

Ⅲ. 資料

1. 協議議事録

(ブルガリア中小企業育成について)

第1回 10月1日 12:00-14:00

於: Agency for Small and Medium-sized Enterprises (ASME)

1) 調査団側より本調の目的を説明した後、ASME側より以下の説明がなされた。

- ①経緯・正式にAgencyとしてスタートしたのは1997年であるが、その準備は1993年より始めていた。
- ②組織・International Dept.、Information & Consultancy Dept.、Regional Development Dept.、Finance Dept. の4つの部よりなる。
- ③政府内での位置付け・現在は産業省の下にあるが、近々閣僚会議直轄のAgencyとなる予定。
- ④役割・(1)中小企業向けの政策を策定する。
(2)法整備のための意見をまとめる。
(3)地方・海外との調整、情報交換、経営者の訓練、見本市参加等の政策を実行する。
- ⑤EUとの関係・中小企業の定義等も含めてかなりの部分がEUから指導を受けた政策に準じたものとなっている。また、ローンプログラムのファンドもEU PHARE Programmeからの援助で始めることになっているとのこと。

2) JICAの開発調査に関してはブ大から事前の説明がなされていたが、再度当方よりJICA開調の枠組み・流れ等を説明し、開発調査の最終段階はレポートの提出であること、調査とともにASMEへの資金的援助がなされるわけではないこと、JVのための日本企業への照会は出来ないこと等につき先方の理解を得た。

また、ブ国の中小企業振興についての協力を行うにあたっては、ASME側が中小企業の現状を把握し、どのようなボトルネックがあるのか、またどこに焦点を当てたいのか等の問題意識を持たなければJICAとしても協力の方法が決定出来ない旨合わせて説明し、これらを踏まえて、今後ブ国における中小企業の問題点をASMEが取りまとめ、日本側に提出したいとの意向が示された。

3) 引き続きASME側より開発調査の調査方法につき質問が出されたため、開発調査を行う対象業種の絞り込みの必要性についても説明した。ところが、ASMEが発足間もないと

いうこともあり中小企業に関するデータを有していないこと、また現時点でも政策的にも振興を進めていくような重点業種を策定していないこと等の理由から、現段階では有望業種にかかるアイデアはASME側からは説明されなかった。右に鑑み、JICA側より、まずASMEが独自に中小企業の実態調査を行うことを提案し、あわせて、これはJICAが開発調査を進めるためだけではなく、ASMEが機能していく上で必要不可欠な情報である旨説明した。これを受けて、ASME側からはサブセクターリストも含めたレポートを作成、大使館に提出する旨表明された。

第2回 10月2日 10:00-14:00

於: Institute for Instrumentation and Computer Technique (IICT)

引き続きブ国中小企業の現状につきヒアリングを行った。結果は以下の通り。

1) ASME側より独自調査の内容に関する質問がなされたため、JICA側は事前に用意していたヒアリングリストを説明した。

2) JICA側より以下の項目について質問がなされた。

①中小企業の定義・・中企業100人まで、小企業50人まで、零細10人まで
人数の他に資産、利益、独立性が考慮される

②国家開発計画との関係・・2001年までの計画では、主に企業の定義、各業種の優先順位を決定する

③産業政策の有無・・現在のところ存在しない

④EUとの関係・・DG23の指導の下に主要な政策を決定した

⑤組織・・ASMEの職員数は約20人である

⑥国内情報連携促進・・Bulgarian Association for Regional Development、Bulgarian Business Association、各地方のBusiness Center、市民イニシアティブ等との情報交換を行っている

⑦技術促進政策・・強いて言えばInfo & Consultancy Dept.が行うが、現状では特にない

⑧金融問題・・一般の商業銀行等はほとんど機能していない

JICA側としてはレポート提出がされた後、今後の協力の方向性を考えていくと伝え、ASME側からも了解を得た。

3) 引き続きIICTの説明を受けた。これはコンピューター関連製品及びその他機器の中小企業を1ヶ所に集めたテクノロジーセンターであり、それらの企業のために品質管理・検査等を行い、研究その他の問題等を時折所属企業間で共同で解決している。他業種のインスティテュートも数多く国内にあるとのこと。

4) 中小企業訪問 14:00-16:50

訪問企業に関しては、面会者一覧を参照。

ASMEとの第2回協議が長引いたため、IICT内の企業を見学したに留まり、当初ASMEを通してアポイントを取っていた革製靴・鞆の企業への訪問は中止された。

以 上

(ブルガリア電子ビームについて)

10月1日 14:15-16:00

於： Natsionalna Elektricheska Kompania EAD (NEK)

冒頭、調査団側から対処方針に従い、ブ国側に説明のうえ、現状につき質問した。同説明に対し、ブ国側からは以下のように説明がなされた。

- 1) 現在、マリツァイースト2号機に1万-燃焼ガス処理用の電子ビームプラントを組立中である。大統領訪日時に、日本原子力研究所と大統領とが合意、サイン締結したプロジェクトであり、(同内容は) 加速機等400万ドル相当は日本側(日本原子力研究所)の提供で、120万ドルの関連電気設備をIAEA、ブルガリアは100万ドルを負担(反応器等)することとしている。
- 2) 設置する電子ビーム設備については、反応器の国内入札が始まっており、10月14日にTenderの見積もりが提出される予定であり、IAEAからの入札資料も入手している。さらに12月初旬にメインコンストラクターの入札と建設を始める予定であり、その後12月中旬に日本からの機材が到着し、運転開始は来年5月頃になるものと想定している。
- 3) ブ国の希望として、
 - ①電子ビームの組立を自力で行いたい
 - ②IAEA及びJICAエキスパートの協力を得て更に1基設置したい
 - ③調査結果に基づき、個々の発電機に設置したい
- 4) ブ国発電所(マリツァイースト)の問題点としては主に以下の2点が考えられる。
 - ①脱硫装置の設置場所がない
 - ②SoX濃度が高い(5000~6000ppm、世界で最も高いものの1つではないか)

これらの改善と合わせ、発電所諸般のデータは前回JICA報告書(マリツァイースト発電所環境影響評価)に詳細に記載されているところ、JICAの専門家には、

- ①パイロットプラントを動かし、データを取得し、大型の電子ビーム機械の研究(分析・評価)をしてもらいたい
 - ②12月初旬に日本からの機材が到着するので、これに合わせ派遣をお願いしたい
- と、考えている。

右内容については、当調査団では回答出来ないところ、ブ国側に対しては、ブ国の要望(上記2点)について、関係部課(派遣事業部)に伝えることとした。 以上

於： Ministry of Foreign Affairs

1. 冒頭、団長より本件調査の目的につき説明したところ、先方よりできる限り調査が円滑に実施できるよう協力する旨応答があった。
2. 仮に本件調査により要請内容が確認され、開発調査で対応可能と判断された場合には、案件採択の調査団を派遣することになる。案件採択には先方がUNDERTAKINGを供与することを必要とするが、「ス」として右事項を供与することには問題はないか確認したところ、過去に開発調査の事例（現在実施中の「フロン川流域地域環境管理計画」）もあり、問題ない旨応答があった。
3. (1)当方より、本件要請には口上書による正式要請書が付されていない旨指摘し、本件調査により開発調査で対応可能と判断された場合には至急口上書を提出するよう依頼したところ、本件調査により案件の内容が確認され、右に経済省・中小企業庁が同意した場合にはすぐにでも口上書が発出できるとのことであった。

(2)さらに当方より、「ス」より過去に提出された要請には口上書による正式要請書が付されていないところ、正式に案件内容を検討するためには口上書による要請が必要であり、今後必ず口上書を付して要請するよう依頼したが、先方より、要請段階では関係省庁より提出される案件の内容が完全でないため口上書発出は難しい旨応答があったところ、当方より、案件内容については援助窓口機関である外務省が関係省庁と調整し、十分案件内容を詰めた上で要請するよう重ねて依頼し、先方の理解を得た。
4. (1)現在、中小企業分野で行われているEU-PHAREの支援に関し、右プロジェクトとの外務省の関係をただしたところ、96年まで「ス」側窓口であったが、その後所管が政府局に移ったとのことであった。政府局に移した方がプロジェクトが早く動く、とのEU側の依頼があったとの由。

(2)93年1月に旧チェッコ・スロヴァキアより分離独立する以前から実施されていたプログラムは、その後どうなったかを質したところ、分離独立時にプログラムを2:1の比率でチェッコとスロヴァキアに分けたとのことであった。

(3)他ドナーの援助動向に関し、今まで実施されたプロジェクト概要につき質したところ、外務省は援助受け入れを担当しているのみで、案件実施までフォローしておらず、情報はないとのことであった。

以上

(スロヴァキア中小企業の技術向上について)

-Ministry of Economy-

第1回 10月5日 13:30-14:50

於: Ministry of Economy

1. 調査団側より本調の目的を説明した後、ス国側より以下の説明がなされた。

経済計画(1998-2005、1997年に法案として通過)の骨子

- 1) 1995年以前の経済分析
- 2) マクロ経済計画
- 3) 個別政策(中小企業対策は重点項目の一つ)
 - ① プロダクトイノベーションプログラム
 - ② 企業の質の改善・改良
 - ③ 輸出戦略
 - ④ 雇用
 - ⑤ 環境
 - ⑥ 重工業
 - ⑦ 機械
 - ⑧ 自動車
 - ⑨ 木材加工
 - ⑩ バイオテクノロジー
 - ⑪ その他のサポートプログラムの作成

個別政策全体の年間予算は75億SKであり、政府、EU-PHARE、企業の自己資本で賄われている。

2. ス国では1997年までの市場経済化を主眼とした経済開発計画に従い特に雇用を吸収するために中小企業育成を目指してきたため、企業数が244,000にまで増加しており(従業員9人まで-80%、10~49人-12%、50~249人-6%、250人以上-2%)、数の面での目標は達成できたと考えている。今後はこれら中小企業の市場競争力をつけるために、企業の質的向上を図っていきたいと考えており、このための協力を日本に期待している。

10月5日 15:00-18:00

於： NADSME

1. 冒頭、ス国側よりNADSMEについての説明が行われた。この機関はス国政府がEU・PHAREの出資を受け、その援助プログラムに従って1993年に発足させたもので、中小企業振興プログラムの全てをコーディネートしている。その活動は以下の通り。

- 1) 政策立案・・・中小企業の実態調査や年次報告書を作成し、それをもとに立案する
- 2) コンサルティングと情報連携促進・・・国内に17ヶ所に事務所を持ち、経営全般の情報を提供している。そのうち12ヶ所でコンサルティングも行い、5ヶ所ではイノベーションセンターとしての役割も備えている。
- 3) 金融プログラム・・・ローン、保証制度、ベンチャーキャピタルなどのプログラム
- 4) EU情報提供・・・Euro Info Centerを設置し、EUの情報収集、交換等の業務を行わせている
- 5) 下請けの推進・・・国内・海外の情報を整備し、企業間の取引の推進を図っている

コンサルティング面では国営企業のリストラを進めると同時に、同企業から新たに中小企業を育成するという目的のスピンオフプログラムを実施している。これは、例えば国営企業の部品生産部門などを切り離し、中小企業とすることによって、経営の無駄を省き、同時によりマーケットに向けた行動を取りやすくすることを目的としているものである。

2. 引き続き、調査団側より本調の目的を説明し、カウンターパートは経済省、実施機関はNADSMEであることを確認したが、要請書の内容に関しては知らされておらず、日本に期待することについても独自の考えを有していた。その内容は以下の通り。

- ①技術、経営、企業等に関する情報のデータベースを作成し、提供にかかる情報面での支援
- ②そのデータベースをもとに人的・資金的さらには企業との提携面も含めた支援

Ministry of Economy

第2回 10月6日 10:00-13:30

於： Ministry of Economy

1. 冒頭、調査団より経済省への再訪問理由の説明がなされ、本件にかかりス国側の責任機関は経済省、実施機関はNADSMEであり、またEnterprises development and Regional Policy Dept.がカウンターパートである旨確認した。合わせて、要請内容につき再度説明を求めたところ、ス国側の中小企業育成に対する政策・意向、日本への要望は内容は以下の通り。

- 1) 中小企業向けプログラムへの助言
- 2) 技術促進政策についての助言及び技術移転
- 3) 中小企業に関するデータベース構築への助言

また、EUによる支援と日本側に期待する支援との関連については、「2005年までの経済計画の中でもEU加盟は最大の目標であるため、中小企業向けの政策の多くがEUのスタンダードに従ってはいるが、政策策定にあたってはス国独自の政策を盛り込んでいるのに加えて、PHAREのプログラムは1999年で終了、2000年からは次の発展計画段階（EU-ESPA、SAPARD2つの基金からの援助を受ける）へと移行するので、PHAREプログラムにこだわらずに日本の経験に照らして有効だと考えられる諸方策にかかる助言をしてもらいたい」との答えを得た。

これに対し当方からは開発調査を円滑、効率的に実施するにあたっては、中小企業の実態を把握する必要があること、対象業種は製造業であること、さらに調査対象業種を絞り込む必要性がある旨先方の理解を得た。

2. Agency for Industrial Development and Revitalization (AIDR) よりス国における産業政策に関して説明がなされた。同内容は以下の通り。

・現在進行中の計画で特に重視されているのは自動車と木材加工であり、それぞれの発展プログラムのために中小企業が集まって別会社を設立、各工業分野の部品ごとにプロジェクト企業チームを結成して、他企業との仲介やマーケティング等の面で個々の企業の替わりとしての役割を果たしている。

- ・自動車の部品納入先はシュコダとフォルクスワーゲンで80%を占めている。
- ・加盟企業数は現在のところ、自動車で38社。(木材加工については近々設立予定であり、その部品としては接着剤、ペンキ等も含まれる)
- ・これら2業種は、自動車連盟、木材連盟の強い働きかけを受け、政府(経済省)が決定した。
- ・AIDRとNADSMEとの中小企業をめぐる関係に関しては、元々AIDRの上記プログラムを担当する局の設立にNADSMEが関わっており、さらにスピンオフプログラムの実施に際して両者の連携がなされている。

3. JICAの開発調査に関して、我が方のサブセクターの選定方法に対する経済省の見解につき日本側から質問したところ、経済省もこの方法に理解を示した。また、開発調査の実施に際しては調査内容のス国側内関係機関の調整から、NADSMEとAIDRへの連絡まで経済省が責任を持って行う旨確認した。
4. また、日本側より再度開発調査について、その対応範囲はあくまでもプランの作成までであって、実際に中小企業振興のためのプロジェクトの実施や、資金的援助を行うのでもないことを再度説明し、ス国側の理解を得た。
5. 上記一連の協議の結果、要請済みのTOR内容につき先方が十分に承知していなかったこと、今後想定される双方で合意形成のなされた開発調査の内容が同要請内容と異なることから、ス国側より改めて検討された要請書を作成のうえ、外務省の口上書を添付し、日本大使館に提出するよう要請し、ス国側の了解を得た。

以上

(在チェッコ日本大使館訪問) 10月8日 11:00-12:00

1. 調査団よりス国における協議及び調査の報告がなされ、開発調査に対するス国側の意向、経済開発計画の有無、中小企業の現況、対象業種絞り込みの可能性等を勘案のうえ、開発調査を実施出来る素地があることが説明された。

2. 対象業種としては現在のところ自動車部品、木材加工が挙げられており、特に自動車部品に関しては、ス国内での現地調達率が既に30%であり、チェッコでのソニー、パナソニック製品製造工場でも5%程度であることを考慮すると、今後さらに発展していくであろうと思料される。フォルクスワーゲン1社のみへの貢献になり得るとの懸念も出されたが、まずはス国に進出した企業の要求を満たすことが出来る技術水準に達することが、個々の中小部品製造企業にとっても計画目標も立てやすく必要であり、日本の自動車メーカーにとっても進出しやすい環境となること等が確認された。

木材に関しては現在のところ判断材料不足であるが、役務コンサルタントの木材連盟、関連企業訪問の報告が提出された後、あらためて議論していくことが確認された。

3. 自動車、木材加工以外の業種選定の可能性について大使館側より質問が出されたが、例えば電子・電気分野で知識的に高いものを持った人材は少なくないため引き続き資料収集を行って考慮していく必要性が上げられた。ただス国側の自発性という観点から、現在のところ開発計画に挙げられている分野を優先的に考慮して進めていく重要性についても上げられた。

4. 大使館より以下の情報が提供された。

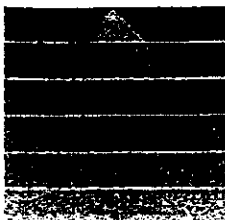
1) 1998年9月に実施されたス国総選挙の結果を受けて、EUがス国を加盟の第一陣に加える可能性がある。

2) 新たにオーナンバという関西に拠点を置く日本企業がス国に投資し、オーディオ製品用のワイヤーハーネス製造を始める。

5. 今後の日程としては、ス国側が再度要請書を作成し、口上書とともに大使館に提出された後、次段階へと移ることが調査団より説明され、大使館側に確認された。

以上

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES
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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES

The Agency was founded as a joint initiative of the PHARE programme of the European Union and the government of the Slovak Republic. The Agency is managed by a board of trustees. The main mission of the Agency is to initiate the development and growth of the existing and newly formed small and medium enterprises in Slovakia. It co-ordinates all activities directed towards providing support to small and medium enterprises, including financial, at an international, national or local level.

THE AGENCY

- Drafts government policies and strategies in the area of small and medium enterprises and submits these drafts to the relevant bodies of the central administration.
- Identifies and analyses barriers to the development of enterprise, formulates proposals for their removal, and submits the drafts to the appropriate bodies of central administration.
- Is supportive of, and co-operates with financial institutions in designing various credit and guarantee schemes which stimulate the development of small and medium enterprises (SME) in Slovakia.
- Supports and develops Regional Advisory and Information Centres (RAIC), and co-operates with Business Innovation Centres (BIC) and business consulting centres in Slovakia in their endeavours aimed at developing the managerial and technical skills, as well as marketing and financial strategies of entrepreneurs in the SME sector.
- Co-operates with the existing business-related European information networks and databases, for which purpose the Agency established the Euro-Info Correspondence Centre.
- In an effort to expand the current range of activities in the area of SME, the Agency initiates and supports various public awareness and advertising campaigns, publishes information bulletins, and organises conferences, seminars and exhibitions.
- Is commissioned to perform the function of Program Management Unit for Small and Medium Enterprises to facilitate the co-ordination of support provided to Slovakia from the PHARE programme.
- Co-operates with domestic and foreign sponsors to the benefit of small and medium enterprises in Slovakia.
- Is the national co-ordinator of Slovakia's participation at various business meetings and fairs, such as EUROPARTENARIAT and INTERPRISE.
- Organises the Subcontracting Exchange which facilitates the selection of co-operation partners for domestic and foreign manufacturers, and provides Slovak companies with consulting in the area of trade, legislation and technologies.

**SPECIALISED
SUBSIDIARY
OPERATIONS
OF THE AGENCY**

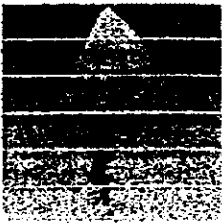
I. Subcontracting Exchange of Slovakia

The Subcontracting Exchange of Slovakia (SES) was founded by NADSME as its specialised operation in October 1994. It is a non-profit organisation with international participation, the main mission of which is to facilitate co-operation, particularly between large companies (as contractors) and small and medium enterprises (as sub-contractors).

Technically, the core of SES is a UNIDOSS project implemented in co-ordination with UNIDO experts (United Nations Industrial Development Organisation). Through the UNIDOSS database, which contains individual EU specifications, SES can exactly identify requests or offers for co-operation and couple them.

The Subcontracting Exchange of Slovakia:

- identifies suitable partners for co-operation conforming to the requirement and needs of foreign companies (mainly European) and makes the necessary arrangements for a successful industrial co-operation,
- provides information on Slovak industries and financial information on Slovak companies, translation and interpreting, presentation of co-operation offers and information on available production capacities in Slovakia to foreign entities,
- co-ordinates and provides consulting services in the area of international industrial cooperation,
- monitors production capacities and requests for co-operation by Slovak companies,
- organises SES member enterprises at international fairs (e.g. Hannover Messe) or subcontracting fairs (e.g. Midest Paris),
- organises trading at Slovak Subcontracting Exchange with international participation,



- identifies and accepts new SES members - particularly Slovak companies suitable for cooperation.

II. Euro-Info Correspondence Centre

In order to provide small and medium enterprises with information and thereby improve their chances on the European market, the EU Commission in Brussels initiated the formation of a network of more than 220 Euro-Info-Centres - advisory centres of the European Union. This dynamic network covers all member states of the EU as well as those seeking membership. Slovakia is a part of the European network via Euro-Info Correspondence Centre (EICC) based at the National Agency for Development of Small and Medium Enterprises.

The EICC fulfils the basic information function for Slovak business entities on EU developments and is actively involved in the existing European mechanisms designed to provide support to businesses. The main mission of EICC is to obtain and provide information requested by domestic and foreign enterprises (e.g. information on relevant legislation, financial and banking operations, or direct request to find partners for co-operation).

EICC:

- informs on EU developments,
- provides consulting to small and medium enterprises in establishing co-operation links with partners abroad,
- provides basic information on EU business-related legislation,
- informs on support programmes for SMEs,
- is equipped with VANS, a system for communication through computer network, and mediates co-operation contacts abroad,
- develops its own library and information filing system based on EU information materials and releases and own databases covering business in the Slovak Republic.

III. Seed Capital Company s.r.o.

In order to facilitate capital investment in companies (as one of the major means of financial support), NADSME has founded a business structure called Seed Capital Company s.r.o. (SCC). The company administers funds provided specifically for this purpose from the PHARE programme. These funds are designed for investments in small and medium enterprises in Slovakia.

The goal of SCC is to make financial investments to facilitate the formation of new companies or develop activities of already active firms in new areas of business.

Financial investments are of a risk-capital nature, since entrepreneurs are not required to provide guarantees. Since SCC shares the risk with the entrepreneur, it is looking for the most promising companies in terms of future growth that have a well prepared and sound business plan.

SCC makes investments in the form of:

- capital participation
- debt-for-equity convertible credits

Capital participation involves joint-venture type of investments or purchase of a stake in the company's stock. After the passage of the investment period, the partner buys out the stake of Seed Capital Company. The partners of SCC enjoy the option right to such a buy-out; if they are not interested in exercising it, the stake controlled by SCC is sold to a third person. Seed Capital Company s.r.o. acquires, on principle, only minority stakes in businesses.

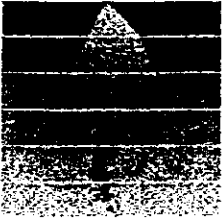
Convertible credit is a form of a credit extended on the condition that if the partner falls into default with its repayment to Seed Capital Company s.r.o., any such unpaid portion of credit is converted into corresponding ownership interest of SCC in that company. Also in this case, the partner is allowed to buy back this stake out at a later point. Convertible credit is only supplementary to capital investments (and represents some 10% of their amount).

SCC refrains from interfering in the day-to-day management and operation of these enterprises, although it provides strategic advice and recommendations.

INSTITUTIONAL
NETWORK
OF THE AGENCY

The network of the National Agency for Development of Small and Medium Enterprises (NADSME) includes Regional Advisory Information Centres (RAIC), Business Innovation Centres (BIC) and their branch offices.

One of the main goals of RAIC and BIC is to contribute to the building of a network of small



and medium enterprises in individual regions of the Slovak Republic through the provision of a comprehensive package of advisory, information and training services. In addition to providing these services, the centres are actively involved in the implementation of various regional development projects. In these projects, the centres co-operate with other regional institutions and foreign partners. (qualified RAIC and BIC advisors were trained by both specialists from Durham University (U.K.) and specialists from Slovakia (who initially received a train-the-trainer type of training provided by Durham University). In order to ensure their continuous professional growth, NADSME hosts seminars and training programmes for these advisors.

RAIC - Regional Advisory and Information Centres

The Regional Advisory and Information Centres are not-for-profit institutions working on the basis of partnership between the public and private sectors as independent regional associations of legal entities. They are funded from both Slovak and foreign sources designed to provide support to small and medium enterprises.

RAICs provide comprehensive advisory, information and training services, particularly for two target groups:

1. beginning entrepreneurs who have decided to run their own small or medium-sized business, particularly unemployed persons who intend to pursue their business ideas, and 2. active SMEs who need to solve their business problems or are interested in expanding their business further.

RAICs have won themselves a reputation as reliable partners with entrepreneurs who are in need of help in solving various problems. This is mainly because RAICs:

- are able to assess the chances and risks involved in a business idea,
- prepare business plans in a form acceptable to banks and foreign support funds established to facilitate business initiatives of SMEs,
- provide consulting services and information in the areas of:
 - management
 - marketing
 - taxation
 - accounting legislation
- seek suitable partners for co-operation, mainly abroad,
- organise participation of Slovak companies in trade fairs,
- organise a comprehensive consulting and training programme for unemployed persons who intend to found their own business. This is done in co-operation with regional Labour Offices under the co-ordination of CEPAC Slovakia,
- hold specialised seminars aimed at key areas of business and various topical issues for active entrepreneurs provides methodological guidance to regional development programmes.

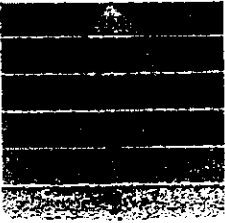
BICs / Business Innovation Centres

In addition to providing similar consulting, information and training services for entrepreneurs, BICs are oriented towards creating favourable conditions for those firms whose business plans are innovative (launching a new product, service or technology) and work with them for a period of 2 to 3 years. The availability of such BIC assistance is subject to regional preferences. BICs provide newly registered entrepreneurs with material assistance and serve as "incubators" for small innovative firms, thereby helping to reduce the inevitable start-up costs. Through the European network of innovation centres (EBN), the BICs mediate contracts with other European businesses connected to this network. Support under this programme is available to independent corporate bodies - limited liability companies.

Throughout the history of their operation in the EU, BICs have gradually developed their services and provide entrepreneurs with the following:

1. **First-line consulting** - this service is available to entrepreneurs regardless of the type and area of their business. Consulting services cover the following:
 - preparation of business plans
 - preparation of marketing plans
 - preparation of loan applications
 - accounting and finance

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES
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- finding partners in the region and abroad
- identifying foreign sources for the formation of joint ventures

Using external experts, BICs provide consulting in the following areas:

- legal advice
- tax consulting
- book-keeping
- customs consulting
- implementation of quality systems (ISO 9000)

BICs are expanding the scope of their services to include:

- technological consulting
- patents consulting
- due diligence for projects evaluation and risk financing
- spin-off consulting

2. Assistance to innovative companies - these services are provided to clients whose business plans are considered innovative.

A. Selection phase

- identifying innovative projects (brokerage activity)
- preparation of business plan
- decision to accept the client under the auspices of BIC

B. Long-term care phase (2-3 years)

- financial management and accounting consulting
- project financing consulting
- contacts within the European network of BICs
- training programmes
- joint participation at exhibitions and fairs
- promotion and public relations
- initiation of co-operation links

RAIC and BIC branch offices

RAICs and BICs are building a network of regional and district offices to ensure the widest possible coverage of the territory. These branch offices provide or mediate similar services as their parent organisations in major locations.

In order to come as close as possible to entrepreneurs even in the most remote regions, RAICs and BICs organise "consulting days on the spot" in co-operation with local administration.

**FUNDING
OF THE AGENCY**

NADSME, as national co-ordinator of support to small and medium enterprises in Slovakia and a PHARE programme management unit, funds its operations from two main sources, the state budget of Slovakia and the PHARE Fund. Within the framework of bilateral co-operation, the Agency is also active in seeking other sources of financing for Slovak entrepreneurs in western Europe, USA, Japan, and other countries. In addition, the Agency has its own revenues from commercial activities.

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**LEGISLATIVE ACTIVITIES OF THE AGENCY, SUPPORT
OF, AND CO-OPERATION WITH ENTREPRENEURIAL
PROFESSIONAL ASSOCIATIONS**

LEGISLATIVE ACTIVITIES OF THE AGENCY

Pursuant to Act No. 100/1995 Coll. on government support to small and medium size enterprises (NADSME was one of authors), and pursuant to its statutes the Agency annually draws up **THE STATE OF SMALL AND MEDIUM ENTERPRISES** report, which is approved by the government and, subsequently, by the Parliament. The report, among other things, provides an insight into the legislative environment for small and medium enterprises and proposals for amendments to certain laws, and strives to create a more positive entrepreneurial environment in Slovakia. Reports are also prepared on a semi-annual basis, comprising information on the accomplishment of the financial support programs for SME.

Another important part of the Agency's activities is the preparation of **governmental SME support programmes**, and planning **medium-term SME support policies**. These efforts are undertaken in conjunction with professional associations, experts and the relevant ministries.

In order to stimulate the exchange of opinions on legislation, tax regulations and education-related issues, as well as on SME's access to financing, the Agency organises conferences and seminars.

In response to the entrepreneurs' needs the following information materials are published by the Agency:

- An overview of the laws crucial to SME
- A list of state legislation in support of small and medium businesses
- Basic administrative steps in starting up a business
- A guide to the support initiatives for SME in the Slovak republic

**AGENCY'S CO-OPERATION WITH, AND SUPPORT OF PROFESSIONAL AND
ENTREPRENEURIAL ASSOCIATIONS**

NADSME maintains close co-operation with entrepreneurial as well as professional associations. The Agency sees them as well equipped in terms of both organisation and knowledge. The co-operation may be funded through the PHARE funds.

Support and co-operation is aimed at:

- important professional associations and interest groups of entrepreneurs, who can directly impact the business community
- organisations based nation-wide, or organisations with strong regional influence
- guilds or tradesmen's associations, based on their regional influence
- other organisations whose activities or projects support SME development

Co-operation criteria:

- the supported entity is a small or medium-sized enterprise whose products or services meet the goals of the relevant industrial policies and other sectoral objectives
- the supported entity will create new jobs or otherwise stimulate regional development, and has prospects for continuing its activities after the support has ceased
- quality of the project

Areas of support:

- formulation of strategies and identification of the organisation's goals
- further training of members of the organisation
- forging links and establishing co-operation with foreign partners
- those projects which positively influence SME development and establish the foundations of future activities
- technical support
- financial support for seminars, conferences and study visits

To date, the Agency has established co-operation links with the following entities: the Slovak Union of Tradesmen, Association of Building Entrepreneurs of Slovakia, Slovak Union of Rural Tourism and Agro-tourism, Guild of Ceramics Producers, Guild of Joiners, and Slovak Association of Travel Agencies.

NADSME will be pleased to accept further proposals for co-operation from other entrepreneurial organisations, provided they meet the criteria and are supported by business plans.

INFORMATION BOOKLETS FOR ENTREPRENEURS

In meeting the needs of entrepreneurs, those in the government institutions, municipal offices and would-be entrepreneurs, NADSME regularly publishes the following information brochures and materials:

1. A Guide to the Initiatives Supporting Development of SME in the Slovak Republic

This publication, updated annually, provides information on both the initiatives and institutions supporting SMB, including addresses, contact persons and fax and telephone numbers. These initiatives take various forms – including advisory centres, training centres, entrepreneurial incubators and technology forwarding centres. Small and medium enterprises may make use of numerous programs providing direct and indirect financial assistance, funded by various organisations such as The European Union via its PHARE or EBRD programs, bilateral organisations such as the Slovak-American entrepreneurial fund, projects and programs of the Slovak government, non-governmental organisations and various combinations of these institutions and programs.

The publication describes the initiatives in the following fashion:

- National Agency for Development of Small and Medium Enterprises (its activities and programs)
- programs for individual branches of the national economy and other initiatives of central bodies of the state administration
- financial institutions and their programmes
- other institutions supportive of small and medium enterprises

2. State of Small and Medium Enterprises, the Annual Report

The report is prepared by NADSME for the government and parliament, and in its enlarged form is available as a book to the public. It contains:

- a brief assessment of small and medium enterprises development with respect to macroeconomic factors
- development of SME from 1991 and its profile in the past year, including its share of the macroeconomy
- an overview of state support to SME
- an overview of banking institutions' activities in support of SME
- suggestions for strategic measures and programs to support SME in the following year

3. An Overview of the Laws Crucial for SME

This information booklet, annually updated, provides an overview of the laws pertaining entrepreneurial activities. The legislation is segmented as follows:

- business, trade
- immovable property, land
- intangible property ownership rights
- taxes
- accounting
- travel reimbursements
- insurance
- prices
- legal and other assistance
- government funds
- judicial and extra-judicial rehabilitation,
- buildings, flats, vacant premises
- finance
- fees and charges
- salaries, remuneration, working hours
- social security
- relationship between employers and the trade unions
- foreign trade
- environment issues
- miscellaneous

4. Review of Specific Legislation Supporting SMEs

This information booklet, updated annually, is a more succinct selection of the laws most significantly impacting on entrepreneur's activities. It features the most crucial decrees, such as the Act on income tax, Act on Medical Insurance, Act on Social Savings Bank, Act on Support of Small and Medium Enterprises, among others.

5. The Basic Administrative Steps When Starting a Business

The booklet features the steps each entrepreneur should take before starting a business as an individual or a legal person. Thus, the booklet is divided into two parts:

1. natural persons (registered individuals)
2. legal persons (bodies corporate)

Both parts provide a step-by-step guide to taxes, fees, issuing a license, accounting, employing other persons, cash registers, among others.

CONSULTING, INFORMATION, TRAINING, AND OTHER SERVICES FOR ENTREPRENEURS

CONSULTING AND INFORMATION SERVICES

Any entrepreneur, whether would-be or already registered, may turn to the network of Regional Advisory and Information Centres (RAIC) and Business Innovation Centres (BIC) for information, specific advice or consulting. The network of RAICs and BICs employs professionals who provide services in the following areas:

- formation and incorporation of a company
- information on regional business environment
- to source business cooperation contacts
- legal advice
- tax consulting
- customs consulting
- labour market information
- patents consulting
- spin-off consulting
- preparation of business, financial and marketing plans
- identification of possible sources of financing
- company presentation, whether locally or internationally
- financial consulting
- book-keeping
- implementation of quality systems (ISO 9000)
- technological consulting
- due diligence - evaluation of projects for risk financing

Many of these services are subsidised from PHARE funds and are, therefore, exceptionally advantageous to entrepreneurs.

The consulting rates are different for newly registered entrepreneurs, already-active entrepreneurs and for unemployed persons who wish to become entrepreneurs.

EXTENSION AND TRAINING

The RAIC/BIC network offers a wide range of seminars and training programmes enabling entrepreneurs and their employees to obtain in-depth knowledge in the following areas:

- basics of business
- marketing
- international co-operation and export support
- inventions and patents
- spin-off training
- land development
- legislation for entrepreneurs
- quality management under ISO 9000
- rural tourism
- double-entry accounting
- pricing in a market economy
- financial management, and other

Contact:

Those interested in attending a seminar or training programme should contact the nearest business centre or its branch.

For those unemployed persons interested in establishing their own company and doing business, the centres offer a special training programme entitled **Foundation of Small Enterprises by Job Applicants**. This programme is co-ordinated by the CEPAC Slovakia association, of which NADSME is a founding member.

Contact:

Those interested in the programme should contact the nearest Labour Office which will, in co-operation with the nearest business centre, select the most suitable applicants. At least 12 - 15 participants are necessary for such a seminar to take place.

ADDITIONAL SERVICES FOR ENTREPRENEURS OFFERED BY RAIC/BIC NETWORK

For those who are interested, RAICs and BICs also arrange participation and presentation of entrepreneurs at various domestic and international exhibitions, fairs and co-operation programmes of the European Union, such as EUROPARTE-NARIAT and INTERPRISE. The centres also provide information from domestic and international database sources.

In addition, Business Innovation Centres provide newly registered entrepreneurs with a special type of service, called incubator which helps them to reduce the inevitable start-up costs. At advantageous rates, BICs also offer:

- lease of business premises
- copying
- mail pick-up and delivery
- secretarial services
- printing and binding
- fax and telephone services

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES

LIST OF REGIONAL ADVISORY AND INFORMATION CENTRES
(RAIC), BUSINESS INNOVATION CENTRES (BIC), AND THEIR
BRANCH OFFICES IN SLOVAKIA

RAIC DUNAJSKÁ STREDA

Rudolf Horváth
 Obchodná 18
 929 29 Dunajská Streda
 tel: ++421-709-52 96 37, 52 96 39
 fax: ++421-709-52 96 38
 e-mail: rpicsd@netlab.sk

RAIC KOŠICE

Ing. Vladimír Cirbes
 Trieda SNP 48/A
 042 11 Košice
 tel: ++421-95-419 245
 fax: ++421-95-632 30 96
 e-mail: rpicke@napri.sk

RAIC MARTIN

Ing. Jarmila Čanádyová
 Divadelná 17
 036 01 Martin
 tel: ++421-842-363 27
 fax: ++421-842-363 29

RAIC POPRAD

Ing. Peter Litavec, CSc.
 Popradské nábrevie 16
 058 06 Poprad
 tel: ++421-92-45 52 32, 45 52 25
 fax: ++421-92-72 13 20
 e-mail: raic-pp@trynet.sk

RAIC PREŠOV

Ing. Ján Hudacký
 Budovateľská 16
 080 01 Prešov
 tel: ++421-91-72 38 96
 tel./fax: ++421-91-72 36 82
 e-mail: rpica@vadium.sk

RAIC TRENČÍN

RNDr. František Murgaš
 Jilemnického 2
 911 40 Trenčín
 tel: ++421-831-58 31 07
 fax: ++421-831-58 31 07
 e-mail: rpictn@psg.sk

RAIC - branch LUČENEC

Okresná rada ZPS
 SNP č. 21
 979 01 Rimavská Sobota
 tel./fax: ++421-866-233 52

RAIC KOMÁRNO

Ing. Zuzana Szabová
 Pohraničná 21
 945 01 Komárno
 tel: ++421-819-70 19 38
 tel./fax: ++421-819-70 19 30
 e-mail: rpica@datacom.sk

RAIC LUČENEC

Ing. Miroslav Haško
 Nám. Republiky 8
 984 01 Lučenec
 tel: ++421-863-292 41, 292 42
 fax: ++421-863-296 90

RAIC NITRA

Ing. Dušan Slížik, CSc.
 Kupecká 12
 949 01 Nitra
 tel: ++421-87-41 01 07
 fax: ++421-87-41 01 06
 e-mail: rpicnr@netlab.sk

RAIC POVAŽSKÁ BYSTRICA

Ing. Jozef Hosmaj
 Nám. A. Hlinku 36/9
 017 01 Považská Bystrica
 tel: ++421-822-32 55 54, 32 55 53
 fax: ++421-822-32 55 56
 e-mail: rpicpb@psgnetpx.sk

RAIC TREBIŠOV

Ing. Ján Petr
 M.R. Štefánika, komplex Berehovo
 075 01 Trebišov
 tel./fax: ++421-948-76 34 13, 72 57 11

e-mail: RPIC@dts.sk

RAIC ZVOLEN

Ing. Miroslav Grečko
 Študentská 986/32
 960 01 Zvolen
 tel: ++421-855-32 16 46
 fax: ++421-855-3216 47
 e-mail: rpiczv@psgnetzv.sk

RAIC - branch NITRA

Ingrid Kňazčíková
 Združenie podnikat. TEKOV
 Bernolákova 25
 953 01 Zlaté Moravce
 tel: ++421-814-212 94

BIC BANSKÁ BYSTRICA

Ing. Miroslav Ursíny
 Severná 5
 974 00 Banská Bystrica
 tel: ++421-88-72 42 24
 fax: ++421-88-72 42 20
 e-mail: bicbb@psgnetbb.sk

BIC BRATISLAVA

Ing. Roman Linczényi
 Zochova 5
 811 03 Bratislava
 tel: ++421-7-531 75 15
 fax: ++421-7-531 75 22
 e-mail: linco@bicba.sk

BIC KOŠICE

Ing. Ivan Pezlár
 Napájadlá 2
 040 12 Košice
 tel: ++421-95-74 93 78, 74 92 95
 tel./fax: ++421-95-74 09 11
 e-mail: bicke@napri.sk

BIC PRIEVIDZA

Ing. František Vrták
 Hviezdoslavova 3
 971 01 Prievidza
 tel: ++421-862-241 01, 256 96
 tel./fax: ++421-862-267 33
 e-mail: bic@sunteg.sk

BIC SPIŠSKÁ NOVÁ VES

Ing. Marián Smorada
 Zimná 73
 052 01 Spišská Nová Ves
 tel./fax: ++421-965-42 62 54

e-mail: bicsnv@atlantel.trynet.sk

RAIC - branch ZVOLEN

Ing. Jaroslav Vítek
 Svätotrojčné nám. 5
 963 01 Krupina
 tel.: ++421-856-51 15 09

RAIC - branch NITRA

Ing. Jozef Jánošík
 Škultétyho 1597
 955 01 Topoľčany
 tel./fax: ++421-815-232 41

EURO-INFO CORRESPONDENCE CENTRE SERVICES FOR ENTREPRENEURS

The Euro-Info Correspondence Centre (EICC), sponsored by the National Agency for Development of Small and Medium Enterprises, offers entrepreneurs a helping hand in their efforts to find partners via Euro-Info-Centre and other information systems and networks established by the European Commission's DG-23 and in participating in international business.

The contacts can be found through the following systems:

1. **BRE system (Bureau de Rapprochement des Entreprises)** facilitates finding partners in more than 65 countries of the world, and establishing relationships between manufacturers and trading partners throughout the world. The entrepreneur fills in a simple form, which is sent to a central database in Brussels. The form contains a short profile of the enterprise, specifies the type of co-operation sought (financial, technical, trade) and identifies the country in which the entrepreneur hopes to find a partner.

The Brussels Centre, after allocating the form a number and entering it into the central database, distributes it to individual co-ordination bureaux that have it translated into the relevant languages.

The EICC publishes the BRE forms in the agency magazine "Podnikanie" and in the communication system BBS. If an entrepreneur is interested in an offer appearing in these media, he sends EICC a letter or a fax stating the identification number of the advertisement. The address is sent to the entrepreneur after he has paid fee.

2. **The BC-NET (Business Co-operation Network)** is a complex tool for support of international co-operation links. In establishing these links, a key role is played by local consultants, who provide a detailed assessment of their customers' wants and possibilities, i.e. their capacity, equipment, and human resources. The local consultant formulates requests and draws up a co-operation profile (CP) that is sent to the central database. If there is a positive response to the CP, he informs the client and suggests what the next steps should be. The local consultant will help the enterprise in:

- creating strategic plans for the firm's development
- seeking out partners both at home and abroad
- concluding co-operation agreements

3. **VANS system (Value Added Network Services)** is a progressive tool of electronic communication (e-mail among 240 Euro-Info-Centres throughout Europe). It provides answers to questions on the business environment in individual EU member countries and addresses of co-operation partners. The entrepreneur is given an opportunity of approaching foreign partners with his/her offer and requirements.

4. **The PIS (Entrepreneurial Information System)** was started by the Agency in 1995. Its goal is to integrate Slovak entrepreneurs into a wide spectrum of international co-operation. The system enables Slovak enterprises to present their products and services to foreign partners, and to search for new partners.

The hierarchy of the system is as follows:

1. Demographic information on municipalities and enterprises in regions covered by entrepreneurial Centres RAIC/BIC.
2. The second level consists of databases covering the whole of Slovakia, and is operated by EICC.

The databases contained in PIS allow for analysing and assessing the individual regions with respect to marketing studies. The application forms are available in each RAIC and BIC and NADSME.

SUPPORT OF ENTREPRENEURS' PARTICIPATION IN FAIRS, EXHIBITIONS AND CO-OPERATION MEETINGS

Of note to entrepreneurs is financial support of their participation in both domestic and foreign co-operation meetings and fairs. EICC, as national co-ordinator, provides for participation in the following events:

EUROPARTENARIAT – a co-operation meeting organised by the European Union, that is designed to help the underdeveloped regions, and to contribute to stimulating export activities. EUROPARTENARIAT, held twice a year in a selected EU member country, offers the representatives of small and medium enterprises ample opportunities to forge commercial links with their counterparts from both the host and other participant countries. Each country presents a catalogue of its enterprises taking part in EUROPARTENARIAT. Prior to the event, the catalogues are distributed to participating countries, thus providing the participants the opportunity to pick a particular firm in advance.

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The Agency, through the Phare program, bears a part of the material costs incurred through participation in these events, provides transportation, organises meetings with co-operation partners, or helps in overcoming language barriers in negotiating.

INTERPRISE –Interprise is a slight variation on EUROPARTNERIAT, oriented on one individual branch of the national economy (agriculture, forestry, textile industry etc.). There are at least three regions of three EU member countries taking part in the fair, with possible participation of regions of third countries. The event focuses on trade co-operation (a minimum of 15 to 20 trading partners from each participating region is required).

The Agency's support follows the same lines as EUROPARTNERIAT.

In 1995, the Agency launched financial support programs for participation in selected national exhibitions. Financial support to an enterprise is granted upon the agreement of the agency and the exhibition organising committee.

OTHER EICC SERVICES FOR ENTREPRENEURS

The Euro-Info-Centre is also a provider of consulting services and draws up lists of both home and foreign enterprises. The Centre has at its disposal the following databases:

1. Foreign and domestic enterprises databases

- EICC's own database of Slovak enterprises (those which have had any dealings with RAICs, BICs or EICC)
- commercial databases of Slovak enterprises
- foreign enterprises databases (Kompas and other information sources accessible through INTERNET)

2. CORDIS, a scientific-technical programs database

This database provides information on scientific and technical-scientific programs supported by EU. Entrepreneurs can obtain basic information on individual projects, their results and documentation, as well as contact addresses of the involved institutions involved.

3. JUSTICE-CELEX, a CD-ROM database on agreements and legislation concerning the entrepreneurial environment, issued by the EU.

The Centre also provides Desk-Top-Publishing /DTP/. The DTP department provides processing and preparation of periodic and non-periodic materials for further graphic processing.

The fees are subject to agreement.

Contact address:

NARMSP-EICC

Nevádzová 5

821 01 Bratislava

Slovak Republic

Tel.07/237 563, 231 873

Fax.07 5222 434, 5787 342

e-mail: eicc@nadsme.sanet.sk

URL: <http://www.nadsme.sk>

SUPPORT OF RESTRUCTURING EFFORTS THE SPIN-OFF PROGRAM

In order to support the business restructuring efforts, the Agency has prepared a supporting spin-off program. The spin-off method, in essence, is:

Separation of small and medium-sized entities from large state-owned, or privatised enterprises, if the operation of the thus hived-off entities is not of strategic importance to the parent enterprise,

Strategic management of human resources, i.e. solving employment issues, whether it be acute, or unplanned over-employment, or issues concerning the expected adaptations of the newly-emerging situations, i.e. over-employment following the introduction of new technologies.

In 1995, there were 12 spin-off projects accomplished. Based upon the business plans, drawn-up nine small and medium enterprises emerged.

The spin-off projects are aimed at accomplishing two main goals:

1. Help the selected enterprises increase their net profits while decreasing direct costs. This is to be achieved through decreasing the wages bill of the parent enterprise by excluding the payroll of selected facilities from those providing services to the parent.
2. Maintain work opportunities for those who could become unemployed.

Here is a few examples of non-strategic facilities eligible for spin-off programme:

1. maintenance and repair
2. supply and transport
3. delivery services
4. independent facilities providing special services to the parent enterprise
5. board and catering
6. marketing and sales departments
7. promotion departments
8. external production

The spin-off program can be initiated by:

A. Management of the enterprise

Based upon the strategic interest and immediate needs of the enterprise, the management may encourage its employees to start out on their own. Management ensures that the employees became acquainted with the spin-off method and designates a person as spin-off facilitator responsible for all relevant activities. Their training is provided by NADSME, RAIC and BIC network, in conjunction with the Employment Fund of the Slovak Republic.

B. Employees of the enterprise

The employee (not a member of the management) wanting to start an entrepreneurial activity, informs his employer and NADSME (possible via RAIC or BIC) of the spin-off intention. After mutual agreement has been reached, the parties decide on entrepreneurial abilities of the promoter of the project (they focus on methods of preparing the business plan and management skills), setting the time schedule for drawing up the business plan. The promoter of the project is eligible for NADSME financial support.

Apart from the assistance provided through NADSME, the promoter of the project is aided by the parent enterprise by having the project taken under its auspices in the preparatory phase, as well as in the start-up period (first three years), substantially reducing risks.

Contact:

NADSME or the nearest RAIC/BIC.

FINANCIAL SUPPORT PROGRAMMES

THE CREDIT SUPPORT PROGRAMME

Through Resolution No. 740 dated 19 July 1994, the government of Slovakia approved implementation of a Credit Support Programme, of SKK 600-million, funding of which was jointly supported by equal contributions from the Slovak Republic, the PHARE Fund of the European Union (whose funds are administered by NADSME) and a group of selected commercial banks. These, at present, include: Istrobanka, Polnobanka, Slovenska sporitelna and Tatra banka.

The funds amounting to SKK 600 million were initially pooled in 1994 (and disbursed in October 1994) and, again, in 1995 (with disbursements taking place in 1995). The Credit Support Programme has the form of a revolving facility, which means that funds obtained from loan repayments are used to finance other projects in the sector of small and medium enterprises.

Conditions for the provision of loans:

- Applicant's company established after 1/1/1990
- Maximum number of employees: 500
- Company is registered and has its principal office in the territory of Slovakia. Preference is given to companies doing business in regions where the rate of unemployment exceeds 20%
- At least 75% of the company's capital is owned by Slovak citizens
- At least 51% of the company's capital is of a private nature and held by natural persons
- It is a manufacturing company (except for primary agricultural production) or a company providing services (except for trading), crafts and tourism aimed at utilising domestic resources

Purpose of financing

The loan may be used for:

1. purchase of machinery, technologies and their modernisation
2. acquisition and reconstruction of manufacturing premises
3. purchase of basic stock and raw materials destined for further processing, maximum up to 50% of the loan

Amount of loan, maturity and guarantee

Loans of up to Sk 5 million per borrower are available. Their maturity shall not exceed 5 years and the interest rate is fixed at 2.5% above the NBS discount rate (as of 12 January 1996, National Bank of Slovakia's discount rate stands at 8.8% and the interest rate under the programme is therefore 11.3%). Borrowers are required to provide the usual collateral as to other commercial lenders.

Loan application procedure

A basic prerequisite for the extension of credit under the programme is a good and well prepared business plan. In preparing their business plans, applicants are encouraged to approach NADSME, RIAC and BIC for advice. Professionals with these institutions are able to assess the viability of business plans, applicant's compliance with criteria and the market situation in the region concerned. They may also participate at the applicant's meeting with the bank. **Recommendation from a RAIC, BIC or NADSME consultant is one of the conditions for credit to be extended.**

Upon receiving such a recommendation, the applicant may approach any of the branches of Istrobanka, Polnobanka, Slovenska sporitelna or Tatra banka with a loan application. The final decision lies with the Credit Committee of the bank. The bank will carefully review every loan application, putting more weight on the quality of the business plan than on the recommendation.

Contacts:

- NADSME or the closest RIAC/BIC and,
- upon receiving recommendation in support of loan application, any branch of Istrobanka, Polnobanka, Slovenska sporitelna or Tatrabanka

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES
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THE SMALL LOAN SCHEME

The Small Loan Scheme was introduced by NADSME in co-operation with Slovenska sporitelna in April 1994. Originally, the scheme received a contribution of ECU 1 million, which was disbursed by August 1994. It is currently financed from the proceeds of loan repayments.

Conditions for the provision of loan

- Applicant's company must be established after 1 January 1990
- Maximum number of employees: 25
- Type of business: manufacturing, tourism, crafts, repair and maintenance

Purpose of financing

1. purchase of machinery, technologies and their modernisation
2. reconstruction of buildings and land
3. purchase of basic stock and raw materials for further processing

Amount of loan, maturity and guarantee

Loans are available up to SKK 800,000 per borrower.

The final maturity date is 31 December 1999 and the interest rate stands at 2.5% above the discount rate of the National Bank of Slovakia. Borrowers are required to provide the usual collateral as to other commercial lenders.

Contact:

All branches of Slovenska sporitelna, a.s.

MICRO LOANS

The goal of the programme is to provide start-up support to small entrepreneurs to bridge a temporary lack of funds. The programme is available only in selected regions.

The programme started off in the first quarter of 1997 at three Regional Advisory Information Centres - in Zvolen, Považská Bystrica and Prešov - and will expand to other RAICs throughout the country in the second half of 1997.

Conditions for the provision of credit

- entrepreneur is duly licenced (e.g. trader's licence or other similar registration or permission to conduct business activities)
- he/she employs not more than 10 persons
- the character of his/her business is in compliance with the need of the region
- the business is registered and conducted in the territory of Slovakia
- applicant is a Slovak citizen
- applicant must provide an extract of his/her personal file from the Criminal Register
- applicant has undergone basic training organised by NADSME or RAIC/BIC network

Purpose of loan

The loan may be used to finance:

1. purchase of fixed assets (tangible or intangible)
2. reconstructions, adjustments and repair of production premises
3. purchase of stocks and raw material

The loan may not be used to finance:

repayment of existing loans, remuneration, overhead costs and personal use of entrepreneur.

Amount of loan, maturity and guarantee

Loans are available to a maximum amount of Sk 300,000, but not less than Sk 50,000. Maturity is 3 years and borrowers may be granted a grace period of up to 3 months during which the repayment is postponed. Installments are payable monthly. In the case of working capital financing, the maturity of the loan is 1 year. Interest rate is fixed at 1.5 percent above the currently valid discount rate of the National Bank of Slovakia.

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES
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Borrower must provide collateral covering 100% of the loan amount. Assets purchased from loan proceeds are also acceptable as collateral. In the event that the borrower is unable to furnish sufficient guarantee to the bank, a third person may do so instead.

Co-ordination with local administration

Before a micro-loan is extended, its purpose will be discussed with appropriate authorities of local administration, local Traders' Association and the Association of Entrepreneurs of Slovakia.

Contact:

Applications are accepted and information provided by the following Regional Advisory and Information Centres:

1. RAIC Považská Bystrica, nám. A. Hlinku 36/9, 017 01 Považská Bystrica
Tel.: 0822/325 554, 325 553
2. RAIC Trenčín, Študentská 1, 911 01 Trenčín
Tel.: 0831/540 338
3. RAIC Zvolen, Študentská 986/32, 960 01 Zvolen
Tel.: 0855/321 646

START-UP CAPITAL FUND

The Start-up Capital Fund is administered by Seed Capital Company, s.r.o. Financial investments provided from the fund to entrepreneurs are very advantageous, since they are not required to provide guarantees. Investments are of a risk-capital nature, because the Seed Capital Company shares the risk together with the entrepreneur.

Conditions for investment

Investment projects and proposals may be submitted by any person, whether individual or corporate body, to the nearest Regional Advisory Information Centre or Business Innovation Centre. Applicants for financing must comply with the following conditions:

- is a small or medium-sized enterprise (employs less than 200 people)
- was registered after 1 January 1991
- is an entity 51% of which is in Slovak control

The main criteria for investment are:

- period of return (ROI)
- quality of management
- contracted sales
- creation of new jobs

Preferred sectors

Preference is given to investments in industrial manufacturing, industrial services and tourism.

Form of investment

Seed Capital Company s.r.o. invests in the form of:

- capital participation
- debt-for-equity convertible loans

where convertible loans are only supplementary to capital investment, which is the main type of participation (through increase of core capital) in the existing limited liability or joint-stock companies or in newly established companies.

After the initial project review, the applicant will receive notification of it having been done. If the applicant complies with all investment criteria to the satisfaction of Seed Capital Company, s.r.o., he/she will be invited to collaborate further in the project until the investment is made or declined.

Amount and duration of investment

Minimum amount of investment is Sk 200,000, the upper limit per project is Sk 5 million.

The period of investment, size of equity participation, or the number of shares and their price are determined in each individual case after the evaluation of the business plan and the entity seeking investment.

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NATIONAL AGENCY FOR DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES
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The repurchase of equity participation (or the repayment of convertible loans) takes 1-5 years, with option right to repurchase given to the original owner. Only if the original owner is not interested, are third persons invited to bid for purchase.

Contact:

Seed Capital Company, s.r.o.
Nevádzová 5
821 01 Bratislava
Tel.: 07/231 873, 237 563, 237 472
Fax: 07/52 22 434

LOAN GUARANTEES

The loan guarantee scheme of NADSME is implemented through Slovenská záručná banka, š.p.ú. (Slovak Guarantee Bank). Based on a contract signed in 1992, NADSME placed funds which the PHARE Fund allocated for loan guarantees under the administration of Slovak Guarantee Bank. In addition, the Slovak government deposited with SGB the equivalent amount of funds denominated in Slovak crowns, bringing the total amount of Guarantee Fund to ECU 5 million.

The goal of the scheme is to create favourable conditions for the development of small and medium enterprises, particularly in their start-up period when entrepreneurs are rarely able to provide their own guarantees for commercial loans.

Conditions for the provision of guarantee

Any individual or corporate body registered in Slovakia, is eligible to apply for a guarantee if the enterprise:

- has been in operation less than two years
- employs up to 100 employees
- has its principal office registered in Slovakia
- is private, i.e. the government controls no more than 50% of its capital
- is active in the areas of manufacturing, tourism, crafts, maintenance, repair or similar types of business

Purpose and application of guarantee

SGB may issue guarantees to loans used for:

- purchase of machinery and technologies
- purchase, construction or reconstruction of buildings
- purchase of basic raw materials or goods necessary for further processing

Under this scheme, SGB can guarantee only one business plan in any company (investment credit plus operating financing). Guarantees may not be provided retroactively or transferred.

Size of guarantee and maturity of credit under guarantee

The guarantee is provided to cover a maximum of 75% of credit granted by the financing institution. The guaranteed loan may not exceed Sk 10 million and must be repayable by 21 August 1999).

Guarantee Commission

For each guarantee issued under the scheme, the SGB charges the following commissions:

- 1.0% for short-term loans
 - 1.5% for medium-term loans
- of the amount of issued guarantee.

Contact:

Slovenská záručná banka, š.p.ú.
Štefánikova 27
814 99 Bratislava 1
Tel.: ++421-7-359 21 11, 359 22 41
Fax: ++421-7-399 912

NATIONAL STRATEGY FOR STIMULATING THE DEVELOPMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES

The Government of the Republic of Bulgaria,

Acknowledging the importance of the sector of small and medium-sized enterprises, that is most viable under market economy conditions and recognizing it as a significant factor for middle-class establishment ;

Acknowledging problems facing small and medium-sized enterprises (SME), most important of them being lack of regulated measures for SME sector development, shortage of information, impeded access to credit resources and lack of financial instruments for SME support;

Acknowledging that:

- intensified SME development is extremely important for the structural reform,
- a strong SME sector will enhance the development of competitive industries and will increase investment resources;
- strong competition will stimulate quality improvement of products and services, offered on the market, will motivate innovation and technology transfer and will optimize resource utilization;
- new jobs will be created, legal-company sector will be expanded and eventually nation welfare will be promoted;
- integration of the Republic of Bulgaria into the European Union will be furthered.

Acknowledging the concept of the European Union and Central- and East-European countries that SME sector is important and the government has its role in periods of transition and under market economy conditions,

Following an extended public discussion and comprehensive consultations with governmental organizations on SME problems,

ADOPTS

this

National Strategy for Stimulating the Development of Small and Medium-sized Enterprises

I. STRATEGY OBJECTIVES

Having achieved macroeconomic stabilization, the Government of Bulgaria's policy is now directed towards the creation of favorable conditions for a competitive business environment, which will contribute to the economic growth of this country.

This national strategy declares the government's determination to realize legal and regulatory reforms necessary for promoting a competitive marketplace for Bulgarian and international entrepreneurs. It is aimed at establishment and development of effective market conditions for SMEs.

By formulating and pursuing this SME strategy, the government of Bulgaria officially states its position that SME development and growth into competitive enterprises is extremely important for the development of economy and of society as a whole. SMEs are the basis for the creation of a middle class which is a vital component of and a guarantee for a stable democracy in the Republic of Bulgaria.

Major objective of the National Strategy for Stimulating the Development of SMEs is creation of favorable institutional, regulatory, administrative, financial and competitive environment that will promote development of SMEs in the Republic of Bulgaria.

Attaining the major objective will secure:

- promotion of private ownership, open competition, and free entrepreneurship;
- creation of new jobs with relatively low capital investments;
- development of entrepreneurs' managerial skills;
- intensification of SME export activities;
- implementation of high technologies;
- stimulation of investments in the SME sector;
- Europeanization and global market integration of SMEs.

The Strategy will strengthen the spirit of market reforms in Bulgaria by adhering to selected approved priorities of the State economic policy, which are:

- macroeconomic stability;
- strict budget limitations and a balanced budget;
- expansion of legalized economy;
- reduction of tax rates in compliance with the three-year agreement with the IMF;
- liberalization of prices and trade;
- European integration;
- accelerated privatization and decentralization processes;
- cross-border cooperation.

II. PRIORITIES

1. Simplification of SME administrative and regulatory system by:

- simplification of registration procedures;
- facilitation of transaction procedures;
- introduction of a common procedure for placing government and municipal orders;
- provision of better transparency of state and municipal administration work;
- simplification of legislative standards and tax procedures.

2. Improvement of financial services for SME support through:

- policies targeting economic growth and establishment of easy access to loan and risk capital financing of SMEs;
- development of banking and non-banking financial instruments, establishment of environment for mortgage-secured loan arrangements;
- capital market development;
- continuation of tax reform processes towards general reduction of tax rates;
- improvement of social insurance system;
- establishment of a specialized financial institution that will stimulate the SME sector;
- international policy that suggests trust, stimulates inflow of financial resources and invokes improvement of the country credit rating.

3. Improvement of SME competitiveness and competitive environment by:

- speeding up the process of privatization;
- effective enforcement of anti-trust legislation;
- combating crime in economy, racketeering, illegal competition advantages (duty, excise and tax evasion);
- facilities for SME entering partnership networks of state-owned, governmental and non-governmental institutions and companies, facilities which have been established by the Agency on the grounds of clearly defined procedures, made public beforehand;
- easier access to information and consultation services, offered by international programs;
- stimulation of innovation in commodity and service production and transfer of technologies among SMEs through general facilitation of the investment process;
- support of research carried out by SMEs and establishment of special subjects at high schools, aimed at enhancement of student knowledge of economics;
- promotion of arbitration and other out-of-court resolution of disputes.

4. Europeanization and global market integration of SMEs by:

- submission of full information on participation of the Republic of Bulgaria in SME programs;
- promotion of partnership through business partner contact networks;
- support of direct contacts by partnership programs.

III. ROLE OF THE INSTITUTIONS

Not only the government, but also the public is responsible for establishment of favorable environment for SME development. Non-governmental organizations should also join their efforts for attaining this common objective.

The Council of Ministers and the individual ministries will:

- assess the impact of regulatory acts upon the SMEs;
- have a permanent obligation to develop draft laws and adopt secondary legislation so that they affect SMEs positively;
- ensure that new draft laws and secondary legislation comply with EU legislative standards.

The Agency for SMEs with the Ministry of Industry, hereinafter called "the Agency", is the organization, responsible for preparation, recurrent specification and implementation of the Strategy.

To attain Strategy objectives, the Agency works under government supervision, jointly with state institutions, non-governmental organizations, branch business organizations, research institutions and organizations dealing with SME problems. In carrying out its duties, the Agency will ensure:

- timely and reliable information about SME sector state;
- public access to information about legislative initiatives affecting SMEs and regulation of entrepreneurs' participation in discussions on draft legislation and regulatory act changes;
- analysis of draft laws and regulatory acts in terms of their effect on competition and SME development in the Republic of Bulgaria;
- active interaction among governmental institutions, local authorities, entrepreneurs and non-governmental organizations that work with SMEs.

Effective implementation of the Strategy is connected with passing of laws by the National Assembly, which will secure favorable, competitive environment for SMEs in the Republic of Bulgaria. These laws should be:

- consistent - laws and acts should not be contradictory;
- simple and clear - laws will avoid possible indiscriminate interpretation;
- fair - laws must treat profit organizations equally;
- stable - laws should be consistent for the longest possible period of time;
- adaptive - laws should be adaptable to economic development demands.

The Agency for SMEs will inform the National Assembly about suggestions by SMEs and SME organizations, concerning drafts of laws under discussion by the National Assembly.

The Agency will prepare annually two documents for submission to the Council of Ministers:

- an annual report on the state of SMEs with district breakdown, and a draft of Resolution;
- suggestions for legislative changes related to SME development.

An inseparable part of this Strategy is the Working Program which outlines both immediate and middle-term actions to be taken by the Agency and other cognizant governmental bodies.

Working Program for Implementation of the National Strategy for Stimulation of Development of Small and Medium-sized Enterprises

For the purpose of achieving Strategy objectives, in parallel with development of a favorable environment for SMEs, programs will be proposed in the following areas:

- improvement of legislation in support of entrepreneurship;
- facilitation of SME access to financial sources and risk capital;
- expansion of the range of services in assistance of SMEs;
- dissemination of information on development programs, existing and in-progress partnership networks, research project results, innovations and opportunities for transfer of technology;
- support of existing and establishment of new training centers;
- programs for new and existing SMEs by regions and branches, taking into account enterprise specific features;
- program for microcrediting and contacts with donating institutions.

Short-term initiatives (until the end of 1998)

In the short run the government plans to:

- discuss and adopt a draft of a law for SME development stimulation;
- regulate participation of entrepreneurs in discussions of draft laws and changes of secondary legislation on SME sector;
- simplify procedures and reduce administrative registration expenses by introduction of a unified registration number for all profit companies, including SMEs, a number which will replace Bulstat identification code, the tax number and the customs number;
- create a system for willing company registration and SME data base at the Agency and assist for expansion of regional structure network for SME support;
- create opportunities for new financial instruments to guarantee SMEs easy access to loans and develop microcredit program arrangements; set conditions for development of mortgage-secured loan plans, establishment of a specialized financial institution for stimulating the SME sector;
- form a partnership network, comprising state, governmental, non-governmental institutions and profit organizations with the purpose of achieving synergy effect in supporting SMEs: business centers, technology parks, incubators and innovation centers;
- make the Agency analyze the SME sector, publish a periodic bulletin and disseminate nationally data and information, related to services offered to SMEs in the country;
- simplify tender procedures in the public sector and procedures for assigning government and municipal orders;
- support Bulgaria's participation in the EU Third SME Program;
- further Export Promotion Center role;
- improve the export insurance system;
- strengthen the role of trade representations abroad to assist opening international markets for SMEs.

Middle-term initiatives (1999-2001)

Middle-term-wise it is important to guarantee a stable trend towards intensified development of SME sector through:

- stimulation of the process of SMEs integration into European and world structures by facilitating their access to information regarding international training and support programs, international markets and partnerships with international companies;
- stimulation of SMEs uniting by sectors and regions and stimulation of cooperation of such unions with partner structures in EU member countries and the countries of Eastern and Central Europe;
- steps for improving SMEs competitiveness – stimulation of introduction of quality assurance systems (ISO 9000 procedures), adoption of European standards of business culture and ethics, encouragement of non-polluting (ISO 14000) and energy-saving products, facilitation of access to modern technologies and research project results;
- improvement and simplification of administrative procedures and secondary regulation;
- discussion and implementation of SME suggestions for simplifying tax and financial account documentation;
- facilitation of SME access to specific financial instruments and drawing up specialized state funds taking into consideration Agency proposals;
- provision of opportunities for training and re-qualification;
- encouragement of cooperation of SMEs with research and engineering institutes, innovation centers and universities for solving specific technical and technological problems, technology transfer and encouragement of co-participation in EU-funded programs;
- provision of opportunities for establishment of SMEs also through privatization of parts isolated from state and municipal enterprises;
- export promotion measures;
- extensive participation of the Republic of Bulgaria in structures and initiatives of CEFTA, the Economic Committee of EU, Black Sea region cooperation, Central European Initiative, etc.;
- provision of required environment for discussions and exchange of information (electronic forum) by installing and supporting a specialized server for the needs of SMEs in the Republic of Bulgaria which will be a catalyst for establishing partnerships and sharing experience;
- continuation of legislative and administrative reforms, ensuring improvement and maintenance of public security, public order and state administration functioning;
- establishment of conditions for SME participation in international projects and cross-border initiatives;

Legislative short-term and middle-term initiatives will be realized through proposed changes in the following laws and regulations:

- corporate profit taxation law;
- VAT law;
- law for assignment of government and municipal orders;
- laws securing effective protection of creditor rights;
- social security regulations.

With this National Strategy for stimulating SME development and Working Program for strategy implementation, the government of the Republic of Bulgaria declares its determination to establish favorable environment for SME development, to finalize the structural reform in a fast and successful fashion, to increase the number of jobs available and establish a stable middle class.

JICA