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# 21953

# SUMMARY EVALUATION REPORT

of

the Workshop in the Field of Small and Medium Size Enterprises

September 15 - 26, 1997

Prague - Trebon - Brno Czech Republic

# Background and Introductory Information

In accordance with the Work Programme of the UNIDO-Czech Republic Joint Programme for Co-operation, Metallic Industries, Workshop in the Field of Small and Medium Size Enterprises was held in the Czech Republic from 15 to 26 September 1997.

The area of small and medium enterprises development has become one of the most important issue for relevant states authorities and independent international organizations as UNIDO. The main aim of this Workshop was to make participants familiar with legal frame and general situation in SME development in the Czech Republic, with some supporting systems organization and in the same moment to use opportunity to share participants experience of their countries in this area.

By tradition, the UNIDO-CR Joint Programme organized a number of specialized workshops and study tours. In view of its experience and achievements in the transformation of economy, the Czech Republic is very suitable for organizing workshops in the field of a small and medium business for participants from developing countries to demonstrate a whole structure of problems in the economy under transformation in relation to privatization and transformation from the planned to the market economy.

# Programme of the Workshop

The objective of the Workshop was to acquaint the participants from various regions with the following topics:

- Economic transition in Central Europe with special emphasis on the Czech Republic.
- The role of small and medium-size enterprises in the process of transformation of the Czech economy
- Economic transformation and employment: the so-called Czech paradox
- Law and economic frame of small and medium size business in the Czech Republic
- Financial analysis of investment projects
- Technical visits to selected companies
- Participation in a seminar "The Day of Arab Trade and Industry"
- Visits of International Engineering Fair in Brno

Detailed programme of the above mentioned topics, practical demonstrations, technical visits, discussions, and exchange of experiences indicating exact placement, timing etc. is mentioned in Annex 2 of this Report.

The arrivals of participants in Prague took place during September 12-15, 1997. The official

opening of the Workshop was on 15 September 1997.

The first day of the Workshop was dedicated to the short participants presentation in order to homogenize the group and to the lectures. Ms. Vera Gregor, UNIDO representative, who participated in the first two days of the Workshop, also gave information about the UNIDO activities.

During further days the participants became familiar with nowadays economy situation in the Czech Republic, basic regulations for small and medium undertaking including the regulations in the area of environment protection and industrial property rights. The Czech regulations of privatization were presented as well. Theory was suitably coupled with practice through technical visits complemented by video/film presentations which were very much appreciated by the participants. Programme of the third day was devoted to financial analysis of investment projects by using UNIDO methodology and COMFAR III Expert Computer Model. Majority of participants considered this part very usefull and some of them (Jordan) reccommended to prepare special study tour in the field of Financial Analysis of Investments Projects.

Considerable time was devoted to the discussions of small and medium undertaking topics and exchange of experience among participants which had really high level (due to advanced profile of participants).

The discussions with management of enterprises were the part of technical visits. They provided the participants with a wide overview on the subject of concern. During the stay in South Bohemia (Trebon) the presentations and visits of following Czech firms were organized:

- CHEMOPETROL Litvinov a.s. crude oil processing, petrochemical production, production and export fertilizers
- MOTOR Jikov a.s.- development and production of engine fuel systems and air brake systems of motor vehicles, small engines for agricultural and industrial purposes
- EKOL Ltd. design and manufacture of equipment for preliminary surface treatment
- WINNER Ltd. producer of building construction machines
- JAWA Tynec nad Sazavou a.s. producer of medical products, products from plastic materials, engine and other means of transportation, road engine transport
- JIHOSTROJ Velesin producer of airspace equipment, hydraulic power curcuits, parts for car industry
- BELIS Ceske Budejovice s.r.o. producer of enamelled and non-stick pots and pans
- SKLOFORM a.s. producer of machines and equipment for glass production
- OTAVAN Trebon producer of ready-made clothes
- BUDVAR Ceske Budejovice a.s. brewery

The press conference attended by ten journalists and two Czech televisions (CT1 and NOVA) was realized on 18 September, 1997. The journalists made many interviews with participants of the Workshop and Ms. Vera Gregor, UNIDO representative.

The evaluation of the Workshop by the participants took place on 25 September, 1997.

The departures of the participants took place on 25-29 September, 1997.

The Workshop was conducted in English, all participants were very active during whole two

weeks. The inquiries of the participants were answered immediately during the activities, the discussions were devoted to the exchange of experience.

The contents of the Workshop programme from both conceptual and organizational viewpoints, were found appropriate by all participants. The participants considered the duration of the Workshop sufficient and were satisfied with the amount of technical visits, demonstrations and discussions.

Majority of the participants thought that the Workshop was conducted relevant to the conditions in their home countries and recommended to repeat the Workshop every year.

# **Participants**

The Workshop was attended by 15 participants from 15 countries (Belarus, Bulgaria, Egypt, Ghana, India, Iran, Jordan, Kenya, Korea, Malaysia, Morocco, Mongolia, Sudan, Turkey and Ukraine). Detailed list of participants see in Annex 1.

The professional structure of participants: mainly managers and entrepreneurs.

The average age of the participants was 34 years.

Although the participants came from different cultural backgrounds, their incentive to acquire knowledge and good discipline enabled good co-operation among the participants themselves, Workshop specialists, and as a result, successful completion of the Workshop.

Final evaluation on behalf of participants see in Annex 3.

## Finance and administration

All costs of the Workshop were financed from the budget of UNIDO-CR Joint Programme - full board, lodging and pocket money for participants, local transport, costs of social and cultural events and other miscellaneous costs.

The organizational arrangements were carried out according to the schedule. Their fulfilment, especially during the final stages of the Workshop preparation, had required considerable effort of UNIDO-CR Joint Programme staff. Due to this effort and follow-up co-operation of all parties concerned, including specialists and participants, the Workshop was successful.

# Conclusions

- All participants followed the whole programme carefully. They were active in discussions and took part in operative programme modifications.
- The Workshop is an updated entity and can be implemented practically immediately without much preparation.

- Due to the experience transfer and direct contacts arisen, a good base for all possible ways of co-operation and technical assistance has been established.
- Some participants have already shown interest in further co-operation with Czech industry and experts on the basis of technical assistance or UNIDO projects.
- UNIDO-CR Joint Programme, as it was expressed by the official representatives during the Workshop, is ready to help developing countries in a wide extent.

#### Annex1:

## LIST OF PARTICIPANTS

# WORKSHOP IN THE FIELD OF SMALL AND MEDIUM SIZE ENTERPRISE

Prague, Trebon and Brno, 15 - 26 September, 1997

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# Annex 2:

# WORKSHOP IN THE FIELD OF SMALL AND MEDIUM SIZE ENTERPRISES, 15 - 26 SEPTEMBER, 1997 Prague -Trebon - Brno

# **PROGRAMME**

Sunday 14 Sept.	Arrival of participants, information and accommodation arrangements in the hotel Krystal, Jose Martiho 4, Prague 6
Monday 15 Sept. 9.00 - 09.30 9.30 - 11.30	Joint Programme Office, Narodni 35, Prague Registration, official opening of workshop Paper: Law and economic frame of small and medium size business in the Czech Republic
11.30 - 13.00	Lunch break
13.00 - 15.00	Meeting with UNIDO representative
15.30 - 17.00	Paper: The role of small and medium-sized enterprises in the process of transformation of the Czech economy Discussion
18.00 -	Welcome party
Tuesday 16 Sept.	Joint Programme Office - Narodni 35
9.00 - 10.30	Paper: Economic transition in Central Europe with special emphasis on the Czech Republic
10.45 - 12.15	Paper: Economic transformation and employment Discussion
12.15 - 14.00	Lunch break
14.00 - 17.00	Sightseeing of Prague with guide
Wednesday 17 Sept.	Joint Programme Office - Narodni 35
9.00 - 12.00	Financial analysis of investment projects - theory and practical examples
12.00 - 14.00	Lunch break
14.00 - 17.00	Financial analysis of investment projects - theory and practical examples (continuing)
Thursday 18 Sept.	
8.00 - 10.00	Departure for Trebon
10.00 - 12.30	Technical visit to the factory OTAVAN - confection and sale of proffesional, work, and protecting clothes and uniforms and readymade town suits and costumes
12.30 - 14.30	Accommodation and lunch in the hotel Bohemia
15.00 - 18.00	Presentation of different firms
18.00 - 19.00	Meeting with journalists

Friday 19 Sept. 8.45 - 12.00 12.00 - 14.00 14.00 - 16.30	Technical visit to the factory JIHOSTROJ Velesin - producer of aircraft engines, aircraft hydraulic control, mechanical engineering production Departure for Ceske Budejovice and lunch Technical visit to company Zemedelska technika, Ceske Budejovice - producer of agricultural machinery and equipment
Saturday 20 Sept. 9.15 - 12.00 12.00 - 13.30 13.30 - 15.30 15.30 - 19.00	Technical visit to the brewery BUDVAR Ceske Budejovice Lunch at the brewery with beer tasting Visit to the castle Hluboka Free time in Ceske Budejovice
Sunday 21 Sept. 10.00 - 10.30 10.30 - 12.00 12.00 - 13.00 13.00 - 14.00 14.00 -	Meeting with the chairman of Trebon town Sightseeing of Trebon with guide. Lunch Visit to the Trebon castle Departure for Brno, accommodation in the hotel IMPS
Monday 22 Sept. 9.00 - 11.00 11.00 - 17.00	Visit to the Czech Technology Park Brno - Technical University in Brno Visit of International Brno Fair Presentation of different firms
Tuesday 23 Sept. 8.30 - 17.00	Visit of International Brno Fair Presentation of different firms
Wednesday 24 Sept. 8.00 - 18.00	Participation in the seminar "The Day of Arab Trade and Industry" Farewel party
Thursday 25 Sept. 8.00 - 12.30 12.30 - 14.00 14.00 -	Technical visit to the Engineering plant Pacov - producer of machines for agriculture and food industry Lunch Departure for Prague, accommodation in the hotel Krystal
Friday 26 Sept. 9.00 - 11.00	Summary evaluation of workshop Departures of participants
Saturday 27 Sept.	Departures of participants.

#### **EVALUATION REPORT**

## RELATED TO THE WORKSHOP ON SMALL AND MEDIUM SIZE ENTERPRISES

Date: 15 - 26 September, 1997

Place: Prague, Trebon and Brno

## 1. Workshop objectives

The objectives of the workshop was to improve the development of small and medium enterprises and their environmental impacts through exchange of information, sharing the experiences of countries represented and technical visits.

## 2. Arrival in Prague

The invited participants were received at the Prague airport or railway station by officers from UNIDO CR Joint Programme office and accommodated at the hotel Krystal.

## 3. Presentation of lectures

Lectures were presented at the UNIDO CR JP/MI Conference room in Prague. The lectures presented various subjects professionally with supplements of handouts. The participants raised issues affecting the development of small and medium enterprises. This attracted the discussions which were satisfactorily handled.

The following papers were presented:

- a) Law and economic frame of small and medium size business in the Czech Republic
- b) The role of small and medium sized enterprises in the process of transformation of the Czech economy.
- c) Economic transition in Central Europe with special emphasis on the Czech Republic.
- d) Economic transformation and employment
- e) Financial analisys of investment projects

## 4. Technical visits

The technical visits attracted the participants most because of the fast changes the Czech economy is gaining. Privatization is the order of the day and therefore the total turnover in the few industries we visited shows the quick changes the Czech economy is experiencing. The participants made the following visits:

- a) Technical visit to the factory OTAVAN confection and sale of professional work and protecting clothes and uniforms and ready made form suits and costumes
- b) Technical visit to the brewery Budvar Ceske Budejovice
- c) Visit to the Czech Technology Park Brno Technical University Brno
- d) Visit to International Brno Fair

- e) Technical visit to Jihostroj Velesin
- f) Technical visit to BELIS producer of pans and pots
- g) Technical visit to the Engineering plant Pacov-producer of machines for agriculture and food industry.

The technical visits most attracted the participants. Technical university leads the rest in this role it plays in the transfer of technology to the SMES and in participation at National and International firms. Co-operation in machinery, chemistry, biology and environmental engineering gives it all credits of its good work.

Pacov engineering plant attracted the participants. It produces the agro based machines for food industry.

## 5. Cultural visits

The participants visited the following cultural and attractive areas:

- a) Prague City sightseeing
- b) Trebon sightseeing and castle
- c) Castle Hluboka

## 6. Relationship and interaction of participants

The participants enjoyed the close interaction and exchanged various views that affect positively and negatifully the development of small and medium enterprises in their countries. During the visits and social gathering they appreciated the organizers professional programming.

## 5. Presentation of different firms

The programme was among the best organized occasion, the participants enjoyed. The firms gave good presentation above their firms and showed to assist SMEs in various countries. The journalist did a commendable job especially when they interviewed the Chief Executive of UNIDO-CR Joint Programme and two participants - Mr.S.O.Mogaka, Kenya and Mr.J.H.Song, Korea. Both Programmes was screened in the national TV. This was a big honour to the participants and the organizers.

6. The organizers of the workshop had a professional intention which is rare in most workshop programming. Right from the way the invitation of participating countries was arranged to receiving the participants organizing an accommondation, meals, lectures, technical visits and departures is something which carries professional and commitment to service. The entusiasm of JP/MI staff, the secretariat and all participants in the success of the programme is the team work which saw this to the last day. The Chief Executive Lady Dagmar Trkalová is a wonderfull lady, a systematic programmer and future leader in the assistance of developing SMES in developing economies attracted by Czech Republic set up. Participants were thankful and satisfied with the organization and the hospitality they received. We should also give our special thanks to Ms. Milada Boehmova and Ms. Zdenka Palickova for their dedicated support right throughout the tour, towards the successful implementation of this workshop.

## 7. Suggestion

The programme period should be extended however expensive it may be because of the following factors

- a) The Czech Republic is one country which attracts almost all developing countries attract, especially African economies. Intensive exchanges in study tours should be encouraged.
- b) Czech industrial experience for SMES during transformation period should be shared by firms in developing economies so that joint exchanges may benefit both parties.
- c) One month pragrammes will help countries in need of Czech experience to aid SMES in their economies.
- d) Joint ventures should be encourages through the participants efforts in their countries with the help of the UNIDO CR Joint Programmes.
- e) The Czech Republic through their embassies abroad should put in place opportunities in training, transfer of technology and research. This should be done through the institutions or organizations related to the above. Exchange programmes affecting SMEs should be intensified in future workshops by rotating from one country to the other.

## 8. Special observation

- a) In future workshops the participants from the invited countries should be given a special session to present country papers, video shows or give special acquired research achievement reports in SMES development. This will help other participants, Czech industrialists and research institutions to learn more from each other.
- b) Interacting with interested parties in joint venturing or business deals for participating countries to be intensified in future.

# Participants:

Name 1. Mr. M.A. K.El Din El MAUID	Country Signature Egypt Mostafa
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5. Mr. D. Bartels-Kodwo	Ghana Jor Lun
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12.Ms. Guller GUNER	Turkey
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