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SLOVAKIA TECHMART '96

US/SLO/95/185

THE SLOVAK REPUBLIC

Terminal Report*

Prepared for the Government of Slovakia
by the United Nations Industrial Development Organization

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I. FOREWORD

The Slovak Republic started its economic reform programme in 1990 when the national economy made a steady transition from a planned economy to a market one. In 1992 the state enterprises began to transform into joint-stock companies and the development of small and medium enterprises went on in parallel. By the end of 1995 there were almost 300 thousand entrepreneur entities in the Slovak Republic, and most of them were private medium and small sized enterprises and small businesses.

The development and growth of a national economy is closely linked to the technologies used in manufacturing process. This is of great importance in Slovakia where temporary comparative advantages resulting from a relatively inexpensive but qualified labour, low cost of energy and raw materials have to be substituted by the implementation of new technologies, know how and innovation.

The access to advanced technologies is not easy for small and medium entrepreneurs. They lack knowledge on the newest developments, particularly in a country where exhibitions and fairs specialized in technology transfer have not been introduced.

Techmart, this powerful tool of technology transfer developed and successfully implemented by UNIDO (from 1991) assists the SMEs to bridge the gap in this field and enables entrepreneurs to select, compare and acquire appropriate technologies. UNIDO introduced Techmart in order to promote and accelerate industrialization in developing countries. Recently, this concept has been extended to newly developing market economies in Central- and East-European countries in line with the new UNIDO mandate to assist countries undergoing economic transition.

The Slovak Republic was the first country in Europe where a Techmart took place from 13 - 15 November 1996. The Slovak entrepreneurs had a unique opportunity to become acquainted with a great variety of technologies and to identify potential business partners.

More than two hundred Slovak and foreign companies participated in Techmart '96; 73 companies, 47 of them from abroad displayed their technologies. Two seminars were held at the event with the attendance of more than two hundred and fifty participants. Hundred of individual business link meetings were held and according to a survey done many of them are very encouraging.

Slovakia Techmart '96 was highly appreciated by both exhibitors and visitors as well. They expressed their wish to participate regularly at such an event.

UNIDO and the Regional Chamber of Commerce and Industry of Trenčín jointly organized Slovakia Techmart '96 in co-operation with the Ministry of Economy, Ministry of Foreign Affairs, National Agency for the Development of Small and Medium Enterprises and Vystavisko TMM, a.s. - the exhibition company.

We are very grateful to Mr. Yo Maruno, Managing Director of the Investment and Technology Promotion Division, UNIDO, to Mr. V. Podshibyakin, Chief of Industrial Information Section, to Mr. J. Pavlík and to other staff of UNIDO for their valuable support in developing and implementing the Slovakia Techmart '96.

We would also like to extend our sincere thanks to the officials and staff of the Ministry of Economy and Ministry of Foreign Affairs and especially to the Ambassador of the Slovak Republic to the United Nations in Vienna, Mrs. D. Rozgoňová for their continuous and valuable support which helped to make this endeavour a big success.

My sincere thanks to all my colleagues whose efforts have significantly contributed to achieving the goals of Slovakia Techmart '96. We are also grateful to the participants of this forum from both the national and international sectors.

František Dobrodenka
Director of Trenčín Regional Chamber & National Project Director

Trenčín, Slovakia
29 November 1996

II. SYNOPSIS OF TECHMART

The small and medium industries in the Slovak Republic lack appropriate opportunities to directly identify the technologies available in industrially developed countries. The costs involved in the process of technology identification and negotiation appears prohibitive for small and medium industries and is preventing them from keeping abreast with the latest technological developments and tendencies.

The variety of technical problems tackled, requires access to objective and reliable information that would lead to acquisition and utilization of the new technology. The requirements of the small and medium industries vary from acquiring an idea, design, results of the basic research, through models or prototypes, pre-production stage to commercial scale technologies.

A specialized technology exchange forum developed by UNIDO - Techmart enables entrepreneurs to become acquainted with a great variety of technologies and shortens the time needed to get projects off the ground by bringing together the technology buyers and sellers in one place and moreover also establishes a permanent mechanism for setting up future business contacts among technology suppliers and seekers.

This was the goal of Slovakia Techmart '96 implemented under the UNIDO project US/SLO/95/185. Slovakia Techmart '96 was held from 13 - 15 November 1996 in Trenčín at the exhibition ground of Výstavisko TMM, a.s.

The results of Slovakia Techmart '96 can be summarized as follows:

- Objectives of Slovakia Techmart '96, in the sense of establishing long term business relations were achieved;
- More than 200 registered participants from 17 countries took part at the Techmart;
- 23 Letters of Intent were signed and many more will follow;
- Slovak entrepreneurs had a valuable opportunity to present their competence to the foreign partners;
- Two seminars oriented in the legal aspects of doing business in Slovakia and the integration of the Slovak Republic into the EU were held during Techmart with an audience of more than two hundred and fifty participants.

A complete list of registered participants and signed LOIs (Letters of Intent) is attached (Annexes I and II).

III. PROCEEDINGS OF SLOVAKIA TECHMART '96

A. INTRODUCTION

Small and medium-sized enterprises are considered to be one of the crucial factors in the economic development of a country and play an important role in every economy, particularly a restructuring one.

Development of Slovak small and medium sized enterprises started together with political changes in 1989. The position of Slovakia in the SME sector was worse than in other countries of Central and Eastern Europe where political changes happened at approximately the same time. Since most of the industry in Slovakia was built after World War II prevailing in the form of large factories producing semi-finished products aimed at the sizable market of the former CMEA countries. In spite of this fact, a real explosion of entrepreneurship occurred after 1989. This was enabled by a new atmosphere of economic freedom and new legislation.

The rapid rise and growth of companies, mostly based on outdated technologies park has caused a demand for new technology and investment. The small and medium industries in the Slovak Republic lacked appropriate opportunities to directly identify technologies available in industrially developed countries, or to find a foreign partner for a joint venture. The large variety of technical problems required an objective information exchange that would lead to the acquisition and utilization of the new technologies.

Having this in mind, the Slovak Republic applied for technical assistance from UNIDO, which had developed and successfully organized specialized business fora. TECHMART, where the rights to manufacture and upgrade existing products and processes could be bought and/or sold through direct contacts between technology seekers and technology suppliers both from developed and developing countries, with special emphasis on needs of small and medium-sized industries.

The Ministry of Foreign Affairs and the Ministry of Economy entrusted the Slovak Chamber of Commerce and Industry, particularly the Regional Chamber in Trenčín with the organization of Slovakia Techmart '96.

Slovakia Techmart '96 was held parallel to ELO SYS '96, the II. International Exhibition of Electrical Engineering, Electronics and Energy. The main reason for choosing this exhibition were twofold: firstly the electrical engineering, electronics, represented and integral part of industrial sectors identified for Techmart; and secondly the previous ELO-SYS was very positively accepted by the entrepreneurs.

Slovakia Techmart '96 primarily focused on the following industrial sectors:

- Chemical and pharmaceutical industry;
- Mechanical engineering and electrical engineering;
- Wood processing industry;
- Consumer goods (electronic household appliances, food processing, etc.)
- Building materials (progressive construction materials);
- Environmental protection and waste collection, sorting and processing.

Two seminars were organized during Slovakia Techmart '96. The objective of the first one "The Slovak Republic-Your Business Partner" - aimed particularly for foreign participants, was to familiarize prospective business partners of Slovak entrepreneurs with the legal framework for starting businesses and investment, and technology transfer in Slovakia. The seminar dealt also with some aspects of bankruptcy with emphasis on the situation in Germany and Slovakia (Annexes III-V).

The second seminar with the topic "How to prepare the Slovak Entrepreneurs for Integration into the European Union", designed primarily for the domestic audience, laid stress upon economic reform and industrial restructuring. The principal speaker Mr. Georgios Zavvos, Ambassador, Head of Delegation of the European Commission to the Slovak Republic in his speech emphasized :

"I believe that the Slovakia Techmart is one of those so needed events focused on the facilitation of the entrepreneurs to identify and acquire appropriate technologies to upgrade the level of production. This one as many other actions can improve the competitiveness of Slovakia' industry moving towards the open market of the European Union. I am very grateful to have the opportunity to participate in this event, because it gives me the chance to take part in this exchange of experience and views."

More than two hundred and fifty managers took part in both seminars. The participants of the seminars used this opportunity for discussions with the lecturers among whom were representatives of ministries, chambers of commerce and industry, Slovak and UNIDO economic and legal experts.

Slovakia Techmart was organized in Slovakia for the first time and established a common platform for technology buyers and sellers from Slovakia and abroad. Numerous business meetings took place during this event and most of the participants expressed their wishes to participate at the technology transfer forum regularly. The objectives of the technology transfer forum Slovakia Techmart '96 have thus been fully achieved.

B. INAUGURAL SESSION

Slovakia Techmart '96 and ELO SYS '96 were inaugurated by Mr. Karol Česnek, Minister of Economy, Mr. Ján Foltín, State Secretary of the Ministry of Economy, Ms. Daniela Rozgoňová, Ambassador of the Permanent Mission of the Slovak Republic to the United Nations in Vienna and Mr. Yo Maruno, Managing Director of the Investment and Technology Promotion Division of UNIDO.

Mr. Maruno in his opening address stated:

"Ladies and Gentlemen, as you certainly may know the mandate of UNIDO to promote and accelerate industrialization in developing countries has recently been extended by a mandate to provide advice and assistance to newly developing market economies in Central and East-European countries. There is no need to stress the importance of having available modern, efficient and simultaneously environmentally friendly technologies to achieve the formidable tasks that are awaiting those countries and among them the Slovak Republic in the transition process towards market economies and towards attaining the competitiveness of the economies of the industrially developed countries."

C. IMPLEMENTATION STRATEGY

i) Techmart Publicity

A campaign to promote Techmart was launched both in Slovakia and abroad. In February 1996, at the very beginning of the promotion campaign, Mr. Dobrodenka, the National Project Director, held a press conference. After that a series of articles were published in those daily newspapers with the largest circulation, local weekly paper and several times in the Chamber's bulletin, published fortnightly. Altogether twelve articles were published at this initial stage.

The Slovak TV twice broadcast an introductory report on the Techmart in its main economic programme for entrepreneurs in April 1996. The viewers obtained basic information on Techmart, its aims, as well as information on registration.

Slovakia Techmart '96 information brochures were dispatched to all members of the Slovak Chamber of Commerce and Industry (CCI) at the end of February. Small and medium industries were also contacted through the National Agency for Small and Medium Enterprises and its Regional Information Centers. In co-operation with municipalities a series of meetings with entrepreneurs were held with the aim

to explain the role and the goal of the Techmart and to provide reasons for participation and instructions for registration.

Appropriate attention was given to research and development institutes, technical universities and to the institutes of the Slovak Academy of Science. Knowing that these organizations could be a source of technology offers, the staff of the Chamber visited many of them personally. The result was very positive. The institutions not only sent a number of entries for the Technology Compendium, but they also actively participated at the Techmart both as visitors and exhibitors. Industrial fairs held in Slovakia were also utilized for promotional purposes and exhibitors were invited to participate in the Techmart.

One of the main partners for dissemination of information on Techmart at the international level were Chambers of Commerce and Industry. The Association of European CCI published an article in its monthly CCI EURO ECHO in February 1996. Series of articles with Techmart topic appeared in the international news of Austrian and German regional chambers.

Commercial counselors of the Slovak embassies, were provided with letters and brochures with complete information. Also diplomats and commercial counselors accredited in the Slovak Republic were invited to attend and requested to promote the event in their respective countries.

UNIDO, as a sponsor promoted Slovakia Techmart '96 through its Investment Promotion Service Offices and co-operating agencies in Austria, China, France, Greece, Germany, Italy, Japan, Poland, Russia, Switzerland, U.K. and U.S.A.

INTERNET has also represented an important means of promotion. At the beginning of the campaign, both UNIDO and Slovak CCI displayed an invitation article on their WWW. Later on, the UNIDO's web side was extended with the most important facts on the economic development and transformation process in Slovakia, general information on the Techmart, registration forms for exhibitors and visitors and registration forms for technology offers and requests. After collecting and classifying technology offers and requests from Slovak companies, UNIDO displayed these on the INTERNET in a form enabling the INTERNET users to survey the technologies sought and offered in Slovakia, in an easy manner.

ii) Participation Profile

Techmart was mainly aimed at promoting SME's through the adoption of appropriate technologies in order to sustain global competition. Hence the

participation was aimed at: i) manufacturing companies; ii) manufacturing and trade associations; iii) chambers of commerce; iv) research and development institutes; government organizations promoting SME's, v) transfer technology agencies, vi) consulting and design organizations.

iii) Exhibition Planning

The town of Trenčín, having an exhibition ground with a thirty-year tradition was chosen for Slovakia Techmart '96. The exhibition ground is located near the center of the town, in walking distance from the railway and bus stations, comprises nine halls with an indoor's exhibition area of 10.000 sq.m. and an outdoors' area of 20.000 sq.m. It hosts about thirty exhibitions and events annually, ranging from international trade fairs and major public exhibitions to smaller targeted fairs.

The Techmart was held parallel to ELO SYS '96 - the II. International Electrical Engineering and Energy Fair. The Techmart was planned on the ground floor of the Hall No. 1 and covered an exhibition area of 940 sq. m. There were 35 exhibitors representing 73 companies, 47 of them from abroad. The booths, of 6 sq. m. or a multiple of it, were covered on three sides, and equipped with suitable lighting and furnishings. All exhibitors and registered visitors could also use a special booth called "Meeting Point" equipped with video recorder, blackboard, PCs with CD ROM and over-head projector for a company's presentation or for visitor-to-visitor meeting. One of the PCs enabled access to the INTERNET. Interpretation services were also offered during the Techmart '96.

iv) Press Conferences and Television Coverage

As mentioned above, Mr. Dobrodenka, the National Project Director of Slovakia Techmart '96 held a press conference at the beginning of the promotion campaign. After the opening ceremony of Techmart, a separate press conference was held with the journalists of Slovak daily news, Slovak TV and radio where Mrs. Rozgoňová, Ambassador of the Slovak Republic to the United Nations in Vienna, Mr. Maruno, Managing Director of UNIDO and Mr. Dobrodenka gave interviews.

v) Technology Forum

A technology exchange forum Slovakia Techmart '96 was opened on 13 November 1996 at 9.00 a.m. and lasted 3 days until 15 November 1996 with exhibition hours from 9.00 a.m. - 6.00 pm. Techmart was primarily aimed at the registered participants but hundreds of visitors attending ELO SYS and other visitors

having no information on Techmart, visited this forum.

More than two hundred enterprises from Austria, Belgium, the Czech Republic, France, Germany, Hungary, Italy, Korea, Malaysia, the Netherlands, Romania, Russia, Thailand, Ukraine, United Kingdom, USA and Slovakia registered their participation in Slovakia Techmart '96 and thirty five participants representing seventy three companies (47 from abroad) displayed their technologies at the event. The important areas of technology at Techmart were: i) power engineering, including power and heat production, transmission facilities and equipment; ii) engineering represented by machines and devices for rubber, pharmaceutical, cosmetic, food and wood processing industries; iii) special and traditional fibers, yarn and fabric technologies; iv) ultrasound applications devices; v) computer control systems for a wide range of applications; vi) special steel, high-speed steel materials and tools; rubber technology and products; vii) building material technology; research results of carbohydrate chemistry and biochemistry. Besides manufacturing technologies for a broad range of industrial branches, representatives of financing and investment, privatization, intellectual property rights protection and technology transfer agencies were also present as exhibitors at Techmart.

According to the survey carried out during Techmart '96, about 200 business link meetings took place. Not all business negotiations were held at the exhibitors booths, the organizers enabled also visitor-to visitor meetings for those who found some interesting partners in the Compendium of Technology and Joint Venture Opportunities, and showed their interest in meeting in advance.

It is too early to estimate a turnover because most of the business negotiations could not be finalized at the first meeting and will follow, but a number of LOIs were signed. Most of the participants, both exhibitors and visitors appreciated the possibility to participate at this technology transfer forum and expressed their opinion that a Techmart should be organized regularly, at least every second year.

The Trenčín Regional Chamber of Commerce and Industry agreed on closer co-operation with the Arad Chamber of Commerce and Industry from Romania. Both chambers intend to sign a co-operation agreement at the next meeting of Trenčín and Arad region's companies in April 1997 in Romania and the great part of co-operation will be devoted to technology transfer and joint venture opportunities.

vi) Technology Transfer Mechanism

The organizers of Slovakia Techmart '96 applied the technology transfer mechanism proved at previous Techmarts. The Trenčín Chamber used the computerized data base of the Slovak CCI for identifying and selecting the technological needs of the Slovak companies. An additional source of information on SMEs was the database of the co-operating National Agency for Development of Small and Medium Enterprises and its national network of Advisory and Information Centers, licence offices of municipalities and professional catalogues.

Selected enterprises obtained a brochure containing complete information about the technology transfer forum including application forms for participants. The brochures were published in Slovak for domestic and in English for foreign participants.

At the first stage, a preliminary Compendium of Technology and Joint Venture Opportunities was elaborated, containing technology requests and offers from Slovak enterprises. The copies of this preliminary Compendium along with brochures were sent to the foreign co-operating chambers of commerce, Slovak embassies in Europe and overseas regions, in order to attract foreign companies to participate at the Techmart.

UNIDO, through its network of Investment Promotion Service Offices and its co-operating technology transfer agencies, was of great assistance in finding responses to the Slovak technological demands and promoting the event abroad. A very useful means of promoting Slovakia Techmart '96 throughout the world was displaying all the necessary information including all Slovak technology requests and offers, on UNIDO's web site on the INTERNET thus enabling interested people to carry out simple searches according to the events or technology requests and offers divided according to industrial branches.

The final Compendium of Technology and Joint Venture Opportunities encompassing also technology offers/requests from foreign companies in addition to those from Slovakia, was elaborated in the same way, both in printed form and displayed on the INTERNET.

For participants interested in meeting business partners identified in the Compendium, the organizers prepared an exact schedule. The business link meetings took place either at the exhibitor's booth or at the "Meeting Point", a reserved place well equipped with furniture and appropriate devices needed for company's presentation.

During the Techmart, the staff of UNIDO, the Regional Chamber of Trencín, the National Agency for Development of SMEs and the representatives of Ministry of Economy and Ministry of Foreign Affairs were available for participants to provide information and/or advice where required.

D. SEMINARS

Two seminars were held during Slovakia Techmart '96. Subjects chosen for the seminars were in line with the industrial and economic policy of the Slovak Government. Both seminars were chaired by experienced domestic and foreign professionals. The topics of seminars were:

Slovak Republic - Your Business Partner
How to Prepare Slovak Enterprises for Integration into the EU

I. Slovak Republic - Your Business Partner

The seminar took place in the conference hall of the exhibition ground on 14 November 1996 and was chaired by Mr. V. Podshibyakin, Chief, Industrial Information Section, UNIDO Vienna. The following presentations were made:

Mr. P. Seko, Director General, Trade Policy Section of Ministry of Economy:
Technology Transfer - Situation in the Slovak Republic

Mr. J. Vician, Lawyer:
Investment Legal Framework in the Slovak Republic

Mrs. D. Zemanovičová, Senior Economist, Center for Economic Development:
Bankruptcy - Present Legislation and Expected Changes

Mr. W. Behrens, International Industrial Investment Consultant, Austria:
Bankruptcy - Reasons and Lessons Learnt

The seminar was held in English and about sixty Techmart participants mostly foreigners attended it.

II. How to Prepare Slovak Enterprises for Integration into the EU

The seminar took place in the town's congress hall on 14 November 1996 under the chair of Mr. Dobrodenka, National Project Director, with the following programme:

**Mr. P. Mihók, President of the Slovak Chamber of Commerce and Industry:
Slovak Republic as an Associated Country of the EU**

**Mr. G. Zavvos, Ambassador, Head of Delegation of the European Commission to the Slovak Republic:
Preparing Slovak Enterprises for Integration into the EU**

**Mr. Ch. Huter, Austrian Federal Economic Chamber:
Austrian Example - Preparing Austrian Enterprises for Integration into the EU. The Role of the Austrian Economic Chamber**

The seminar was addressed to top managers of the Slovak enterprises with the aim to promote business development and industrial restructuring. About two hundred participants were present. The seminar was followed by a reception which gave the participants another opportunity for making business contacts and for meeting the lecturers as well as the representatives of the government and local authorities.

E. SUMMARY

The United Nations Industrial Development Organization (UNIDO) and the Slovak Chamber of Commerce and Industry, Trenčín Regional Chamber, in collaboration with the Ministry of Foreign Affairs, Ministry of Economy and the National Agency for Development of Small and Medium Enterprises, organized an international technology exchange forum Slovakia Techmart '96, from 13 - 15 November 1996. This prestigious event was held at the exhibition ground of Vystavisko TMM, a.s. in Trenčín in conjunction with the International Exhibition - ELO SYS '96. Slovakia Techmart '96 was inaugurated on the 13 November, 1996, by Mr. Karol Česnek, Minister of Economy of the Slovak Republic and Mr. Yo Maruno, Managing Director of UNIDO.

Seventeen countries, represented through seventy three companies exhibited their technologies and products illustrating their latest technological advances. The displayed technologies were from the areas of energy, electrical engineering, electronics, mechanical engineering, chemical engineering, pharmaceutical, building materials, wood processing industry and research. Financing, investment institutions or those dealing with privatization were also present. The largest delegation represented the Arad Chamber of Commerce and Industry from Romania, altogether

22 participants. More than one hundred serious business link meetings took place during Slovakia Techmart '96 and twenty three LOIs were signed.

A Compendium of Technology and Joint Venture Opportunities, containing 304 technology offers and 102 technology requests from 192 industrial enterprises, and 270 centers, was prepared to facilitate and stimulate contacts between those interested in buying new technologies and those offering it. The Internet has been utilized for both promotional purposes and informing the world business community on technologies offered and sought, i.e. for promotion of business co-operation worldwide. The Compendium is not only aimed at the direct participants of the Techmart. This is illustrated by the fact that the Trenčín Regional Office and UNIDO have already been contacted by more than 100 companies which did not participate in the Slovakia Techmart, however, expressed their interest in technology requests/offers.

Two international seminars were organized during Slovakia Techmart '96. Prominent policy makers, UNIDO experts, participants from various research and development organizations, industry, private enterprises and public sector took part in the event.

Slovakia Techmart '96 was held in this country and the region for the first time and immediately received a positive response from the participants. It enabled them to get acquainted with the latest technologies, to find a partner for developing a joint venture, or financial sources for introducing a new technology in their company or upgrading their existing production.

The participants emphasized the necessity to organize a technology transfer forum regularly in order not to lose contact with the newest technological developments.



TRENČÍN REGIONAL CHAMBER

UNITED NATIONS
INDUSTRIAL DEVELOPMENT
ORGANIZATION

SLOVAKIA TECHMART '96

13 - 15 November 1996

Slovakia

Exhibition area VÝSTAVISKO TMM a.s., TRENČÍN

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LIST OF LETTERS OF INTENT SIGNED.

<i>No.</i>	<i>Name & Address of the Seller</i>	<i>Name & Address of the Buyer</i>	<i>Technology</i>
1.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	CCI ARAD 5 Closca Street, P.O. Box 1-111 2900 Arad Romania	Partnership arrangements. Engaging in technology transfer
2.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	VZDUCHOTECHNIKA, a.s. Trenčianska 1881/17 915 34 Nové Mesto n. V. Slovakia	Filtering apparatus Production technology.
3.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	PIPECO, s.r.o. P.O.Box 13 976 81 Podbrezová Slovakia	Welding of polyethylene components.
4.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	NOVA-S, a.s. Štverníky 662 906 13 Brezová pod Bradlom Slovakia	Precise cutting. Equipment, technology
5.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	NOVA-S, a.s. Štverníky 662 906 13 Brezová pod Bradlom Slovakia	Machining of metals.
6.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	KVETA, v.d. Školská 36 968 19 Nová Baňa Slovakia	Mould production

<i>No</i>	<i>Name & Address of the Seller</i>	<i>Name & Address of the Buyer</i>	<i>Technology</i>
7.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	ELTEC, s.r.o. Vodárenská 11 921 21 Piešťany Slovakia	Liquidation of electrotechnical equipment with PCB
8.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	ELOS - elektrické osvetlenie Nikola Teslu 28 921 01 Piešťany Slovakia	Electroplating technology
9.	NIMTECH Alexandra House, Borough Road St. Helens, Merseyside WA10 3TN United Kingdom	VIPO, a.s. Gen. Svobodu 1069/4 958 01 Partizánske Slovakia	Production technology of rotary components
10.	WEP-HADES PLUS, s.r.o Februárová 154/18 958 01 Partizánske Slovakia	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	Sale of cutting knives for footwear production, possible joint-venture
11.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	OIRP Hrobákova 24 851 02 Bratislava Slovakia	Screw compressors. Development to existing system design
12.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	OIRP Hrobákova 24 851 02 Bratislava Slovakia	Technical ceramics. Technology for manufacture of ceramic piston/sleeve assembly
13.	G 3, spol. s r.o. Žabinská 22 911 05 Trenčín Slovakia	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	Polystyrene Concrete. distributor/user for production equipment relating to manufacture of poly/concrete building materials.

<i>No</i>	<i>Name & Address of the Seller</i>	<i>Name & Address of the Buyer</i>	<i>Technology</i>
14.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	G 3, spol. s r.o. Žabinská 22; 911 05 Trenčín Slovakia	Car Assembling. Opportunity with UK producer of 3 wheel delivery vehicle for assembly
15.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	KONŠTRUKTA- INDUSTRY, a.s K výstavisku 13 912 50 Trenčín Slovakia	Technology of Rubber Cutting Knives for guillotine cutting of steel reinforced rubber tyre extrusion.
16.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	ŠTÁTNY MAJETOK Pallugayho 1 031 01 Liptovský Mikuláš Slovakia	Waste Water Treatment. Joint-venture, Technology Transfer in respect of waste water treatment technology
17.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	ZVS Dubnica, a.s. 018 41 Dubnica nad Váhom Slovakia	Entertainment Pyrotechnics. Technology improvement to pyrotechnic products.
18.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	VZDUCHOTECHNIKA, a.s. Trenčianska 1881/17 915 34 Nové Mesto n. V Slovakia	Heat Pumps. Development of a new range of heat pumps
19.	ATS ASSOCIATES Lydwel House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	REPLAST, s.r.o. ul. Slobody 330/105 962 61 Dobrá Niva Slovakia	Hoses for Milk Production. Joint-venture for production of hoses for milk equipment

<i>No.</i>	<i>Name & Address of the Buyer</i>	<i>Name & Address of the Seller</i>	<i>Technology</i>
20.	ATS ASSOCIATES Lydwell House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	ŽELBA, š.p. Štefánikovo nám. 4 052 54 Spišská Nová Ves Slovakia	Shielded Welding with Tube-Wire. Technical assistance in welding of heavy steel plate fabrication.
21.	ATS ASSOCIATES Lydwell House, Lyme Road Uplyme, Lyme Regis, Dorset DT7 3TJ United Kingdom	PPS, a.s. Detva 962 13 Detva Slovakia	Working after welding. Solution of technical problems for welding process regarding manufacture of hydraulic rams.
22.	OMPRO, s.r.o. Gojdičova 13 920 41 Leopoldov Slovakia	Martin Davoz Trading, s.r.o. Kollárova 73 036 01 Martin Slovakia	Biodiesel plant. Co-operation in wasteless manufacturing of biodiesel.
23.	REVI srl via Virle 21 10067 VIGONE Italy	KOMET, s.r.o. L. Stárka 16 911 05 Trenčín Slovakia	Subcontracting/ Joint-Venture in turning of machine parts

TRANSFER OF TECHNOLOGIES

Economic and social development of every country is linked with the level of its technology used in manufacturing process. It is the technical development in manufacturing process which paves the way for being competitive on the world's markets. Therefore, the technical development and innovations were in the focal point in the past and they have remained there in the rapidly changing today's world.

The aims of the transfers of technologies, information and human factor is to eliminate differences between developed enterprises and those in the transformation process, to maintain the attained state, and to enable a continuous improvement of manufacturing conditions in order to achieve a dynamic, healthy and competitive enterprise. The dynamic, effectively developing enterprise as a basic unit of the economy, is the fundamental condition for economic growth of the whole economic and social domain and, therefore, of the state. To overcome economic underdevelopment during a period of one generation, a yearly economic growth by 5 to 6% will be necessary. Decrease of the technological level gap in relation to the developed economies is demanding single investments not only in manufacturing technologies, research and development base and requalification programmes but in the whole infrastructure as well. Connections between the investment amounts, progress in restructuring, and the economic growth rate are neither straightforward nor have a short-term nature. The influence of investments on the growth has a long-term character; non-investment growth factors and the share of investments in infrastructure have an important role in it.

Slovakia is at "a new starting point" and has a possibility to utilize the existing advantage to benefit from faster economic growth. For this reason, it is necessary to create favourable political, legislative, and economic conditions, and a good cooperation among entrepreneurs, the government and trade unions. The main motive forces of economic policy are the enterprises as mentioned previously and, therefore, the future progress and development of our economy will be dependent on their activities.

An analysis of the state of the economy of the Slovak Republic reveals the necessity to increase competitiveness in order to overcome transformation depression, to realize structural changes, to eliminate influences caused by the depression of the world economy and to eliminate the decrease of export dynamics within the scope of foreign trade. One of inevitable steps to secure growth of qualitative, technical and technological levels of production is to take measures supporting foreign investments as the main source of new technologies.

A temporary comparative advantage resulting from a cheap and qualified labour, low costs of energy and raw materials will have to be substituted by implementation of new technologies, know-how applications and innovations.

Further significant point having an effect upon successful implementation of new technologies is human factor activity. A good company's management is the necessary condition of its effective exploitation.

An important role in the transformation process may be played also by a Slovak research and development base, even if one cannot expect that it will provide know-how and technologies on qualitative and quantitative levels of developed countries automatically when the transformation process is finished. New technologies and know-how usually result from a long-term research and development work which are simultaneously influenced by other factors like

the level of preceding knowledge in science and technology, technological equipment, utilization of information systems and information provided by them, and financial resources availability. Research and development workers have a feeling of a shortage of these factors and they are recovering from the transformation shock (e.g. structural changes, loss of links to the Czech institutions) and they are facing a lack of financial resources and technical equipment.

In spite of these drawbacks, science, research and development may join the revitalization process through application of results of the fundamental research creative potential. Therefore, the Government of the Slovak Republic initiated a meeting of selected representatives of scientist and researchers at Stupava in March 1996 aimed to involve the research and development potential in the revitalization and restructuring process.

In connection with activities of scientific and research institutions like providing consultations, purchase and implementation of foreign technologies and know-how, the requirement to adapt legislation regarding technical regulations and standards, their harmonization with the EU standards as well as institutional interlinks between the scientific and research bases within and outside Slovakia.

It is possible to get a picture of the investment policy and of the approach to scientific and technical development in an industrial branch which is based on the analysis of the present state and expectations in selected industrial branches, which was worked out on the basis of a questionnaire survey covering a selected sample of Slovak enterprises.

The Slovak industry represents a very heterogeneous sector, which will be submitted to considerable structural changes in the near future. Most of industrial branches are dependent on the trade with the Czech Republic. The dependence of the Slovak industry upon raw materials import from Russia and Ukraine (iron ore, natural gas and crude oil) is also very influential.

At present, Slovakia is relatively competitive on the EU and CEFTA markets, even though in two commodity groups only: materials, intermediates and simple final products (textile, garments and iron and steel products). Regarding chemical products, Slovak producers attain the quality level of top world producers. Recent foreign trade analyses indicate that, in the trade with materials, the Slovak manufacturers face a strong competition not only from industrially developed countries, but from the CEE countries as well.

Real possibilities how to increase exports of Slovak production appear on the markets of the European Union, CEFTA and countries of the Commonwealth of Independent States. However, they will be limited by the present relation of the competitive products to the main competitors' products sold on these markets and also by changes, which can be made by creating new comparative advantages for further growth in competitiveness when restructuring the industry.

A great portion of Slovak competitive products falls into the so-called sensitive items category whose export increase to the EU market is considerably limited and is subject to trade cycles influence.

One of the alternatives how to diversify existing production capacities is implementation of new technologies to manufacture more sophisticated and higher quality products which will pass stricter market criteria. Due to the existing structure of the Slovak economy, it should

involve a process of becoming competitive in the group of machinery and transport equipment products.

An adequate strategy in this direction may be an alternative concerning effort to become competitive not in high-tech products, but in products by which a Slovak manufacturer will participate in high-tech products completion in the first phase; it means joining the process of globalization by industrial production of components and units with the proportion of value added as high as possible.

Exports of goods with a higher proportion of value added - it is a basic condition for being involved in the international division of labour and for export growth.

An analysis of causes of export dynamics decrease revealed that, besides external factors (like continuously persisting recession, oversaturated markets, strong competition, etc.), a great number of internal aspects have an effect on the decrease of the export efficiency of the Slovak economy mainly by the following reasons:

- low competitiveness (technical, qualitative, price);
- unsuitable assortment structure of the production (a low share of values added, raw material or intermediates) etc.

On the other hand, an increase of imports, especially in investments (import of high technologies, licences, know-how, modern manufacturing turnkey installations, production equipment), which should develop in acceleration and completion of modernization and restructuring of the most important production branches of the Slovak economy (metallurgy, fuels and power supply, machinery, chemistry and processing industry), is expected within the period ranging from 1997 to the year 2000.

In 1997-2000, it is assumed to invest in the individual industrial branches as follows:

1. Fuels and power supply

- in 1997-2000, increase in imports amounting to 10-20 billion of Sk is anticipated for completion of the 1st and 2nd units of a nuclear power plant at Mochovce and for reconstruction of the V-1 unit of a nuclear power plant at Jaslovské Bohunice on the basis of western technology;
- realization of a project of construction of gas-steam cycle facilities in Bratislava, Košice and Prešov based on Siemens' technology.

2. Metallurgy

- to secure an increase of the share of cold rolled steel sheets - especially tin plates, galvanized sheets, coated sheets, sheets for packaging, car body sheets and dynamo sheets - using the existing capacity of a hot rolling mill (3.2 million tons);
- to increase completion of aluminium production mainly by utilization of foundry capacities and by extension of building elements manufacture;
- to make the ~~presently~~ existing production base environmental friendly in accordance with the valid legislation.

3. Machinery

The total amount of 13.5 billion Sk. The biggest portion of investment plans is dedicated to:

- expansion of automobile production, gearboxes and components in Volkswagen Bratislava, Ltd. amounting to 5 billion Sk (own resources)
- expansion of the production programme (air-conditioning units, washing machines) in Samsung-Calex, a.s. Zlaté Moravce of the total costs of 4.2 billion Sk (own resources).
- modernization of gearbox manufacture in AVC, a.s. Čadca amounting to 210 million Sk;
- increase of reliability of aircraft engines manufactured by Povážske strojárne;
- other modernization activities in engineering works amounting to 3.5 billion Sk;

4. Chemical and pharmaceutical industries

Amounting to 29-34 billion Sk. The biggest portion of investment imports will be dedicated to:

- modernization of crude oil treatment in refineries, including oil and product pipelines, storage tanks and extension of filling station network.
- modernization and innovation of rubber products manufacture (tyres, conveyor belts) including extension of tyre manufacture;
- modernization and innovation of plastic products manufacture including basic plastics;
- modernization and restructuralization of both basic organic and inorganic manufacturing processes, including environment protection solution;
- restructuring linked with modernization of pharmaceutical production.

5. Manufacturing industry

The total amount of about 12.7 billion Sk. According to individual branches, import of technologies will be assumed as follows:

- textile industry;
- clothing industry;
- leather and boot-and-shoe industries;
- glass industry;
- printing industry;

More important investment activities requiring higher budgets are expected in the glass industry (erection of a new melting unit for one-step fibre drawing, modernization of packaging glass manufacture and a complete overhaul of melting units), in the leather and boot-and-shoe industries (aimed to solve environmental problems in production, modernization).

6. Woodworking and pulp and paper industries

The total amount of 12 billion Sk. The most important investment imports of process equipment are oriented towards the following branches:

- cellulose fibres manufacturing equipment and further development of paper manufacture;
- development of packaging materials and finalization of paper production;
- development of conglomerated materials on the basis of wood for furniture manufacture and construction industry;
- development of wooden buildings manufacture (due to a sufficient quantity of wood and a need for habitation development);
- development of technologies based on a process leading to an increase in the value of wood, production programmes based on native wood and new surface treatment technologies with emphasis on complying with qualitative and environmental parameters resulting from requirements and standards of the European Union.

Strategic goals of restructuring and modernization of individual industrial branches, which are specified in The Industrial Policy of the Slovak Republic, cannot be realized without involvement of foreign investors because of lack of internal resources.

From the viewpoint of long-term industrial branches development, it is useful to create favourable conditions for direct foreign investments rather than for portfolio investments. Direct foreign investments should be aimed mainly at prospective manufacturing programmes of the following industries: fuel and power supply, machinery, chemical, pharmaceutical and manufacturing. The presence of foreign capital via creating joint ventures and subsidiaries in the Slovak economy accelerates:

- modernization and restructuring of a manufacturing and technical base;
- innovation and change in product range especially for export;
- increasing technical, qualitative and price competitiveness of products.

Realization of the programme of branches development project support (as one of the tools of industrial policy) in the presence of foreign capital whose strategic aim is to secure competitiveness and export orientation of the Slovak industry is a basic condition for completing the transformation process in the Slovak Republic.

From the viewpoint of prospective sales and competitiveness in individual industrial branches, the best possibilities may be found in the following product lines:

- shipbuilding and overhaul of ships and boats;
- bearings, transmission and control elements;
- spare parts and accessories;
- tractors for agriculture and forestry;
- metallurgy for machinery;
- construction and road-building machines;
- combustion engines and turbines;
- metal structures and products manufacture;
- two-rails motor vehicles;
- locomotives and shunting locomotives powered by an external source of electricity;
- railway freight and passenger vehicles;
- power facilities for steam production and superheated steam boilers;
- motorcycles;
- armatures;
- lifting and handling equipment;
- household equipment;
- medical equipment
- machine tools, machining centres and tools;
- road-building and construction machines;
- transport means and facilities;
- assembling elements and units
- sliding and antifriction bearings;

2. *Electrotechnical industry*

- production of electromechanical machines (generators, motors, transformers);

- production of equipment and instrumentation for electric power distribution;
- production of equipment for indicating and measuring instrumentation;
- production of light sources and lamps;

3. Manufacture of metals and metal products

The restructuring process performed in the production of metals and metal products requires significant investment support. This branch is dependent on import of raw materials. Even in the next period, this branch will be one of the pillars of trade and financial balances of the state.

4. Chemical and pharmaceutical industries

Export efficiency of this branch will be influenced by the following selected commodities:

- Refinery and petrochemical production (petrol, kerosine, light heating oils, lubricating oils, low-freezing oils, polypropylene, PVC-E, PVC-S).
- Concerning rubber processing, a significant increase of export productivity in tyres for automobiles and light trucks, conveyor belts, and technical rubber is expected. The existing product mix will be broadened and strengthened by polyurethane tyres.
- Concerning plastic products, a significant increase in manufacture of packaging foils, PVC floorings and profiles, kitchen sinks, plastic windows and foam polystyrene products.
- Paints and adhesives production is expected to be expanded through manufacturing processes having new qualitative parameters (environment friendly).

5. Light industry branches

This branch (including textile, clothing, leather, boot-and-shoe making, furniture, glass and printing industries) is expected to make significant structural changes in product's assortment. In the clothing industry, it is necessary to increase the share of branded clothing and underwear while decreasing the share of standard quality products. In the glass industry, it is necessary to keep and extend the position of utility glass products, glass fibres, mineral fibres, and packaging and industrial glass.

Fulfilment of strategic goals for increasing exports of the above items requires acceleration of the innovation processes of production programmes, modernization of production facilities and strengthening of competitiveness (i.e. quality, product's diversity and decorativeness, national features of assortment).

6. Export of services

The advantageous location of Slovakia is a certain starting point for the activation of the role of services in foreign trade and for realization of the ambitious development programme and modernization of infrastructural sectors (especially transportation and telecommunications). Nowadays, realization of these plans is worked out into concrete projects which will have a significant impact on the Slovak economy development including foreign trade.

Regarding transportation, the following needs are considered:

a) Road transport

- construction of eastbound and southbound highway sections considering the priority of the European road network and linking the Slovak Republic with the highway network (completion of highway construction is anticipated in 2005).

b) Railway transport

- further development of railways ensues from the approved long-term development of railways (modernization of production and technical base, modernization of selected railway lines, completion of the most important railway junctions and construction of high-speed railways for speeds ranging from 140 to 160 km per hour);
- linking the Railways of the Slovak Republic to the European TEN railway network in the West-East and North-South directions, linking Adriatic Sea ports with Baltic ports, and active exploitation of the Danube river.

c) Water transport

- more active use of the Danube river when connecting Black Sea ports with Atlantic Ocean ports;
- gradual canalization of the Váh river up to Žilina.

d) Combined transport

- its further development is linked to construction of terminals for combined transport in the territory of the Slovak Republic according to the concept of combined transport development;
- by combining railway, road and water transport, to influence its improvement, higher effectiveness, speed and environmental impact.

e) Pipeline transport

- reconstruction and modernization to increase the westbound transport capacity of oil and gas pipelines throughout the Slovak territory.

In the field of telecommunications, a complete reconstruction and modernization of connections, increase of the transmission capacity and rate using digitalization and linking the Slovak network to European and world ones.

The complex development of infrastructure for services as well as the development of a complex of interlinked transport, telecommunication, financial and information systems will secure an overall improvement in functioning of the economy which will allow to take advantage of the geographic location of Slovakia.

As it results from the facts specified for the individual branches, in connection with growing competition, persisting recession of the world economy and with an increase of prices of raw materials and energy, at least a partial keeping of the comparative advantages, requirements for an increase of value added, quality and technical level will be possible only by replacement of manufacturing equipment, its modernization, introducing progressive organizational techniques and, last but not least, augmenting the level of company's management.

The points of issue regarding transfer of technologies and manufacturing process modernization is tightly linked to the above facts. Support of transfer of technologies should be realized mainly due to lack of financial means for research and development in the small and medium-sized enterprises sector.

At present, the following organizations are involved in the transfer of technologies process:

- The Slovak Commercial and Industrial Chamber which used its potential and database of domestic firms and arranges contacts with foreign subjects in collaboration with foreign partner chambers.
- The Agency for Industrial Development and Revitalization in Košice and regional agencies in Prešov, Bratislava and Martin.
- Regional Business and Information Centres (RPIC) - non-profit institutions - associations of entrepreneurs between public and private sectors. The centres are supported via NARMSP. RPIC are active in Lučenec, Martin, Nitra, Prievidza, Povážská Bystrica, Trebišov, Trenčín and Zvolen.
- Business and Innovation Centres (BIC) - oriented towards creation of environment for companies bringing innovative business plans. It is a member of the European Association for Transfer of technologies and European Network of Innovation Centres. The centre of BIC is in Bratislava with subsidiaries in Košice and Spišská Nová Ves.
- NARMSP - Its aim is to initiate development and growth of newly established and existing small and medium-sized enterprises in the Slovak Republic. The agency ensures coordination of all activities for small and medium-sized enterprises in the Slovak Republic. It is a member of the Euro-Info Centre (EICC) and cooperates with EU. NARMSP and BIC should create "regional transfer centres" whose purpose is to gather information on offer and demand for technologies on the regional level, to set up institutions supporting transfer of technologies and consulting.
- Technology centres and parks specialized in providing support to technologically oriented small and medium sized enterprises. Transfer of technologies should be one of the principal activities of these firms.

The following technology centres are active in the Slovak Republic: UTAR Bratislava, Technology Centre Košice, Cassovia Technopolis Košice, Regional and Innovative Centre Dolný Kubín, Science and Innovative Center Banská Bystrica and Technological Centre Trnava.

- SARC - Centre for Development, Science and Technology: to secure creation of links between the scientific base and industry, to disseminate information on transfer of technologies mechanisms, own activities in innovation processes, to help with implementation of new approaches of management, participation in increasing research efficiency. It cooperates with NARMSP, SOPK in Bratislava, Žilina and Košice, with RPIC, BIC and Technology Centres in Bratislava, Banská Bystrica, Dolný Kubín and Trnava.

As a result of the experience of the EU countries, it may be appropriate to extend the above system by further institutions and links as follows:

- to train management of RPIC, BIC, technological centres, technological brokers for the needs of future transfer centres and commercial companies;
- to create a company for transfer of technologies
- to institute transfer of technologies structural units (transfer units at universities, regional transfer units based on BIC and RPIC, to build up SARC centre by entrusting commercial agencies with project elaboration, to create financial and time conditions for MSP);
- to solve the pilot project: "Quality Control According to ISO". To work out a marketing analysis of needs and requirements for innovations in technology oriented MSP;
- to coordinate build-up of a transfer of technologies system by the Society for Transfer of Technologies;

- to engage the Transfer of Technologies Innovation & Industrial Information organizations and to secure compatibility (of the transfer of technologies according to the classification of the Transfer of Technologies Innovation & Industrial Information)

In cooperation with the Ministry of Economy of the Slovak Republic and the Ministry of Foreign Affairs and with the help of UNIDO, the regional chamber in Trenčín organized the Slovakia Techmart 96 forum for transfer of technology. Such event was organized in the countries of Central and Eastern Europe for the first time. It is expected that it will bring benefit especially to small and medium-sized businesses, but also to technical universities and research institutes etc. A remarkable difference in the ratio of offer to demand is a characteristic indication that the Slovak economy has also something to offer in order to be able to buy new technologies.

Functional and prosperous business is a resource of job opportunities and capital, and it is a place where both spiritual and material values are created.

Position of an enterprise as a basic unit of economy requires a need to aim these activities, which were natural only to big enterprises until now, at the small and medium size business sectors.

Successfulness of the enterprise is given by its more advantageous offer (due to price, services or the trade name). To attain this advantage, application of tools and exploitation of existing conditions are needed for creating the comparative advantages. It is possible to approach this process partially (by purchase of technological parts, know how or by cooperation with one of other joint ventures) or complexly (restructuring, reorganization and revitalization).

Exploitation of creative potential of science and research of either state or company's research institutes is an inseparable part of the technical development process formation and of competitive efficiency mainly through state orders, conceptual orders for entrepreneurs, research and development tasks, offer of own know-how, licences and technologies and through an ordered research or consultations, consulting and technology search.

Harmonization of legislation with technical standards, environmental standards as well as with technology specification codes valid in the European Union is important for utilization of knowledge of the EU countries and our integration process into European structures.

One of the most important key factors of a successful functioning of the ongoing process is to facilitate use of the existing resources and to create new resources and ways of funding of transfers (PHARE, MSP Support fund etc.) and revitalization programmes while supporting information opportunities for entrepreneurs.

Socioeconomic and political stability is the unavoidable condition for having confidence of others, namely developed countries, which possess resources necessary for reconstruction of our industry and are an important export territory for our products.

The processes of technology transfer, revitalization of industry, know-how exchange and organizational and financial support should be viewed not only as a process of opening to developed economies, but also as a part of globalization of the world's economy, an effort to

create common market based on "socioeconomic health" of the countries involved and, finally, as a threat of global risks to which European and world's societies are exposed.

Consequently, an exclusively acquisitive attitude - everything for me without regard to surroundings, or a passive attitude - let someone take care of me if he needs me - are wrong. It is in own interest of all the parties involved to work and to be engaged with respect to the environment, business ethics and to the overall dynamics of economic growth.

Legal framework of investment in the Slovak Republik.

Ladies and gentlemen,

The aim of my lecture is to inform you about legal aspects of transfer of technologies in a wider sense. I would like to inform you about possibilities of doing business in the SR, about forms of business entities, transfer of technologies and also about tax system.

LADIES AND GENTLEMAN,

Foreigners considering investment in the Slovak republik often want to know whether there is a single comprehensive law on foreign investment.

The answer is - No, there is no such special law, in fact.

The general provisions on the rights and duties of natural and legal persons are included in the Civil Code. Of utmost importance to any investor is a knowledge of the relevant sections of ComCode.

The COMCODE stipulates that foreign persons may conduct business activities in the Slovak Republik on the same terms and scale as Slovak person, unless the law provides otherwise. The principle of equal status of "foreign persons and nationals" has been adopted./ There are some exeptions e.g. Obligation of foreign person to appoint a responsible representative/. The representative 's role is to see that the trade is carried out in an appropriate manner and that the trader 's regulations are observed. He is not responsible for the operation of a business as a whole, though.

This responsibility rests on the entrepreneur. Only a natural person may act in the capacity of a representative./ He must be resident of SR and have a appropriate qualifications./

For the purpose of conducting business activities a foreign person may, by law, take part in the foundation a Slovak legal entity. Foreign property participation in the equity capital of a company may be as high as 100 %.

He also may, become a partner of Slovak legal entity. A legal entity must be founded under the Law of SR.

The law of a foreign country may apply in cases where the registered office of a foreign legal entity was relocated to Slovakia.

The relocation becomes effective only on the day of entry into the business register. It must be, though, permissible under laws of the country in which the legal entity had been located.

A foreign person may chose from among four business forms governed by law:

1. **General Commercial partnership** - By definition it is a partnership in which all partners have an unlimited liability, established for the purpose of carrying on business under a common business name. It is based on a partnership contract between a minimum of two persons. A partnership is formed on the day of its entry into the business register at the appropriate court. It has legal authority, the ability to sue and be sued and, is subject to accounting rules and tax liabilities.

2. **Limited partnership** - By definition this is a partnership set up, in principle, for the purpose of carrying on business activities jointly and within a common business.

It has two group of partners, limited and general, who have different legal status. One type of partners, called general partners, bear liability for the obligations of their partnership with all of their property. The other type of partners, the so-called limited partners, bear liability only up to the amount of their registered paid-up investment.

3. **Limited liability company** - This is a company comprised of two or more members who assume liability only up to the amount of their registered investments. The registered capital of the company amounts to no less than 100,000 Slovak crowns /hereinafter called SK/. The company is a legal entity with its

own business name. Both natural persons or legal entities may become members of the company. The number of members may not exceed an upper limit of 50 members. The minimum amount of investment per individual member is set at 20,000 SK. In the case that an un-monetary investment /e.g. buildings, machinery/ is involved, an agreement between the members must include the form of the investment, its method of valuation, and the sum credited to the investment.

The minimum number of founding natural persons is one.

In such a case, the company would be founded under the founder 's deed. Prior to entry into the business register, the sum total of paid-up investments /monetary and non-monetary/ must amount to no less than 50,000 SK, at which minimally 30 % of each registered monetary investment must be paid up. In case where a company is founded by only one member, the COMCOD sets more stringent rules for paying up his investment.

An agreement on the foundation of a company sets out the periods within which members are obliged to fully pay up their investments.

A limited liability company has the following bodies: the general meeting, the executives and the supervisory board /if stipulated by the memorandum[deed]/.

1. The general meeting is the supreme body of the company, Its scope of power is regulated by § 125 of COMCOD. The statutory body of a company is represented by one or more executives.

2. Executives are appointed from among the members of the company or third person. Only a natural person may become an executive. A foreign natural person may not become an executive unless he has been granted a residency .

Executives are accountable to the members of the general meeting for their activities and fulfilment of their duties.

3. The supervisory board is an optional body. The relations between the parties must be set out in documents as prescribed by law. The arrangement of legal relations may be contained in the memorandum of association/the deed of foundation or the articles of association. It should be in the interest of each member, that his rights and obligations with respect to a company as well as his relations to other members are properly arranged.

The creation of a company has two stages. In the first stage, a company is founded. The creation of the company itself takes place on the day of its entry into the business register.

There are two stages to termination of a company as well. In the first stage, a company is wound up by a method specified by COMCOD. The company shall be terminated as of the day of the cancellation of its entry in the business register.

A limited liability company shall be wound up by:

- the expiration of the period of time for which it was established,
- an agreement of members, etc.

4. **Join-stock company** - This is a company which has legal authority. Its members may be natural persons and legal entities and its capital /stock/ is divided into shares. Members, i.e. shareholders, do not bear liability for their company 's obligations with their property. The minimum amount of the company 's registered capital is 1,000,000 SK.

In founding the company, a deed is required.

A limited liability company allows for starting a business with less capital, it is of a more stable nature, it can be founded by only one person, it has greater flexibility.

Requisites for Establishing Businesses:

1. First of all, a business needs to be founded. A company is founded through a memorandum of association/deed of foundation and if the founder is a single person, the deed of foundation is executed in the form of a notarial record. An official attestation to the authenticity of the founders' signatures is required.

2. Once the memorandum exists, other documents can be arranged. Upon acquiring these documents an application for a trade license or certificate is submitted to the proper authority.

A distinction is made between trades for which no license or prescribed qualification is necessary, and licensed trades.

Upon receiving trade authorization, the next step is to open a bank account and to make the deposit required by law or the agreement. Only at this point can a petition for entry into the business register be filed. The annexes to the application for a company's registration are represented by a deed of foundation/memorandum, a certificate from a bank or other banking institution confirming that members have deposited the determined amount of money in the company's account and a trade authorization issued by the Trade Licensing Bureau. The court makes a decision on entry by means of a ruling in which the date of entry is then given.

A foreign person's property connected with business activities in SR and the property of a legal entity with foreign property participation may be expropriated in SR or its ownership rights may be restricted only on the basis of the law, and if it is in the public interest that cannot be satisfied in any other way. Compensation must be made forthwith and it must be freely transferable abroad in foreign currency /as provided for by § 25 of COMCOD./

Transfer of technologies could be done in a form of non monetary investment to a slovak company. It is the most typical form of transfer. Legislative framework is done by Com.Code and also Act no 618/1992 Coll and Not. no 261/1993. Any type of contract can be used for this purpose.

Goods or technologies imported as a non monetary investment into the manufacturing operation of a commercial company seated in Slovakia shall be exempted from the imports duty provided that:

- the foreign person has at least a 35 percent stake in the registered capital of a Slovak commercial company and a non monetary investment of at least 10,000.000,- Sk,
- the imported goods may not have a longer life than one year, they may not be second hand, and a domestic commercial company must use them for at least 2 years.

The said exemption from an import duty shall apply until December 31, 1997 to any machinery and equipment specified in the appendix to the regulation. Otherwise non-monetary investments into commercial companies would be subject to an import duty.

If a free trade zone is established, then these investments of tangible assets by foreign investors are relieved from this duty. The same applies to services.

TAX SYSTEM

Since January 1, 1993, a new tax system has been in place in SR. The objective was to bring our tax system closer to that of tax systems abroad, to provide for greater flexibility and increased effectiveness as well as to facilitate the creation of competitive environment for business entities based on the unification of the terms of taxation.

The tax system in force creates equal conditions for business activities by all natural and legal persons.

The following types of taxes form the taxation framework in SR as of January 1, 1993:

A. Indirect taxes

1. Value added tax, including tax on imports,
2. Tax
 - a/ on hydrocarbon fuels and lubricants
 - b/ on alcohol and spirits
 - c/ on beer
 - d/ on wine
 - e/ on tobacco and tobacco products

B. Direct taxes

1. Taxes on income of - natural persons
- legal persons
2. Real estate tax -
3. Road tax
4. Inheritance tax, gift tax and on transfer of real estate
5. Environmental tax.

The basic tax period is one calendar year. Departures from this rule are provided for in relevant tax laws.

The collection of all taxes falls within the responsibility of revenue offices.

Value added tax /VAT/ taxpayers include:

- entities subject to statutory registration at the revenue office - a group of persons with a turnover of more than 750,000 SK in the three preceding calendar months would be required to register for VAT.

- persons who voluntarily apply for registration at the revenue office. Taxpayers registered on both obligatory and optional grounds are entitled to deductions from taxes collected.

Tax base is represented by the selling price less VAT.

Tax rates:

a/ 6 % on services,

the list of goods taxable at the 6 % rate is an integral part of the Tax Act /Annes No. 1 of the Act No. 222/1992 Coll./

b/ 23 % on goods,

the list of services taxable at the 23 % rate form an integral part of the Act /Annes No. 2 thereof/.

Exports of goods are untaxed for a taxpayer. By law, a taxpayer is entitled to a tax deduction. A taxpayer 's tax voucher is the written customs declaration.

Tax exemption is provided on a scope defined by law for the following activities:

1. postal services
2. radio and television broadcasting
3. financial services
4. insurance services
5. transfer and leasing of land and buildings/structures
6. training and education
7. health services
8. social welfare
9. lottery and other games of chance
10. the sale of 's company /only between taxpayers/.

Personal income tax

The taxpayer are natural persons taxable according to their domicile. The taxable persons may incur:

a/ a general tax liability - In this case, they are taxable on income accruing to them from sources both at home and abroad,

b/ a limited tax liability, which applies only to income accruing from sources in independent SR.

Taxable items:

1. income from contingent activity and emoluments
2. income from business activity or other independent income-earning activities
3. capital gains income
4. rental income
5. other income

Some types of income by natural persons are exempted from tax, e.g. income from the operation of small-scale water power plants with output of up to 1 MW, wind mills, thermal pumps, solar devices, devices utilizing geothermal energy and biogas

production plants, for the calendar year they were put into operation and the five subsequent years. This exemption also applies to aid granted from foundation funds, interest on deposits from foreign exchange of natural persons and on savings passbooks, yields from government bonds, and so on.

Tax base is represented by the sum of individual tax bases according to different types of income.

Tax rate. This is of a progressive nature. The minimum rate is 15 % and the maximum rate is 42 %, less deductible items. It is possible to deduct, for example, a tax allowance to which a taxpayer is entitled, such as loss from a business activity /over no more than 5 successive tax periods/, The value of gifts donated to resident legal persons, which amount to no more than 10 % of the tax base.

Corporate income tax

Scope of taxpayers. Taxable persons are all legal persons with the exception of general commercial partnership /unlimited partnership/. General partners are liable for obligations of the

partnership jointly and severally. The same treatment applies to general partners in limited partnerships.

As for natural persons, a difference is made between:

- a/ a *general* tax liability which applies to taxpayers whose seat is in SR and who are taxable on income accruing to them from sources at home and abroad
- b/ a *limited* tax liability which applies to taxpayers whose seat is not in SR and who are only taxable on income accruing to them from sources in SR.

Tax base is represented by the outcome of operations /profit or loss./ It is the difference between the revenue and expenses incurred in achieving, procuring and maintaining the revenue. The revenue and expenses must be accounted for on the accrual basic and itemized according to specified categories.

The rate. A linear tax rate amounting to 40 % of the adjusted tax base is to be assessed on income by legal persons.

Two different types of real estate tax are distinguished:

a/ tax on land

b/ tax on buildings/structures.

Ladies and gentlemen,

thank you very much indeed for your attention. If you have any questions , I'm at your disposal.

Bankruptcies: Reasons and Lessons Learned
(Insufficient Preparation and Appraisal of Investment and Restructuring Projects
as Avoidable Causes of Bankruptcies)

The paper presented by the Centre for Economic Development (CED) on "Bankruptcy Regulation in the Slovak Republic - A Study on Bankruptcy, Settlement and Bargaining " deals with the economic and legislative aspects of this subject. It will be now my task to comment on the economic section and to provide proposals how to further improve the measures proposed by the CED for further action. In particular will it be my objective to provide arguments in support of the economic usefulness of bankruptcy procedures and related measures.

But before doing so I would like first to highlight some of the most recent developments in the EU - in particular Germany - concerning the role of SME's which are now playing an increasingly important role in the efforts of Governments to establish new enterprises with a view to combatting the growing unemployment. Although the CED study does not specifically refer to SME's, it seems in my view imperative not to underestimate the important role this group will play in the future development of the Slovak Republic. As we have heard no big bankruptcy cases have until now occurred in Slovakia. The restructuring of such large firms may, however, lead to the establishment of many much smaller firms concentrating only on financially viable production lines of the former.

Under the impression of steadily increasing unemployment consensus is now being reached within the European Union (EU) that the promotion and support of small and medium-scale enterprises (SME) is becoming more and more important as a means for the creation of new employment, economic development and growth. Comprehensive promotional measures are being developed both by the EU and its member states to better liberate the total potential of SME's. It is now recognized that the past neglect of promoting SME's was a mistake in view of

the fact that 99.8% of all enterprises within the EU are SME's which employ 66 % of the labor force and produce 65 % of the output. Particularly SME's with less than 100 employees are the main supporter of economic growth and of new employment.

As stated in the Report of the Economic Commission prepared for the meeting of the European Council held in Madrid in 1995 it was only possible between 1988 and 1995 thanks to the efforts of SME's to more than outweigh the reduction of employment by large enterprises through their creation of more new jobs. Almost the entire increase of employment of annually 259.000 new posts took place in firms with less than 100 employees whereas the annual reduction of 220.000 post was recorded in firms with more than 100 employees. Nevertheless, the growth potential of SME's is far from being fully utilized in the EU keeping in mind that they are facing a high mortality rate with 50% of them surviving on the average not longer than three years with corresponding losses of employment.

In 1995 the total number of insolvencies remained in Austria with close to 5.000 cases at the same high level than in the two preceding years leading to liabilities of AS 63.1 billion as against AS 34.6 billion in 1994. The steep increase of AS 26.0 billion is due to one major case (Konsum). In comparison the total number of cases amounted in Germany in 1995 to 28.800 (of which 22.300 firms, West:16.500, East: 5.800) as against 24.900 (of which 18.800 firms; West: 14.900, East: 3.900) in 1994 and is expected to reach 32.500 (25.000 firms) in 1996. The estimated liabilities amounted in 1995 to some DM 54.0 billion as compared to DM 50.0 in 1994 of which DM 34.0 billion are payable to private creditors and DM 20.0 billion to the public due to not paid social security and health insurance contributions and bankruptcy compensation payments to workers. The total damage to both economies is certainly higher since the indirect effects of insolvencies are statistically difficult to measure not to speak of the repercussions on the labor markets. Whereas in 1995 about 29.500 employees were effected in Austria by bankruptcies - not corresponding to actual layoffs - this figure amounted in 1994 to 16.500, the difference being mainly attributable to one major case. In Germany some 400.000 jobs were actually abolished in 1995 due to insolvencies as against 370.000 the year before. Although the number of newly established companies, the sum total of all active establishments as well as the number of people employed have grown in both countries as compared to 1994, the damages at the levels of the economies and enterprises are not to be neglected.

The change in the amounts of bankruptcies was in 1995 not everywhere the same in Western Europe. Whereas Germany suffered under an increase of 15.8 %, Italy of 22.4 % and Greece

of 58.2 %, Austria's rate only grew by 3.1 % whereas the Scandinavian countries show decreases: Sweden -19.6 %, Denmark - 29.5 %, Norway -6.4 % and Finland -5.5 %. The UK's rate decreased by -12.4 %, Switzerland -5.3 % and France -3.1 % The situation certainly is not easy in Germany and some other European countries. It is therefore worth looking into the matter more closely.

National economies wanting also in future to stay competitive and efficient in order to be able to cope with the fast increasing global competition will by necessity have to undergo phases of economic and enterprise restructuring. Sectors of the economy and enterprises which have enjoyed long periods of protection will face economic difficulties in periods of recession and of increasing international competition. Firms which cannot survive out of their own strength should not be further subsidized and it should be out of question that the overall economic conditions should be improved with sound policy measures in order to strengthen the financial structure of enterprises particularly of SME's.

In order to conduct an active industrial policy with a view to promoting the establishment of new enterprises and improving the efficient utilization of economic resources, politicians, economic policy advisers, entrepreneurs, banks and investment funds and investment companies should really become interested to develop more progressive investment promotion policies and investment selection methods and at the same time try to better understand the reasons for the high rate of insolvencies at the early phases of the investment project cycle. Only at this point would it be realistic to expect the design of fiscal and economic policies and measures capable of improving the overall economic and institutional environment and to avoid continuous piecemeal actions to cure only the symptoms as and when judged opportune.

Reasons only too readily quoted as being responsible for insolvencies are "Managerial mistakes" - an all-embracing concept. Mostly looked at in retrospective, this comprises in financial terms such items as lack of a strategic concept, insufficient controlling, shortage of equity capital and liquidity, too high wage and supplementary wage costs, unrealistic sales expectations and too high accounts receivable, to mention only the most common ones. Other causes stem from the fields of marketing and strategy design, choice of technology, innovation and product development, locational and environmental regulations. Particularly the latter seem to become the new scape-goat for many unsolved matters such as low investment and higher unemployment.

Although mainly SME's are hit by insolvencies it is precisely this group of firms which has created most of the new employment in the EU between 1988 and 1995. This group should

consequently be particularly interested to find ways how to reduce the high rate of insolvencies. The initiatives to establish new enterprises supported by chambers of commerce and industry, associations and banks should take this more into account by ensuring that only enterprises are established which are well conceived either as new units or as the results of restructuring even at the risk that their number may be reduced due to a more rigorous selection process but with a higher assurance of their survival which in turn will reduce the number of insolvencies. But unfortunately the major bankruptcies which recently occurred in Germany, Austria, Japan or France show numerous deficiencies not only in the management, including the investment selection process, of these firms but also of the supporting banking system.

It is common knowledge that prior to the establishment of any enterprise it would be necessary to first define its objectives, the strategy required for their attainment and to prepare a detailed analysis of the investment needed. However, as experience shows the points raised above which are later called "Managerial mistakes" as reasons for an insolvency are usually not sufficiently covered during the pre-investment phase. Mostly they are looked at individually and are not incorporated in a comprehensive, all embracing investment study. The instrument of a feasibility study which covers the project strategy, an ex-ante investment analysis and a business plan is still not used widely enough even when setting up private companies although such studies are well suited to detect the risks inherent in any investment project and the strategy designed to realize it by conducting SWOT and sensitivity analyses.

Let me in this context now comment on the CED study. The close linkage between bankruptcy and the restructuring process is flowing like a red thread through the entire economic section. Likewise it is noted that bankruptcy is expected to bring a great deal of transparency into privatization with state-owned enterprises as debtor and with their assets being distributed among creditors. Both business and bank managers stressed that bankruptcies create a positive pressure leading to overall efficiency and at the same time speeding up the exit process driving ineffective firms out of business. This being so, systematic measures must be taken to support the entrepreneurial spirit rather than a system of directives and regulations.

The CED study does not only analyze the problems facing privatization - restructuring - bankruptcy, it also suggests such measures, some of which I would like to highlight and expand on:

- Restructuring and privatization of banks and companies,

- Banks - credit (loan) portfolio quality.

Both topics are closely linked. As stated by CED 50 % of granted loans are not expected to be fully repaid, 35 % are bad debts, and the biggest state-owned banks hold almost 90 % of all

bad debts. In addition, Slovakia has an economy with a large portion of state-owned enterprises which at one point of time will either be restructured or liquidated. For the moment it seems that a vast majority of privatization projects is only undertaking minor structural changes, i.e. minor changes in production lines or to put it differently, are only conducting a partial rationalization. Whatever steps are taken to overcome this deadlock, it will become necessary to carry out comprehensive in-depth restructuring and feasibility studies. And this work will have to be done by local consulting firms with the assistance of foreign experts and firms. If banks, as suggested, are really expected to become the main elements initiating bankruptcy proceedings, restructuring and revitalization programmes and to guarantee the effective allocation of financial resources in the Slovak economy, their staff will have to undergo various training programmes including the preparation and appraisal of pre-investment and restructuring studies. Only then will banks be able to define the increased efficiency requirements which new projects must meet to be viable.

Whether this objective can be achieved by amending the Act on Bankruptcy and Settlements is in my view questionable. Additional measures have to be thought about. For example a concerted effort may be undertaken to strengthen the institutional capacity to carry out the above work. UNIDO is well placed to assist in this effort since possesses for a long time the appropriate know-how, experience and software.

With the first publication of the "Manual for the Preparation of Industrial Feasibility Studies" in the late 70's UNIDO did not only aim at the reduction of the costs for the preparation of such studies but also at the standardization of the contents of feasibility studies. This concept ultimately allowed the design of computer-supported programs for financial and economic analysis such as UNIDO's Computer Model for Feasibility Analysis and Reporting (COMFAR) of which almost 2.000 systems have been officially licensed. The modular structure of a feasibility study allows the simultaneous coverage of topics which have to be appraised jointly during the final investment decision such as market size and production capacity, supplies, location and environment, engineering, organization and overhead cost, human resources, implementation planning and budgeting as well as financial analysis and investment appraisal. This Manual was translated into 18 different languages and about 230.000 copies were sold. With the publication of the second and revised edition in 1992 and of the "Manual for Small Industrial Businesses" in 1994 UNIDO undertook further steps for the qualitative improvement of investment projects.

Finally a word about the frequently raised issue of shortage of equity capital as a reason for bankruptcy which substantially is correct. It is well known that European SME's are undercapitalized as compared to American SME's and that the tax systems of the EU favor debt financing versus equity financing as it is the case in the United States. Therefore much stricter criteria for project preparation and appraisal ought to be applied by the European investors themselves, their banks and investment companies. When looking deeper into the issue of equity financing it appears that the shortage of equity capital as reason for insolvency is really only secondary. In my view the lacking or deficient preparation of a pre-investment study for a new venture or a restructuring project is frequently responsible for the financial difficulties which quickly occur during the initial operational phase. Too optimistic sales forecasts, costly material supplies, high wage and supplementary wages costs and deficient financial appraisal become the primary reasons for early insolvency of such project. Poorly conceived investment projects frequently underestimate the initial investment costs and working capital requirements leading to cost-overruns during the construction phase and shortage of liquidity which in turn results in a change of fund requirements and financing. At this late stage of a project it becomes almost impossible to quickly increase the too narrowly calculated equity capital. Additional funds can only be obtained through expensive short-term bank credits with the result that the equity share is still further reduced which ultimately may lead to an early crisis in the life of the new enterprise.

In two studies published in 1994 by the Institutes for Economic Research in Munich (I·F·O) and Halle (IWH) on the problems of financing SME's in the new German states, the authors have analyzed the funding mechanisms designed for economic restructuring in the former GDR. In spite of several generous funding programmes for newly established firms launched by KiW and Deutsche Ausgleichsbank many firms now complain about solvency problems, shortage of equity capital and insufficient collateral. Although the share of equity capital reached in 1991 30 % as compared to 17.5 % in West Germany, this ratio continuously decreased until 1995 when only 12.5 % of the East German firms had up to 30 % equity and 42.6 % less than 10 % as against 29.4 % in West Germany. This erosion of equity capital reflects on the operational problems faced by these newly established firms.

Likewise firms looking for credit financing from banks are confronted with problems to obtain loans due to their shortage of equity capital, insufficient managerial qualifications, insecure market conditions or lack of collateral.

In addition, the privatization efforts of Treuhandanstalt have given rise to concern since during the initial phase of privatization the contracts with the new owners included their commitment to future employment and investments. Since both these commitments and the prices charged for the firms were lowered during the later phase for newcomers, this actually resulted inter alia in a lower provision with equity capital during the initial years. This under-equipping of companies with equity capital was mostly compensated by loan financing which have to be repaid now. However, the original equity and loan capital is by now mostly depleted with the result of being no longer available to cover current funding problems or to serve as collateral for credits.

In the analysis particular reference is made to the lack of appropriate studies carried out at the time of restructuring, insufficient managerial expertise during the period of credit requests and the general shortage of consultancy work. The number of insolvencies and bankruptcies occurring in the new German "Länder" five years after the start of the restructuring process is perfectly in line with the peculiarities of the investment project cycle as documented by cash flow analysis.

It is not this fact which should worry us but the amounts of insolvencies and the experiences made by the new plant owners with a different economic system. As we have seen bankruptcies are an unavoidable feature of the market economy but I am convinced that their numbers could be reduced if better and more preparatory work would be carried out. Do not shy away from the costs for such studies, it is cheaper for the economy than to invest in bad projects. The needed restructuring in Slovakia should therefore be based on careful analytical work and realistic time horizons. "Eile mit Weile" or as the English say: "Slow and Steady wins the race".

Thank you very much !