July 1992, the Government of Croatia asked UNIDO for help in sheltering displaced people and refugees and showed great interest in the light timber framing or Canadian System of building that was proposed. The strategy was to build a few demonstration houses and community buildings and train counterparts to carry on. Recognizing the value of this approach the Italian Government immediately contributed \$800,000 towards the programme, originally estimated at \$3.2 million in the expectation of contributions of materials and tools from several donors.

UNIDO started in Vinkovci, East Slavonia, in hard conditions: regular sounds of fighting were less than a kilometre away. It was agreed to build a 600 m² school to provide much-needed shelter for a dozen families. However, when exterior finishing off had been completed, disagreements arose over who should do the interior finishing off. In the meantime, a 50 m² house-cum-shop for a mini-farm in Vinkovci was built as the understanding of respective roles and responsibilities increased. This was a joint project with UNHRC, the Vinkovci authorities and UNIDO. By then people began to realize that the System had merit. The neighbouring regional government of Slavonski Brod requested a school and by May 1994 the concrete foundations and utility connections had been completed.

In early 1994, the Japanese Government became interested in the plight of the refugees and displaced peoples in Croatia and donated \$700,000 (gross) to continue the work. This time great care was taken to stipulate the respective responsibilities of the new counterparts. It was not until late September 1994 that a project document was finally agreed and UNIDO was confident of grass-roots understanding. Six community buildings of 300 m² each, based on the Sl. Brod model would be built in the region of Virovitica and Sisak as

clinics, kindergartens, veterinary clinics and schools. It was only in March 1995 that a small wooden cable reel factory was found in Zagreb whose director saw the potential for diversifying into the production of a range of prefabricated timber frame buildings. An agreement was signed in mid-April with the full endorsement of the Ministry of the Economy and the Permanent Mission in Vienna.

Meanwhile, the work proceeded and sources of materials were identified locally as much as possible. However, in August 1995 the resumption of war activities nearby meant that the authorities in Sisak were unable to provide foundations within the time set. Therefore, as the project now stands, only three buildings (300 m² each) will be completed. However, great enthusiasm has now been generated on the part of both governors and workers on site for this System, and there is even talk of the project team forming a private firm to do site erection work to complement the production of prefabrication kits by the Zagreb factory. So it looks as if, as intended, the projects have resulted in something more durable than just emergency shelter.

In conclusion, this example of post-emergency assistance vividly demonstrates the need for flexible and imaginative approaches to projects, and attention to detail and the importance of good communication skills. The lack of a UNDP office, the volatile situation, the complex political background arising from the creation of a new country have all contributed to problems. The current situation indicates that even more people will be displaced and need help. Within the concept of post-emergency assistance, is the belief that the sooner people can return to productive work, the sooner can relief operations be reduced. This might even be the way to redress the imbalance between relief and development aid that has impacted so severely on UNIDO's budget (contact Bob Hallett).

Books and Reports

Two manuals on energy-saving guidelines have been prepared under the UNIDO project entitled "Programme for Rational Use of Energy Saving Technologies in Cement and Ceramic Industries in Bangladesh and Sri Lanka" (US/RAS/93/039). The guidelines, which are intended for the use of employees of cement and cement industry factories, contain information on production processes and the options available.

UNIDO's Industrial Surveys of the Central Asian Republics of the former Soviet Union provide information on industrial sectors and lay the foundation for the development of a UNIDO support strategy and a subsequent programme of assistance to the industrial sector supported by different multilateral funding organizations (contact George Assaf).

UCD Country Brief - Indonesia, which covers the period from December 1994 to May 1995, has been prepared by Ali Fannpour in a new format. The reports highlights important issues that have potential for UNIDO's activities in Indonesia. It also provides a brief overview of environment-related activities and the latest information on programme project development as well as on projects in detail.

Human Development Report 1995 has been recently launched by UNDP. Published annually since 1990, the Report examines the progress made by people worldwide and provides country-by-country comparisons on a broad range of social and economic indicators. This year, it focus on gender inequalities and includes two new composite indices - the gender-related development index (GDI) and the gender empowerment measure (GEM).

The Report presents a five-point strategy to close the economic and social gaps between men and women. It also carries the ranking of the countries based on their Human Development Index (HDI), which measures the progress of nations beyond purely economic indicators, in terms of life expectancy, education and income.

REP. OF CROATIA
BRODSKO-POSAVSKA COUNTY
KLAKAR MUNICIPALITY
MAYOR

Class: 023-01/95-01/254
No.: 2178/07-95-1
Klakar, 20. 11. 1995.

UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION
U N I D O

Subject: donation of school in the area
of Klakar municipality

As you already know, Klakar municipality thank you for a donation of four grades primary school in Gornja Vrba, which need interior finishing, as electrical installations, water installations and heating.

In our municipality there is more than 600 pupils from first to eight grades, and it would be good to have one more similar building. In that way all the pupils from this municipality could go to school in Gornja Vrba, and they would not have the need to go to the primary school "Vladimir Nazor" in Slavonski Brod.

In the case that may not be realized would it be possible for us to have one more four grade school in Ruščica, the same as one in Gornja Vrba, because the school in Ruščica is in very bad condition, and they have about 20 pupils per class.

Yours sincerely

Mayor
Niko Pavić

REP. OF CROATIA
VIROVITIČKO-PODRAVSKA COUNTY
SUHOPOLJE MUNICIPALITY

Town municipality
Class: 022-01-95-01-92
No.: 2189/05-95-01-92
Suhopolje, 15. 11. 1995.

Ministry of economic affairs
Industry branch
Zagreb
Avenija Vukovar 78

Subject: Application for help in solving the
needs for school and kindergarten
through UNIDO

We need the adequate buildings for the program of education
of kindergarten children and children which go to primary school.

Suhopolje has a hundred year tradition of kindergartens. The
existing building was a gift from Duke's family. Over the years of use it has
become devastated. Total area is 400 m².

At present it has 45 children and two teachers. It has kitchen
where they prepare the food for children. New education laws require that
the municipality needs to finance the work of such a institution, we also feel
that is our obligation to insure the work of an institution like this, and also
because of tradition.

Our opinion is that the building type of TF/CRO/93D10 of 600
m² would cover our needs and in future development of kindergarten.

Concerning the building for primary school which would be
based in Cabuna, our opinion is that 320 m² would cover our needs.

A building in Lukač, such as this type, is already being finished, we know the terms and conditions of such a building project and would be interest in building one.

We also have information that in Lukač is some material for our needs.

We also what to mention that the interests exist and possibility to organize prefabricated production of wooden elements for that kind of building, and also for assembling the same.

In hope that our application will come to support, best regards.

Yours sincerely!

Mayor

Dr. Mijo Fett

PROJECT PERSONNEL AND FELLOWSHIP SERVICE
.....

UKUP83

APPOINTMENTS and EXTENSIONS
By ProjectNo

Project No: US/CRO/92/162
PPCSA: 072000
Recr. Officer: Ms. M. Deroz
Backstop. Officer: Hallett

Bull	Expert Name	EOD	COB	Actual Duration	Prior Years	Man-Months 1992	Man-Months 1993	Man-Months 1994	Man-Months 1995
1101	FRANCIS	921020	921219	2.0		2.0			
	FRANCIS	921220	930419	X 4.0		0.4	3.6		
1102	DRAGICEVIC	930101	930630	R 6.0			6.0		
	DRAGICEVIC	930701	931015	X 3.5			3.5		
1103	VIDOVICH	930216	930715	5.0			5.0		
	VIDOVICH	930716	931015	X 3.0			3.0		
	VIDOVICH	940617	940716	X 1.0				1.0	
	VIDOVICH	940817	940916	X 1.0				1.0	
1106	DRAGICEVIC	921201	921231	1.0		1.0			
1151	VIDOVICH	940717	940816	X 1.0				1.0	
1701A	CORASIC	930215	930630	4.5			4.5		
1701B	RADOSEVIC	931201	931223	0.7			0.7		
1701C	KARATUROVIC	940701	940831	2.0				2.0	
1702	KANAZIR	930701	931231	6.0			6.0		
1702A	MORIC	940815	941014	2.0				2.0	
1703	NIKOLIC	931101	940131	3.0			2.0	1.0	
1703A	JELIC	940815	941014	2.0				2.0	
1704	MANDEK	930601	931231	7.0			7.0		
1705	OMER	930901	930930	1.0			1.0		
	OMER	940811	940824	R 0.5				0.5	

Duration Used:	56.2	3.4	42.3	10.5
Manmonths Used for BudgetLine 11-00:	26.5	3.4	21.1	2.0
Manmonths Used for BudgetLine 11-50:	1.0			1.0
Manmonths Used for BudgetLine 17-00:	28.7		21.2	7.5

PROJECT PERSONNEL AND FELLOWSHIP SERVICE
.....

UKUP83

APPOINTMENTS and EXTENSIONS
By ProjectNo

Project No: US/CRO/92/162
PPCSA: 072000
Recr. Officer: Ms. L. Taylor
Backstop. Officer: Hallett

Bull	Expert Name	EOD	COB	Actual Duration	Prior Years	Man-Months 1992	Man-Months 1993	Man-Months 1994	Man-Months 1995
Total Duration Used:				56.2		3.4	42.3	10.5	
Total Manmonths Used for BudgetLine 11-00:				26.5		3.4	21.1	2.0	
Total Manmonths Used for BudgetLine 11-50:				1.0				1.0	
Total Manmonths Used for BudgetLine 17-00:				28.7			21.2	7.5	

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Date: 96-01-29

PROJECT PERSONNEL AND FELLOWSHIP SERVICE

UKUP83

APPOINTMENTS and EXTENSIONS
By ProjectNo

Project No: TF/CRO/93/D10
PPCSA: 072000
Recr.Officer: Ms. L. Taylor
Backstop.Officer: Hallett

Bull	Expert Name	EOD	COB	Actual Dura- tion	Prior Years	Man- Months 1992	Man- Months 1993	Man- Months 1994	Man- Months 1995
1101	VIDOVICH	941025	951024	12.0				2.2	9.8
	VIDOVICH	951025	951209	X 1.5					1.5
1701	JELCIC	941017	951016	12.0				2.5	9.5
	JELCIC	951017	951130	X 1.5					1.5
	JELCIC	951201	951231	X 1.0					1.0
1702	OMER	950601	950731	2.0					2.0
1703	RADOSEVIC	941017	951016	12.0				2.5	9.5
	RADOSEVIC	951017	951108	X 0.7					0.7
	RADOSEVIC	951109	951124	X 0.5					0.5
	RADOSEVIC	951125	960124	X 2.0					1.2
1751	MANDEK	941101	951031	12.0				2.0	10.0
	MANDEK	951101	951130	X 1.0					1.0
	MANDEK	951201	960131	X 2.0					1.0
1752	DIJAK	950801	951031	3.0					3.0
	DIJAK	951101	951212	X 1.4					1.4
1754	VUCICA	950903	951202	3.0					3.0
1755	ZDUNIC	950903	951202	3.0					3.0
1756	NIKOLIC	950911	951210	3.0					3.0
	NIKOLIC	951211	960210	X 2.0					0.7
1757	JAKOVIC	950911	951210	3.0					3.0
	JAKOVIC	951211	960210	X 2.0					0.7

Duration Used:				80.6				9.2	67.0
Manmonths Used for BudgetLine 11-00:				13.5				2.2	11.3
Manmonths Used for BudgetLine 17-00:				67.1				7.0	55.7

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Date: 96-01-29

PROJECT PERSONNEL AND FELLOWSHIP SERVICE

UKUP83

APPOINTMENTS and EXTENSIONS
By ProjectNo

Project No: TF/CRO/93/D10
PPCSA: 072000
Recr.Officer: Ms. L. Taylor
Backstop.Officer: MR. HALLETT

Bull	Expert Name	EOD	COB	Actual Dura- tion	Prior Years	Man- Months 1992	Man- Months 1993	Man- Months 1994	Man- Months 1995
Total Duration Used:				80.6				9.2	67.0
Total Manmonths Used for BudgetLine 11-00:				13.5				2.2	11.3
Total Manmonths Used for BudgetLine 17-00:				67.1				7.0	55.7

MORE
Page: 1
Date: 96-02-01

Project Personnel Status Information
=====

01:53:05
STATUS-N

Project No: UC/CRO/93/153

Buli	Expert Name	EOD	COB	Over Period	Actual MM	Post Dura- tion	RO	BSO	PPCSA
1102	DRAGICEVIC	931016	931215		2.0		DEROY HALLE		0720D0
1103	VIDOVICH	931016	931215		2.0				
	VIDOVICH	940517	940616		R 1.0		TAYLO		

Total Duration Used: 5.0

Total Manmonths Used for BudgetLine 11-00: 5.0

4B

Aa

B1--SESSION1 R 1 C 7

1:53 1/03/80

ORDERING PARTY: "UNIDO" UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION, P. O. Box 300,
A-1400 VIENNA

and

PERFORMER:

"DREN" d.o.o. in bankruptcy, Zagreb, Ogrizovičeva
40, represent by bankruptcy manager
Davor Fulanović

because of circumstances, and based on meeting between Mr. Peter I.
Vidovich and Mr. Davor Fulanović they come to

AMENDMENT No. 1
to agreement No 95/03 from 19/05/1995

Article No. 1.

There are changes in article No. 1, and they are the following:
Both sides are obligated after signing this agreement to perform all the
agreed obligations in the agreed time.

Article No. 2.

There are changes in article No. 2, and they are the following:
"Dren" d.o.o. in bankruptcy, Zagreb, have the following obligations:

- provision of lockable space for the finishing of the production of the
earlier agreed prefabricated wooden elements plus the storage of raw
materials and finished elements.
- cover the expenses of the workshop for the production of the earlier
agreed prefabricated wood elements.

Article No. 3.

There are changes in article No. 3, and they are the following:
At the end of this amendment to the agreement, ownership of the
equipment (e.g. one compressor BEA 200 = 650 DM, three nailguns
AEROSMITH BN 50 = 6.560 DM, feeder AEROSMITH = 2.190 DM, six sets
of handtools = 1.000 DM, air-equipment = 1.000 DM, electrical installations,
wooden tables for assembling the frames and roof truss rafters = 3.000

- 17 -

DM, total = 14.000 DM) from ordering party, will be transferred to "DREN" d.o.o. in bankruptcy.

Article No. 4.

There are changes in article No. 4, and they are the following:
This amendment will be in effect until 30 November 1995.

Article No. 5

Article No. 5 is not changed at all.

In Zagreb, date 09. studenog 1995.

"DREN" d.o.o. in
bankruptcy, Zagreb

BANKRUPTCY MANAGER:
Davor Fulanović

"DREN" d.o.o. i
za proizvodnju drvene ambalaze,
unutarnju i vanjsku trgovinu
ZAGREB - OBRUČKIČEVA 4B
U STEČAJU

UNIDO
P. I. Vidovitch



PROSO WAREHOUSE TOOL SCHEDULE

SCHEPPACH bench saw + blade	pcs. 1
SCHEPPACH bench rollers	pcs. 2
SCHEPPACH saw guide & cross cut	pcs. 1
3 phase white power lead	pcs. 1
bench grinder & stand	pcs. 1
BEA 90 nail gun	pcs. 4
BEA 50 nail gun	pcs. 2
BEA gib stapler	pcs. 1
black power leads	pcs. 2
BOSCH router	pcs. 1
hoist	pcs. 1
big compressor	pcs. 1
air line large hoses	pcs. 3
BOSCH hammer drill	pcs. 1
3 m level	pcs. 1
aprons	pcs. 6
shingles nails	pkt. 31
shingles glue	box 3
silicon	box 10 = tube 250
HILTI concrete nails	box 4
1,5 m clamp	pcs. 1
DPC - isolation tape	pcs. 77
air hose clear, 50 m	pcs. 1
air hose clear, 8 m	pcs. 2
cordless drillmachine HERCULES	pcs. 1

7
m

PROSO d.p.o.
ZAGREB, Jamina 6
56

5.12.95



05/12/95

LUKAČ TOOL SCHEDULE

BEA stapler 380-16-400 serial # H-16904-00	pcs. 1
Airmax Portable Compressor 830653/205224-100	pcs. 1
BOSCH PKS 54 circular saw (blade size 160 mm)	pcs. 1
Nails	pcs. 2
Aprons, Complete	pcs. 6
Chalk Lines	pcs. 1
Extension Power Leads on Reels	pcs. 1
Extension Power Leads, Black	pcs. 1
Set 8 Drill Wood 10/2	pcs. 1
Hand Saw Jack	pcs. 1
1 meter Level	pcs. 1
3 meter Level	pcs. 1
Stanely Screw Driver Set	pcs. 1
500 mm Square	pcs. 1
Aluminum Extension Ladders	pcs. 2
Bosch PH6 Planer 25 82, 0-603-223503	pcs. 1
MAKITA Drill	pcs. 1
Air Hoses	pcs. 1
clamps	pcs. 2
silicon guns	pcs. 2

VOĆIN tool list

BOSCH PKS 66 circular saw (1 spare blade)	- 1
HILTI nail gun	- 1
HILTI nails box	- 3
LEADS (orange)	- 3
silicon gun	- 1
BEA nail gun 90	- 1
BEA nail gun 50	- 1
aprons	- 6
nail 90 mm box	- 3
compressor	- 1
air hose (50 m)	- 1
hand saw	- 1
3 m level	- 1
clamps	- 2

ĆERALLJE tool list

TOOL BOX - 40 pcs set	- 1
BOSCH circular saw PKS 66 + 1 spare blade	- 1
LEADŠ (2 white + 1 on reel)	- 3
BEA nail gun	- 1
YANMAR generator	- 1
hand saw	- 1
silicon gun	- 1
string	- 1
chalk line	- 1
spare blades for STANLEY knife	- 2
complete aprons	- 4
not complete aprons	- 2
aluminium extension ladders	- 2
window handles	- 20
electra beckum saw (1 stand + 2 extension legs)	- 1
silicon tubes	- 164
glue for shingles	- 75
canister	- 1
PVC foil	- 12
BOSCH sauber saw	- 1

RUN-DATE 1995-12-05
 UNIDO - UMAP02/B

DETAIL REPORT ON PROJECTS AS AT 1995-11-30
 BY PROGRAMME AND BACKSTOPPING OFFICER

PROJECT NUMBER: UC/CRO/93/153

PAGE 1092

PROJECT TITLE TIMBER FRAME BUILDINGS FOR EMERGENCY SHELTER

BACK STOPPING OFFICER MR HALLETT
 PROJECT REVISION A
 PROJECT STATUS F - FINC COMPL
 PGM-ELEMENT CODE 072000 AOS IND
 FIRST ISSUED 93-10-20 LAST UPDATED 95-11-15
 DONOR UND

BUDGET LINE	DESCRPT	TOTAL ALLOTMENT		CURR YR PHASING		PRIOR YEAR EXP		CURR YR DISB		BAL CURR YR OBL		COMMITTED FUTURE YEARS (11)	BALANCE CURR YR (12)	UNCOMMITTED BALANCE (13)	YTD IMPL VERSUS PHASING (14)
		M/M (1)	DOLLARS (2)	M/M (3)	DOLLARS (4)	M/M (5)	DOLLARS (6)	M/M (7)	DOLLARS (8)	M/M (9)	DOLLARS (10)				
11-02		2 0	17,384	0 0	0	2 0	18533	0 0	0	0 0	0	0	(4-8-10)	(2-8-8-10-11)	1,148-
11-03		3 0	30,618	0 0	0	3 0	39570	0 0	1529-	0 0	0	0	1,529	7,425-	0
11-8X	CONSULTANT	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	0	0
11-99	INTEPERTS	5.0	48,000	0 0	0	5.0	58103	0.0	1529-	0.0	0	0	1,529	8,574-	0
18-99	PERSONNEL	5.0	48,000	0.0	0	5.0	58103	0.0	1529-	0.0	0	0	1,529	8,574-	0
51-40		0 0	0	0 0	0	0 0	144	0 0	0	0 0	0	0	0	0	144-
51-99	SUNDRIES	0.0	0	0.0	0	0.0	144	0.0	0	0.0	0	0	0	0	144-
59-99	MISC.COST	0.0	0	0.0	0	0.0	144	0.0	0	0.0	0	0	0	0	144-
99-99	PROJ TOT.	5.0	48,000	0.0	0	5.0	58247	0.0	1529-	0.0	0	0	1,529	8,718-	0

PROJECT TITLE: TIMBER FRAME BUILDINGS FOR EMERGENCY SHELTER

BACK STOPPING OFFICER: MR. HALLETT
PROJECT REVISION: 0
PROJECT STATUS: 0 - ONGOING
POM-ELEMENT CODE: 072000 AOS IND:
FIRST ISSUED: 84-09-22 LAST UPDATED 85-11-24
DONOR: JPN

BUDGET LINE	DESCRIPT	TOTAL ALLOTMENT		CURR YR PHASING		PRIOR YEAR EXP.		CURR YR DISB.		BAL CURR YR OBL.		COMMITTED FUTURE YEARS (11)	BALANCE CURR YR		UNCOMMITTED BALANCE
		M/M (1)	DOLLARS (2)	M/M (3)	DOLLARS (4)	M/M (5)	DOLLARS (6)	M/M (7)	DOLLARS (8)	M/M (9)	DOLLARS (10)		(12)	(13)	
11-01		12.0	154,000	9.8	110,747	2.2	43253	11.0	102285	0.0	4630	0	0	0	0
11-8X	CONSULTANT	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	3,832	3,832
11-88	INTEPERTS	12.0	184,000	9.8	110,747	2.2	43253	11.0	102285	0.0	4630	0	0	3,832	3,832
13-00		0.0	0	0.0	800-	0.0	0	0.0	0	0.0	0	0	0	800-	0
13-01		0.0	0	0.0	0	0.0	800	0.0	800-	0.0	0	0	0	0	0
13-88		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	0	0
13-88	ADMIN. SUPP	0.0	0	0.0	800-	0.0	800	0.0	800-	0.0	0	0	0	0	0
15-00		0.0	6,200	0.0	5,200	0.0	0	0.0	0	0.0	0	0	0	5,200	6,200
15-01		0.0	0	0.0	0	0.0	1000	0.0	1520	0.0	5175	0	0	6,700-	7,700-
15-88	TRAVEL	0.0	6,200	0.0	6,200	0.0	1000	0.0	1525	0.0	5175	0	0	1,500-	1,630-
18-00		0.0	4,000	0.0	3,604	0.0	395	0.0	0	0.0	0	0	0	3,604	4,000
18-12		0.0	0	0.0	0	0.0	395	0.0	1445	0.0	1452	0	0	2,905-	3,304-
18-88	OTHER PERS	0.0	4,000	0.0	3,604	0.0	395	0.0	1445	0.0	1452	0	0	695	695
17-01		12.0	9,800	9.5	7,818	2.5	1955	12.0	8772	0.0	615	0	0	1,971-	1,972-
17-02		12.0	2,000	2.0	2,000	0.0	0	0.1	925	0.0	925	0	0	152	152
17-03		12.0	8,000	7.5	5,818	2.5	1955	12.0	7229	0.0	635	0	0	1,528-	1,528-
17-50		60.0	28,200	58.9	26,897	2.0	1504	60.0	0	0.0	0	0	0	26,897	28,200
17-51		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	8,300-	8,300-
17-52		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	2,710-	2,710-
17-54		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	1,855-	1,855-
17-55		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	2,870-	2,870-
17-58		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	1,603-	1,603-
17-57		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0	2,822-	2,822-
17-8X	NAT EXPERT	60.0	28,200	58.0	26,897	2.0	1504	28.8	16735	0.0	1341	2,040	2,040	6,618	6,618
17-88	NATIONALS	88.0	47,800	79.0	42,648	7.0	5164	83.8	33864	0.0	3714	2,040	2,040	5,271	3,228
19-88	PERSONNEL	98.0	212,000	88.8	131,400	9.2	80803	84.8	138120	0.0	14881	2,040	2,040	8,299	8,258
41-00		0.0	30,000	0.0	28,000	0.0	0	0.0	0	0.0	0	0	0	28,000	30,000
41-10		0.0	0	0.0	0	0.0	4000	0.0	1528	0.0	4101	0	0	18,370-	23,370-
41-11		0.0	0	0.0	0	0.0	0	0.0	8188	0.0	0	0	0	8,188-	8,188-
41-12		0.0	0	0.0	0	0.0	0	0.0	883	0.0	0	0	0	9,663-	9,663-
41-88	EXPENDABL	0.0	30,000	0.0	28,000	0.0	4000	0.0	33120	0.0	4101	0	0	11,221-	11,221-
42-00		0.0	332,589	0.0	242,177	0.0	0	0.0	0	0.0	0	0	0	242,177	332,589
42-01		0.0	0	0.0	0	0.0	90392	0.0	200351	0.0	18951	0	0	219,302-	309,684-
42-88	NONEXPEND	0.0	332,589	0.0	242,177	0.0	90392	0.0	200351	0.0	18951	0	0	22,875	22,875

BUDGET LINE	DESCRIPT	TOTAL ALLOTMENT		CURR YR PHASING		PRIOR YEAR EXP.		CURR YR DISB.		BAL CURR YR OBL.		COMMITTED FUTURE YEARS (11)	BALANCE CURR YR		UNCOMMITTED BALANCE
		M/M (1)	DOLLARS (2)	M/M (3)	DOLLARS (4)	M/M (5)	DOLLARS (6)	M/M (7)	DOLLARS (8)	M/M (9)	DOLLARS (10)		(12)	(13)	
43-00		0.0	2,200	0.0	200	0.0	0	0.0	0	0.0	0	0	0	0	0
43-11		0.0	0	0.0	0	0.0	2000	0.0	100	0.0	0	0	0	200	2,200
43-88	PREMISES	0.0	2,200	0.0	200	0.0	2000	0.0	100	0.0	0	0	0	100-	2,100-
49-88	EQUIPMENT	0.0	364,788	0.0	269,377	0.0	96392	0.0	233671	0.0	23082	0	0	11,754	11,754
51-00		0.0	42,700	0.0	34,854	0.0	0	0.0	0	0.0	0	0	0	34,854	42,700
51-10		0.0	0	0.0	0	0.0	6000	0.0	13291	0.0	11089	0	0	24,380-	30,380-
51-11		0.0	0	0.0	0	0.0	0	0.0	3521	0.0	0	0	0	3,521-	3,521-
51-40		0.0	0	0.0	0	0.0	2048	0.0	14180	0.0	0	0	0	14,180-	18,228-
51-42		0.0	0	0.0	0	0.0	0	0.0	18	0.0	0	0	0	18-	18-
51-88	SUNDRIES	0.0	42,700	0.0	34,854	0.0	8048	0.0	31008	0.0	11089	0	0	7,443-	7,443-
88-88	MISC. COST	0.0	42,700	0.0	34,854	0.0	8048	0.0	31008	0.0	11089	0	0	7,443-	7,443-
98-88	PROJ TOT.	98.0	619,489	88.8	464,431	9.2	166041	84.8	402699	0.0	49122	2,040	2,040	12,810	10,567



Enterprise for Production, Domestic and Foreign Trade
Office: Zagreb, Jarmine 6, Tel. 385 1 45 33 26, Fax. 385 1 41 60 53
Bank account No. BLZ 20815, Konto No. 9909-285034
on Die Steiermärkische bank Graz, Austria

UNIDO
UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION
Vienna International Centre
P.O.BOX 300, A-1400 VIENNA AUSTRIA

Att: Mr. Robert M. Hallett
Fax: 99 431 209 7662

Zagreb.17.11.1995.

Dear Sir,

We have been informed that you have been looking for a firm (or a person) that is going to continue in the next year the work you have started (assembly objects). As we are a part of the business, throught the providing of materials and carrying out of works, we would like to talk to you about our further collaboration and business dealings in the future

The business can be carried out by the team that has already been involved in it and Mr Peter Vidovich will be a supervisor.

We are assuming full responsibility for the organization of the whole business, and we guarantee the quality and that the business will be realized in accordance with terms. It is upon us to do the financial dealings with you.

Therefore we would like to arrange a meeting with you if it is possible.

Finally, we would like to point out that we have had a successful collaboration with UNPROTOR for 3 years and we can provide you with a list of dealings we have had with them.

With the best regards,

PROSO

Borislav Brkić

A handwritten signature in black ink, appearing to be "Borislav Brkić", written over a faint, larger signature or stamp.

MORAVSKOSLEZSKÉ DŘEVAŘSKÉ ZÁVODY, ŠUMPERK a.s.
HLAVNÍ TRÍDA 5, 787 84 ŠUMPERK
CZECH REPUBLIC

Tel.: +42 649 2401 Fax: +42 649 5986, 3278

UNIDO
Robert M. Hallett
Vienna International Centre
P.O. BOX 300
A - 1400 VIENNA
AUSTRIA

Šumperk, January 4, 1996

Dear Mr. Hallett,

thank you for your letter with interesting informations
regarding UNIDO projects.

The address of our Croatian partner is as follows:

GRADA d.d.

Sead Mujkic, director

Dr. Mile Budaka bb

35000 SLAVONSKI BROD

Tel.: 035 237-290

241-594

Fax: 231-832

We are looking forward to hearing from you.

Best regards,



Josef Zimáček

Marketing Manager

MORAVSKOSLEZSKÉ DŘEVAŘSKÉ ZÁVODY, ŠUMPERK a.s.
HLAVNÍ TRÍDA 5, 787 84 ŠUMPERK
CZECH REPUBLIC

Tel.: +42 649 2401 Fax: +42 649 5986, 3278

UNIDO
Mr. HALLETT Bob
P.O. Box 300
A-1400 WIEN

Šumperk, December 8, 1995

Dear Sir,

enclosed you will find some brochures and leaflets of our production program.

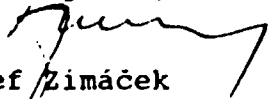
I would like to point out that wooden family houses for German market we produce according to documentation provided in Germany. We can offer a lot of alternative solutions of our houses and we are always willing to fulfil customer's requirements and to build the house according to their desire. You can read also description of the construction.

Next brochure contains several possibilities of our system of modular units with steel frame.

We discussed both of our systems with our partner in Croatia. They know very good the situation and the needs of that area and during our acquisition journey we found out that we are able to fulfil conditions of Bosnian and Croatian markets regarding technical design and also the prices.

We would be pleased to discuss other needed information in your office in Wien.

Best regards,


Josef Zimáček
Marketing Manager

MORAVSKOSLEZSKÉ DŘEVAŘSKÉ ZÁVODY, ŠUMPERK a.s.

HLAVNÍ TRÍDA 5, 787 84 ŠUMPERK

CZECH REPUBLIC

Tel.: +42 649 2401 Fax. +42 649 5986, 3278

UNIDO
Mr. HALLETT Bob
P.O. BOX 300
A-1400 WIEN

Fax: 0043 1 211316822

Šumperk, December 7, 1995

Dear Sir,

Let me inform you that our firm Moravian-Silesian Woodworking Corporation /MDZ, Šumperk a.s./ is the producer of wooden prefabricated family houses and modular units with steel frame and other products as wooden windows and doors, sawn timber etc.

We have about 2300 employees and 25 production plants in the region of North Moravia in the Czech Republic.

We have made an acquisition journey to the Croatia and have made many interesting and important contacts there with some firms mainly from the building industry. One of them is situated in the Eastern part of Croatia in Slavonski Brod. They have good contacts also to the Bosnian government. We discussed possibilities for collaboration either in the range of construction of wooden prefabricated family houses, or accommodation buildings, offices, schools, medical centres etc. erected of the modular units with steel frame. The advantage of our systems is very short time of construction.

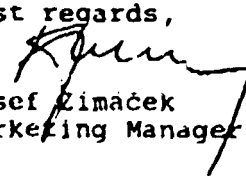
We are about four years in the German market regarding wooden family houses and we have built part of the base of an American oil company in Kazakhstan.

I visited last year the office of the UNCHS in New York and spoke to Mrs. Aliye Pekin Celik. She promised to give references concerning our activities.

Because of our relationship in Croatia we would like to be a participant of re-structuralization of that area. We would like to arrange a meeting in Wien to discuss these possibilities in the range of UN activities and to give you more informations concerning our production program. I'll send by mail some brochure with more informations.

I am looking forward to hearing from you with any possibilities to co-operate together.

Best regards,


Josef Zimaček
Marketing Manager



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

VIENNA INTERNATIONAL CENTRE

P.O. BOX 300, A-1400 VIENNA, AUSTRIA

TELEPHONE 211 310 TELEGRAPHIC ADDRESS UNIDO VIENNA TELEX 135612 uno a FAX 232156
*Zimacek

PLEASE NOTE CHANGE OF FAX NO FOR ISED AGRO AS OF 1/1/96 (+431) 21131 6849

412/09-CZE
TF/CRO 93/D10

19 December 1995

Dear Mr. Zimacek

Thank you for your letters of 7 and 8 December attaching information about your housing system and expressing interest in becoming involved in timber framed construction in Croatia

Our project is in the last few months of its operational phase and we hope to have the three 320m² buildings in the Virovitica Region all closed in for interior finishing off work to begin by January-February 1996 depending on the weather

I have informed Mr. Franjo Misak, Ministry of Economic Affairs of your interest and he already knows of another Croatian firm wishing to assume production and so benefit from the UNIDO introductory, demonstration and training work. Within a few weeks, we will establish the terms under which an enterprise could take over the project assets (material, equipment and staff) and in the meantime, I have copied your letters and this reply to him for information. It would be useful to know the name and contact information of your Croatian partner so that direct contact may begin.

Mr. Misak is Head, Department of Industrial Policy and International Cooperation in Industry, Ministry of Economic Affairs, Av. Vukovar 78, 41000 Zagreb, Tel. +3851 6133444 ext 2247, Fax 6113 993

Mr. Josef Zimacek
Marketing Manager
Moravskoslezske Dravarske Zavody, Sumperk a.s.
Hlavni Trida 5
787 84 Sumperk
CZECH REPUBLIC

Perhaps arrangements could be made to visit one or more of the buildings during construction

Finally, we have just received the draft of a technical report by one of our national consultants with cost and market information which will soon be available from the Ministry or UNIDO (with clearance). The system would seem to be competitive and suited to building customs

I look forward to further contact.

Yours sincerely,

SIGNED

Robert M. Hallett
Senior Industrial Development Officer
Agro-based Industries Branch
Industrial Sectors and Environmental Division

c.c.: Mr. F. Misak (w/a)
Mr. T. Ishigure, Japanese Mission
Mr. P. Wiedemann (w/a)