

PRESOV REGION

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| 1. Title of the practice Guide by Ukrainian legislation need for Slovak SME |
| 2. Practice theme/issue tackled by the practice To know the legislation specifics in the sphere of enterpreneuring is vital for opening the business abroad. It is more important, if the country is not a member of European Union, or is considered to be more risky for enterprising. To help the development of the Slovak-Ukrainian border gudie to Ukrainian legislation is a good idea to overcome legislation problems while establishing business with Ukrainian partners. Active cross-border cooperation in the field of SME can be a foundation-stone of further development of the cross-border region. |
| 3. Objectives of the practice Global project objectives of practice: <ul style="list-style-type: none">- contribute to the regional development on the level of the cross-border cooperation construction- gain and test new partnerships, innovative practices, methods, mechanisms and operation procedures by designing and implementation of investment objectives. And then to use these innovative practices for the preparation, creation and managing of the investment objectives of the business subjects in the region- improve the life standard in the Presov self-governing region and Carpatho-Ukrainian region, their competitiveness ant to improve their attractivity for foreign investors and visitors- improve access to the information in the field of doing business on the both sides of the border. <p>Specific objective to fulfill the above mentioned objectives is to prepare initial background for the creation of high quality "Pocket Book for SME, Ukraine, 2006", which will serve as basic information for the realization of the investment objectives for Slovak entrepreneurs in Ukraine. The realization of this project helps entrepreneurs on both sides of the border. Slovak entrepreneurs can obtain a vision on investment possibilities in the area of Ukraine and vice-versa, Ukrainian entrepreneurs get an opportunity to establish new partnerships with entrepreneurs from EU.</p> |
| 4. Location Slovakia - The Prešov Self-Governing Region, Ukraine - Zakarpattia Oblast |
| 5. Detailed description of the practice <u>Origin</u> The area of project realization is Prešov County in the Prešov Self-governing Region, which is one of the priority regions of Slovakia in the scope of strengthening of education, economic and social coherence in Slovakia – East regions. Insufficient cooperation of the boundary regions is considered to be one of the marginal problems in drawing of finances allocated for cross-border cooperation. This very problem should be solved by the projects aimed at cross-border impact. <u>Timescale</u> The Project lasted one year from 6 th October 2005 to 5 th August 2006. <u>Bodies involved / implementation</u> Lead Partner: The Regional Development Agency of the Prešov Self-Governing Region (Slovakia) Partner: Agency of Regional Development and Cross Border Co-operation "Transcarpathia" (Ukraine) Other bodies involved in the project: Slovak Chamber of Commerce and Industry in Prešov, Prešov Self-Governing Region RAIC (Regional Advisory and Information Centre Prešov) <u>Process and detailed content of the practice</u> The project was divided in 6 activities: Activity 1 – Introductory seminar An objective of this activity was to organize a meeting of the authorized representatives of the individual organizations |

participating on the SME support with representatives of the project applicant - Regional Development Agency of Prešov Self-governing Region and with representatives of the project partner – Agency of Regional Development and Cross Border Co-operation « Transcarpathia ». Based on the initial project proposal, suggestions of seminar participants and discussion, the precise content of the « Pocket Book for SME, Ukraine, 2006 » was defined.

Activity 2: Organization of the tender for the preparation of individual parts of the « Pocket Book for SME, Ukraine 2006 »

Based on the specifics gathered within the opening seminar, the following parts of the « Pocket Book for SME, Ukraine 2006 » were adjusted:

Part 1: Legal forms for business

Part 2: Foreign investments Protection

Part 3: Joint ventures

Part 4: Tax legislation

Part 5: Labour law

After the adjustment of individual parts of the « Pocket Book for SME, Ukraine 2006 », the project team has organized an opening tender in accordance with Act no. 523/2003 on Public Procurement. Selected suppliers of works on the individual parts of the « Pocket Book for SME, Ukraine 2006 » were contacted and they were sent a request for submitting the price proposals.

Activity 3: Award of contract « Pocket Book for SME, Ukraine 2006 » to selected suppliers

Preparation of this activity was carried out during the 4th month, realization of the activity was carried out during the 5th and 6th month.

In 4th month, specifically on January 3rd, 2006, evaluation of received price proposals for the individual parts of the « Pocket Book for SME, Ukraine 2006 » was performed. The producers of above-mentioned parts delivered completed parts of the « Pocket Book for SME, Ukraine 2006 » on time, which is before 31st March 2006.

Activity 4: Completion of the « Pocket Book for SME, Ukraine 2006 »

Preparation and realization of activity 4 was carried out during the 7th month. During 7th – 8th March 2006, the joint meeting of the partners took place focused on project realization, with participation of the representatives of the project partner and project team of the applicant. Representatives of the project partner Agency of Regional Development and Cross Border Co-operation „Transcarpathia“ were informed in detail about performed activities and achieved outcomes of the project, and were also informed about activities planned for the following period of project realization. The guide have been translated from Slovak language to English.

Activity 5: Publishing the « Pocket Book for SME, Ukraine 2006 »

During 8th month, specifically on 9th May 2006, evaluation of received price proposals for graphic processing and printing of the « Pocket Book for SME, Ukraine 2006 » was performed and the guide was put in print.

Activity 6: Presentation of project outputs

On 20th July 2006, with participation of Ukrainian partner, representatives of invited organizations, general consul of Ukraine and media, the presentation of the guide « Pocket Book for SME, Ukraine 2006 » took place. The project team acknowledged the participants with content of individual parts of the pocket book as well as with the whole project implementation. All of the participants were also given the presented pocket book.

During the above mentioned month, the project team provided the distribution of the pocket book with the help of Slovak Chamber of Commerce and Industry in Presov, Presov self-governing region and RAIC.

Because of the high demand, the project team has also provided a publication of the pocket book on its web page www.arrpsk.sk.

Legal framework

The whole process and the results are in compliance with the Slovak and Ukrainian legislation.

Financial framework

The project was financed by EU funds, via Phare CBC Programme.

6. Evaluation

Possible demonstrated results

Creation of the guide “Pocket Book for SME, Ukraine 2006” leads to reinforcement of economical and social cohesion of the region and to the development of good neighborhood relationships between Slovakia and Ukraine. Preparation, realization, partnership and cooperations established due to this project are the source of building of capacities for regional policy implementation. Continuation of this project are projects as well as new activities in the Cross-border Program HUSKUA. This guide opens wide area, where multiple entrepreneurs on the both sides enter into the mutual relationships, respecting both national legislations. This area is influenced by inner and outer conditions of Presov self-governing region and Carpatho-Ukrainian area (like legislation, society, social environment and media).

Possible success factors

One of the positive effects of the project is its permanent sustainability. Further more, the project will create essential basis for successful use of the guidebook by the targeted group of entrepreneurs, it will enable them to further spread the results summarized in « Pocket Book for SME, Ukraine 2006 ». The education of the representatives of this target groups qualify for their profession and the guide will enable them to expand their potential even behind the borders of our region, or to otherwise suitably use the obtained information for the commercial use in Ukraine.

Difficulties encountered

The identification of following particular problems were recognized during implementation:

- insufficient collaboration of organizations specialized in support of regional development or in support of small and medium entrepreneurs,
- poor readiness for usage of financial resources from cross-border support programs for small end medium entrepreneurs,
- low level of awareness of target groups in the area of entrepreneurship in Zakarpath area complicated information seeking in the area of relevant legislation valid in Ukraine and unwillingness to help

Transferability of the practice to other regions

The practice is transferable to other regions. Creation of the guide is possible for every EU/non EU border where the guide is needed.

Contribution to the enhancement of CBC cooperation. - Adaptability for SME support

This guide is can be the footstone for the development of the enterprising of Slovak entrepreneurs in Carpatho-Ukrainian area. The guide "Pocket Book for SME, Ukraine 2005" will systematically lead entrepreneurs through legislation and the business environment in Ukraine. Slovak entrepreneurs with the intention to invest in Ukraine have considerable experiences in doing business that is why it is necessary to choose appropriate information strategies based on the respect of actual level of thinking, sensibly comprising the change of local value orientation towards the foreign investors.

7. Lessons learnt from the practice

Despite of problems linked mostly with the lower level of development of Zakarpattia Oblast, project was implemented successfully. The fact, that the other regional actors in the field of SME development were involved in distribution of the pocket book shows interest in Slovak-Ukrainian cooperation in the field of SME and shows interest in investment in this region.

8. Contact information

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9. Other possible interesting information

www.arrpsk.sk

1. Title of the practice

Strengthening of the competitiveness of SMEs in the border regions of SK-UA-HU

2. Practice theme/issue tackled by the practice

Within the framework of the project, the beneficiary has founded the Centre for SK-UA-HU cooperation, the main aim of which is to support entrepreneurial activities in the border regions. Based on the analysis of the business environment, a part of the project was the creation of a database of entrepreneurs, an information flyer and an information and promotional brochure. In accordance with their requests, the entrepreneurs have been given the chance for business meetings, to participate in visits to companies and they have also been provided with advisory and guidance services. The realization of the project helped to improve the competitiveness of small and medium-size businesses in areas of the Prešov region, the Transcarpathian area and in the Szabolcs-Szatmár-Bereg Country.

3. Objectives of the practice

Long-term objective:

Support cross-border business cooperation in the Prešov, Transcarpathian (Ukraine) and Szabolcs-Szatmár-Bereg (Hungary)

Regions and subsequently to contribute to the support of the socio-economic development of the regions. This target was achieved by the strengthening of the competitiveness of small and medium-size businesses operating in the above regions.

Strengthening of the competitiveness of small and medium-size businesses was secured by achieving the following objectives of the project:

Create common structures for the support of businesses (centre, counseling services...);
Support activities related with the development of business and with the development of businesses in the regions;
Secure better access and quality of information for businesses;
Expand an information system for the provision of services to businesses and make it more effective;
Provide qualified economic, legal and tax consulting;
Compile analyses and studies of the business environments in the border regions;
Analyze the business environments;
Develop information materials about the business environments in the border regions;
Promote the border regions and organizations operating in them;
Organize common meetings, conferences and promotional activities aimed at the support of the border regions;
Support the opportunities for cooperation of businesses in the border regions;
Intensify the Slovak-Ukrainian, Slovak-Hungarian as well as Slovak-Ukrainian-Hungarian trade relations;

The above objectives of the project are derived from analyses and requirements of the market, from the objectives and priorities of the Manufacturing Industries and Services Sector Operating Programme of the INTERREG III A Programme Complement, as well as from the Economic and Social Development Programme of the Prešov Self-Governing Region.

4. Location

The project implementation was generally performed in Slovakia in Prešov Self Governing Region, but with cooperation with partners from Ukraine - Transcarpathian Chamber of Commerce and Industry Uzhgorod and from Hungary - Chamber of Commerce and Industry of Szabolcs-Szatmár-Bereg County – Nyiregyháza.

5. Detailed description of the practice

Origin

Slovakia is one of the most attractive countries for investment in EU. Most of investments are allocated in the west part of Slovakia and the farther regions as Prešov region are backward. The same problem is in partners regions Transcarpathian in Ukraine and Szabolcs-Szatmár-Bereg in Hungary, because they belong to the border regions, which are far away from their economic centers - capitals. Regarding to economical and social situation, they belong to the least developed regions of Ukraine and Hungary.

Timescale

The project activities had been implemented in period of 9 months. They had been started on October 2007 and finished in June 2008.

Bodies involved / implementation

Lead partner and project coordinator was Slovak Chamber of Commerce and Industry, Prešov regional chamber.

Project partners involved:

- Transcarpathian Chamber of Commerce and Industry Uzhgorod (Ukraine)
- Chamber of Commerce and Industry of Szabolcs-Szatmár-Bereg County – Nyiregyháza (Hungary)

Process and detailed content of the practice

Centre of SK-UA-HU cooperation – realize activity for support of business subjects in the regions near to border. Activities, objectives and missions of the Centre are particularly oriented for the change of information and support of business subjects working in border regions. By the Centre activities was support cooperation between partners from Slovakia, Hungary and Ukraine, what also reflected in the joint participation in the others EU projects oriented to support of SMEs.

The Analysis of the Conditions for Small and Medium-sized Enterprises in the partners' border regions was incorporated to advertising brochure with title: „Potential for your enterprise in Prešov region, Szabolcs-Szatmár-Bereg County and Transcarpathian Province“. The brochure offers the most important informations about Prešov Self-Governing Region,

Szabolcs-Szatmár-Bereg country and Transcarpathian region. This brochure is good guide-book for entrepreneurs and it will help them to expand business activities in border regions.

The most important part of project was to support cross border cooperation trough counseling and meetings for entrepreneurs. Personal meetings of entrepreneurs have the strongest impact for improvement of good business relations and improvement of cooperation in the future.

Trade mission consist of regions presentations, cooperation meetings , consultation day and visits of companies. On the trade mission took part 9 Hungarian, 7 Ukrainian a 25 Slovakian companies. They had presentation of their companies, business activities and information about doing business in their regions.

Counseling was provided during the consultation day (February 2008) and also via "round tables" organized during the business meetings of SK-UA-HU companies in Prešov (April 2008). Consultation was aimed on foundation and practicing of enterprises on the territory of Ukraine, Hungary and Slovakia.

Legal framework

The whole process and the results are in compliance with the Slovak, Ukrainian and Hungarian legislation.

Financial framework

It is possible to provide similar activities without financial support but it is very hard to organize it and very hard to reach planned aims and outputs. Therefore it was very helpful to use possibility of financial support from EU funds.

6. Evaluation

Possible demonstrated results

Through the realization of project the lead partner stimulated organizations in Prešov region to reconsider the possibilities to collaborate with Hungarian and Ukraine partners. Activities of the project created interest in development of cross-border cooperation with Hungarian and Ukraine businesses and vice-versa. The project stimulated the creation of partnership networks aimed on economic and social development of cross-border regions of Prešov, Szabolcs-Szatmár-Bereg and Zakarpatia.

Possible success factors

One of the most important success factors is the partnership provided. From long-time period it is the most relevant factor that could support getting the project aim. Few years after project implementation we can declare that project was successful that we can proof by business contracts that had been established in the frame of project activities (trade mission in Prešov).

Difficulties encountered

During the project implementation phase we did not meet any difficulties that should stop or make barriers for getting planned project aims and objectives.

Transferability of the practice to other regions

We are sure that activities that support the company competitiveness should be transferred into other region and each country. It is necessary to support and provide such activities with aim to strengthen regional development.

Contribution to the enhancement of CBC cooperation. - Adaptability for SME support

The project and its experiences support connectivity and partnership development across the border between public and private authorities. It adds to the horizontal synergy effects in SME support. The practice also brings closer cooperation of regional authorities that should deeply support co-operation between countries and across the borders.

7. Lessons learnt from the practice

One of the most positive factors of the project is the fact that it is very necessary to provide sustainable support for SMEs in the region. Their demand for our services supporting their activities and filling their requirements related to strengthen their position

on national and global market give us the proof that we have to keep on in provision of services supporting their competitiveness.

8. Contact information

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9. Other possible interesting information

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1. Title of the practice

Road repair work, Ubl'a valley – state border

2. Practice theme/issue tackled by the practice

Major obstacle in economic development of East Slovakia is inadequate road system. Reality is, that further to the east the roads go from bad to worse. Functional infrastructure is important factor for business development. It is more than visible in fact, that its absence obstructs flux of foreign investments to North-East Slovakia as well as inadequate infrastructure in Slovak-Ukrainian region obstructs the development of business on the external border of EU. Road Administration and Maintenance of the Prešov Self-Governing Region is trying to solve this problem by improving of existing road system and to seek other possibilities in improving of connectivity of the both sides of border.

3. Objectives of the practice

2. To improve traffic conditions and eliminate one of the main barriers in development of Ubl'a valley.
3. To lower transportation costs, shorten transportation time and ensure adequate safety conditions.
4. To unify technical parameters of roads on the both sides of border.

Objectives are achieved by repairing more than 21 000 square meters of roads on the Slovak-Ukrainian border.

4. Location

Project took place in Ubl'a valley in eastern part of Slovakia on the border with Ukraine.

5. Detailed description of the practice

Origin

During last years the emphasis of infrastructure development was aimed on western parts of Slovakia leaving east underdeveloped. Eastern Slovakia is still missing highway connection to capital city Bratislava and to countries in the Western Europe. Lack of investments in the East leads to lack of jobs, what causes high unemployment rate and migration to western parts of Slovakia and further abroad. Migration leads to demographic depression and further restraints in business development. There is also a threat, that this condition will cause a creation of new dividing wall not only between parts of Slovakia, but furthermore between Slovakia and Ukraine.

Timescale

Project was implemented from 1st August 2006 to 31st august 2007 for a total of 13 months.

Bodies involved / implementation

Lead Partner: Road Administration and Maintenance of the Prešov Self-Governing Region (Slovakia)
Partner: Road services of Zakarpattia Oblast (Ukraine)

Process and detailed content of the practice

Due to infrastructural character of project, activities are quite simple and are aimed on technical side of project. After the selection of roads to repair, contractors for the works were chosen. After that construction works took place and the roads were open to use.

Main activities of the project were:

Coordination of technical parameters with Ukrainian partner.

Selection of contractors for the works.

Repair of tarmac layer on the road III/560005 sector crossroad I/74 Ubla – Brezovec.

Repair of tarmac layer on the road III/566004 sector Dúbrava – Šmigovec – Hrabová Roztoka.

Repair of tarmac layer on the road III/560004 sector crossroad I/74 – Michajlov.

Legal framework

The whole process and the results are in compliance with the Slovak and Ukrainian legislation. Outputs of the practice stay in the possession of Road Administration and Maintenance of the Prešov Self-Governing Region.

Financial framework

The project was financed by EU funds, via NNP HU-SK-UA Programme. After the realization the sustainability is maintained by the Road Administration and Maintenance of the Prešov Self-Governing Region.

6. Evaluation

Possible demonstrated results

Better road infrastructure helps accessibility of cross-border region. Shortens costs and time of transportation. Better transportation conditions create more possibilities for business development in many economic fields and support cross-border cooperation not only in SME sector, but also in other areas of social life.

Possible success factors

In these kind of projects the most important issue is to analyze the situation and carefully choose parts that need to be repaired. Next important step is to choose reliable contractor for the construction works.

Difficulties encountered

During the implementation of project no problems were encountered and the project was successfully realized.

Transferability of the practice to other regions

Support of infrastructure is important factor for the development of business relations between any regions inside the country or on other side of border. That is why this practice is possibly transferable wherever the better infrastructure is needed.

Contribution to the enhancement of CBC cooperation. - Adaptability for SME support

Main aim is to improve the accessibility of cross-border region what leads to supporting entrepreneur activities, raising the competitiveness of region and lowering the unemployment rate.

7. Lessons learnt from the practice

Despite of more technical character of the practice it is necessary to support this kind of projects. Road Administration and Maintenance of the PSGR in collaboration with Road services of Zakarpattia Oblast is planning other similar projects for purpose of raising this underdeveloped cross-border region. With good infrastructure it is more probable, that the economic growth will be present.

8. Contact information

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