PHARE CROSS-BORDER PROGRAMME
SLOVENIA – AUSTRIA 2000

Project

“EMERGING EU”
Supporting activities to the regional development and economic co-operation in the border area Slovenia – Austria

July 2000
SUMMARY PROJECT FICHE

1. Basic Information

1.1 Désirée number: SL 0009.02

1.2 Title: Emerging EU

1.3 Sector:

- Regional Development
- Economic Co-operation
- Human Resource Development

1.4 Location:

SLOVENIA, Border region with Austria (Styria, Carinthia)

2. Objectives

2.1 Wider Objectives:

- Increase the co-operation between regional development institutions in the frame of cross-border region seen as one single unit,
- Restructuring of companies, adjusting to the Single Market rules and increasing the internationalisation of businesses in border regions;

2.2 Immediate Objectives:

- Protect and refurbish building (ex prison) of cultural heritage value and construction of infrastructure and education/training facilities for regional institutions, increasing its value by introducing support services for SME and HRD in the frame of cross-border co-operation.
- Preparation of companies for entering the single market and increasing the cross-border co-operation between the companies;
- Development of training programmes for employed and unemployed people to meet the needs of potential new businesses;
- Development of a comprehensive plan for reactivation and alternative use of derelict industrial sites and future vacant border facilities; development of promotional plan with incentives for attracting new investments

2.3 Contribution to Accession Partnership and NPAA priority

The proposed project is in conformity with the short term and medium term priorities of the AP Slovenia (Economic reform and Economic Policy, Institution Building, Employment and Social Affairs, Regional Policy and Cohesion) and Annexes 3.5. Economic and social cohesion (especially with respect to Employment and Social affairs as well as Regional policy and Cohesion), 3.4. Sector policy (especially with respect to foster the development of open and competitive markets, adoption to changes in industry development—education,
technology, action programmes regarding fostering SME’s) and 3.2. Innovations (especially with respect to foster technology development in industry, Education, training and youth). The Project is in accordance with the chapter 4.1 Short-term Priorities and Objectives: »action on market-driven restructuring in the enterprise«. See also chapter 4.2 Medium Term Objectives (Single Market), where it is inter alia stated that on the Single Market the mid-term objective is also promotion of enterprise development, including SME-s.

The proposed project is in full conformity with the following NPAA fields:
1.2.2 Enterprise Sector Reform): Restructure the enterprise sector according to an open, export-oriented development concept and make it available, active and competitive participant in international markets, especially in the EU Single Market, Improve competitive abilities of the enterprise sector, higher real growth in manufacturing, higher return on investment, increase share of enterprise sector investments in GDP, increase inward FDI, facilitate and stimulate new entries and growth of export oriented small enterprises.
1.2.2.5 Small and medium enterprises, with the objectives: Facilitate and stimulate new entries and growth of small enterprises, improve competitive abilities of enterprise sector, technological development and increase of innovative capacity.
1.2.9.2 Education, with the objectives: Improve the quality of education, strengthen the link between labour demand, education and training, improve the quality of human resources.
1.2.9.3 Labour market policy, Active measures, with the objectives: Reorientation towards active measures, encourage job creation, reduce skill mismatch.
1.2.12.1. Regional development, with the objectives: Ensure necessary infrastructure and human resource conditions for co-ordinated management of regional policy.

2.4 Contribution to National Development Plan

The Project contributes to the National Development Plan according to set Development Objectives in chapter 3.:
- narrowing of development gap and disparities between regions and national and EU average (3.1)
- increase the productivity of enterprise sector (3.1)

Project contributes directly to the implementation of Investment priority task No. 1 on national level: Productive capacity of the enterprise sector (paragraph 3.1.1) and National Priority task No. 6 Regional Development (paragraph 3.1.6).

The project is also in line with the following priorities of Preliminary national development plan 2000-2002 (Chapter 6):

6.1. Priority 1: Productive capacity of the enterprise sector (sub-priorities No. 1, 2, 3, 4: Modernisation of Slovenian enterprises, Stimulation of R&D and technological modernisation, Investment promotion, Stimulation of the development of SME’s)
6.3. Priority 3: Human resource development and promotion of employment (sub-priorities No. 1, 2, 3 and 4: Raising employability of population, entrepreneur-ship development, adaptability of companies and employees, equal employment opportunities)
Priority 4: Regional development (sub-priorities No.1, 2 and 3: Institutional support for regional policy implementation, preparation of regional development programs, design monitoring, controlling and evaluation system

Savinjska and Pomurje region are also a pilot region under the PNDP actions.

2.5 Cross-Border Impact

The following cross-border partners, supporting the present project and activities foreseen, are ensuring the real CBC impact:

- Steirische Wirtschaftsförderung (SFG)
- Wirtschaftskammer Steiermark,
- KWF Klagenfurt
- TLK Klagenfurt

Furthermore, the transfers of know-how within the preparation of SMEs on Single European Market strengthening the CBC impact and will lead to more comprehensive border region.

According to the Joint Interreg III - Phare CBC Programming Document Austria-Slovenia 2000-2006 the project will cover topics on Economic Cohesion (Priority 1), Human resources and regional co-operation (Priority 2).

3. Description

3.1 Background and justification:

Pomurje, Podravje, Koroška, Savinjska and Gorenjska region (NUTS III) border on Austrian Styria and Carinthia region. Mentioned regions are involved in the restructuring process of the industry and SME sector, lack of the financial means causes delays by implementation of plans and programs prepared. Moreover, the restructuring process will be successful only under the condition of simulative development of human resources potentials in the region.

The collapse of traditional industry (metalworking, mechanical engineering, textiles, steel industry, and mining) caused the unemployment. It leads to the unattractiveness of regions for new investments due to loss of their development capacity.

The prosperity of the cross-border region will be achieved in the joint actions, related to extended network co-operation among SME and regional development institutions, which are in the phase of gaining deeper development meaning in the regions concerned.

To achieve maximal outputs the project will involve the main regional actors in economic development area on both sides of the border (development agencies, chambers, entrepreneurs, and craftsmen units).

3.2 Linked activities:

Following projects have been undertaken in the regions in past 4 years:
- Phare programme of technical support to Maribor Region (1997): support for the Maribor Development Agency and Regional Chamber of Economy for provision of regional services, preparation of Regional development strategy
- Phare CBC project “SME and Business Centre” (1998): reconstruction of 360 m2 of offices for HRD activities.
- Phare CBC project “Infocentre IBC” (Regional Chamber of Economy 1995-97): support to the SMEs – information and co-operation;
- Definition of potential co-operation activities between SMEs in energetic sector (Weiz/Maribor) Elaboration of prefeasibility study for co-operation in the automotive sector and organisation of co-operation meeting for the companies (Podravje region/Slovenia, Austrian Styria);
- Euro Info Centre Maribor;
- Phare programme “Development of Modern Training Programmes to facilitate Restructuring and Alleviate Unemployment” (1997/98);
- Phare partnership programme “Training for Vocational Training Institutions in the Podravje Region” (1998);
- EU-region – management structure for the promotion and facilitation of cross-border co-operation between Austrian Styria and north-west part of Slovenia (regions: Podravje, Pomurje and a part of Koroška) is planned to be established by the end of 2000;
- Regional SME Development Centre – providing a professional and financial support for SME of the area covered by Consortium for Development Tasks of Podravje;
- PHARE CBC project: Feasibility study Jesenice (1995) has been implemented by Municipality Jesenice which directed possible method of regeneration of industrial town (steel industry) – Strategy of economic and Spatial regeneration of Jesenice - which served as a basis for further activities;
- Phare CBC project: Economic and Spatial regeneration of Jesenice - Phase II in 1998- under which aim is to start activities for revitalisation of abandoned industry area into the business zone in the middle of town accompanied with training programmes for redundant workers, SME’s encouragement;
- PHARE CBC 1996 project: Building up a business incubator in Jesenice for small innovative companies implementing by Regional Development Centre BSC Kranj;
- PHARE CBC 1997 project: BSC Kranj II.phase – Fostering CBC co-operation (activities: regarding creating joint ventures, exchange of know how, and technology between Slovene and Austrian firms);
- PHARE CBC 96 project: Co-operation of vocational schools- has started in Koroška under with an aim of preparation of joint education programmes 
- Joint programming document Slovenia/Austria 1995-99 and 2000-2006: definition of priority activities / areas for the cross-border co-operation;

3.3 Results:

1. Institution Building and Infrastructure: Reconstructed 940 m2 of the building in Maribor and constructed 440 m2 new facilities in Kranj

Renewed and constructed facilities will be used:

- For training programmes and SME supporting activities of Regional Development Institutions;
- For presentation events and partners meetings;
- For meetings of cross-border structures / institutions;
- As premises of Euro Info Centre and One Stop Shop;
- As premises for Information Centre for Vocational Training;
- As premises of MoERD, NARD, Regional Office
- As premises for implementation of regional and EU projects co-ordinated by Maribor Development Agency and Regional Development Centre – BSC Kranj or other institutions (Chamber of Commerce, Chamber of Crafts)
- For library with SME literature.
- As premises for Human resource Development Fund and Labour Foundation of the Podravje region;

2. Through the service component following results will be achieved:

**SME Development**
- Trained (20) business consultants for business assessment;
- Delivered training course to the group of companies for restructuring according to the prior assessment and market needs (20 companies);
- Handbook for SMEs with evaluation grid for self-assessment of Single Market readiness (“My Assessment”) elaborated, printed and disseminated to the companies;
- Prepared analysis of co-operation potential between Slovene and Austrian companies in the border area (min 2.000 companies involved on both sides);
- 2 partnership meetings (Maribor, Ptuj) organised and min. of 120 companies on Slovene and 40 companies on Austrian side involved;
- Regional Technology centres (RTC) established in each region

**HRD (national financing)**
- Project teams of regional and local institutions trained in each region;
- Assessment of structure and training needs of unemployed and redundant workers in industry and border services prepared;
- Training programmes for employed people to meet the needs of potential new business developed;
- Five Inter-business Training Centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education established;

**New Investment Promotion (national financing)**
- Plan for reactivation and alternative use of derelict industrial sites and future vacant border facilities developed
- Promotional plan with incentives for attracting new investments developed

3.4 Activities:

The project will be split to the service and works component.

1. Work component in Maribor: renovate 940 m2.
   With support of Phare CBC and national co-financing 940 m2 of new infrastructure will be provided. Proposed construction works will consist of reconstruction works on existing building and on extension to the building. New infrastructure will as priority enable implementation of all training and SME supporting activities, developed through the “Emerging EU” project. Small part of the renewal of infrastructure was already supported by the Phare CBC programme 1998 whereas 360 m2 of offices (for Human Resource Development Fund and other institutions) will be reconstructed in second half of this year.
2. Work component in Kranj.
With support of Phare CBC and regional co-financing 400 m2 of new infrastructure will be provided. Proposed construction works will consist of building new infrastructure in co-operation of BSC Kranj, Regional Chamber of Commerce and Industry Kranj, Craft Chamber Kranj and Kranj City Municipality. New infrastructure will as priority enable implementation of one-stop-shop activities of regional partners active in SME supporting activities.

Service component comprise following activities:

- **Provide training for business consultants for business assessment;**

  The Maribor Chamber of Commerce and Industry in co-operation with HRDF will develop several project activities to improve marketing skills and to enable the companies to increase their exports. The Project “Emerging EU” will develop SME training and evaluation programmes (mirror projects in Austria are “Export-Fit, Marketing-Fit, Tele-Fit”) in order to provide technical support to SMEs for entering the European Single Market and co-operation with partners in EU.

- **Application of modern marketing techniques by implementation of new electronic business tools and services;**

  This will enable the companies to join some European networks for e-commerce and supply chain networks. Parallel with development of mentioned programmes training of a group of business consultants for SMEs being able to assess small and medium sized companies for EU readiness will be provided.

- **Elaborating of business assessment analysis of SMEs;**

- **Adjustment of the businesses for each individual SME participant in the project;**


- **Collecting data about potential business partners-companies in border area;**

- **Analyse the potential business partners and organise matching with cross-border partners;**

According to the results of the business assessment analysis of small and medium sized companies (during the implementation of the Project for a pilot group of SMEs) the adjustment of the businesses (for each individual SME participant) will take place. The SMEs will be advised how to adjust their business activities according to the Single Market rules (also technical and other EU regulations if applicable) e.g. what are the core problems in EU approach and how to be solved.

- **Organise 2 partnership meetings;**

- **Provide promotion materials for the co-operation meetings and presentation (companies, region profile)**

Organisation of partnership meetings in priority defined sectors (energetic sector and metal processing / manufacturing industry) will be provided in second phase of the project. They will be organised in Maribor and Ptuj with in co-operation with development agency ZRS Bistra Ptuj, craft chambers in Podravje, Chambers of Commerce and Industry from M.Sobota and Kranj, regional development institutions and Austrian cross-border partners (Steierische Wirtschaftsförderungs GmbH,
Wirtschaftkammer Steiermark). Companies from all Slovene border regions with Austria will be involved in proposed organisation of partnership meetings.

- **Regional Technology centres (RTC) established in each region**

Prepare a feasibility study of SME, R&D for the establishment of RTCs. The RTCs will support transfer of know how. Ministry of Science and Technology supports mentioned the activities.

- **Human resource Development**

  - Train project teams for EU programmes and preparation and implementation of projects;
  - Prepare assessments of structure and training needs on the market;
  - Clarify the potentials for new businesses;
  - Establishment of 5 inter-business training centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education.

- **New Investment Promotion**

  - Preparation of feasibility study and action plan for the reconstruction, reactivation and alternative use of derelict industrial sites and future vacant border facilities in regions for development of new businesses;
  - Develop incentives to attract new businesses;
  - Prepare promotional catalogue presenting integral offer of each region (sites and incentives) to attract new investors;

4. **Institutional Framework**

**National level:**

The Contracting Authority will be the Ministry for Small Business and Tourism.

The project will be co-financed by the Ministry of Small Enterprises and Tourism, Ministry of Economic Affairs, Ministry of Education and Sports (MoES), Ministry of Labour, Family and Social Affairs (MoLFS), Ministry of Science and Technology (MST) and the Ministry of Economic Relations and Development (MoERD).

The Phare CBC program will be managed with the support of NARD (National Agency for Regional Development) within the Ministry of Economic Relations and Development.

**Regional level:**

The project activities related to co-operation of regional institutions and companies will be supervised by the project steering committee, consisting of representatives of involved ministries, Maribor Chamber of Commerce and Industry, Entrepreneurs Association, regional development institutions MRA and BSC Kranj, Human resource Development Fund, Regional SME Development Centres and representatives of local municipalities. Representatives of cross-border partners (Steirische Wirtschaftsförderungs GmbH, Wirtschaftskammer Steiermark, representative of Regional Management or Regional government) will be invited to take part at the meetings of project steering committee.
Ministry of Small Enterprises and Tourism will be responsible for project co-ordination in tide co-operation with Maribor Development Agency, CCI of Slovenia – Maribor Chamber of Commerce and Industry and BSC Kranj and support of their teams of experts. All institutions will provide basic infrastructure (offices, equipment) for the project implementation.

Maribor Development Agency and BSC Kranj will be responsible for implementation of investment activities in the infrastructure, including appointing the engineer. As public owned institutions they will be end beneficiary of premises after the project completion.

CCI of Slovenia – Maribor Chamber of Commerce and Industry will be main responsible body for the SME Development activities in co-operation with regional chambers in M.Sobota, Dravograd, Velenje and Kranj. Together with the enterprises in the border region it is the beneficiary of the project.

BSC Kranj in co–operation with Human Resource Development Fund will be responsible body for Human resource development activities.

The project is strongly supported by:

- National Employment Office – Regional Labour Employment Offices
- the Regional Chambers of Commerce of Slovenia
- the Regional Chambers of Crafts of Slovenia
- Municipalities
- Other regional public institutions

5. Detailed Budget (EUR)

<table>
<thead>
<tr>
<th></th>
<th>Phare Support</th>
<th>National co-financing</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works I. - Maribor</td>
<td>770.000</td>
<td>360.000</td>
<td>1,130.000</td>
</tr>
<tr>
<td>Works II. – Kranj</td>
<td>400.000</td>
<td>750.000</td>
<td>1,150.000</td>
</tr>
<tr>
<td>Service</td>
<td>330.000</td>
<td>1,160.000</td>
<td>1,490.000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,500.000</td>
<td>2,270.000</td>
<td>3,770.000</td>
</tr>
</tbody>
</table>

6. Implementation Arrangements

6.1 Implementing Agencies

The Contracting Authority will be the Ministry of Small Enterprises and Tourism.
Address: Trubarjeva ulica 11, 2000 Maribor
Mrs. Maja Tomanič-Vidovič, State Secretary.
Tel: 00386 – 2 - 234 10 10 Fax: 00386 - 2 – 223 530

The Implementing Agency responsible for contracting and financing following the Phare Decentralised Implementation Procedures will be the Central Financing and Contracting Unit of the Ministry of Finance.
6.2 Contracts

1. 2 Works Contracts: 770,000 EUR
2. Service contract: 330,000 EUR

7. Implementation Schedule

7.1 Start of tendering/call for proposals:
   2 months after signing the FM
7.2 Start of project activity:
   4 months after signing the FM
7.3 Project Completion:
   Within 24 months after the signing of FM.

8. Equal Opportunity

The project benefits to men and women on the equal basis, special attention will be paid to the participation of women in the various activities (training etc.).

9. Environment

- The project will not be harmful to the environment.
- Complete technical documentation for infrastructure development has been developed in year 1999. It is involving environmental report for proposed investments. Positive impact – ecological improvement is expected.
Business co-operation and networking will have no negative impact on the environment.

10. Rates of return

The project will create considerable economic and social benefits. It will contribute to creation of a sound entrepreneurial environment and initiate economic growth of the region and will as such prove spend subsidies.

Public financed projects in principle do not bring profits to the investor. They are supported in order to be economically viable because they create benefits to the region, specially they will contribute to creation of new jobs.

11. Investment criteria

11.1 Catalytic effect:

- Improvement of economic competitiveness of the region;
- Inflow of know-how for through project co-operations;
- Strengthening of the existing industries and SMEs;
- Stimulating growth of production oriented activities;
- Increased investment activities in the area;
- Strengthening cross-border links between SMEs and institutions of their business environment, including EU-Region management structures
- Creation of job opportunities;
- Improving social and cultural welfare;

The Phare contribution will promote the development of the economy in the Podravje Region and contribute to the restructuring of the SMEs. Without Phare support this development would take place much later but not in a comprehensive form like it is proposed in this Project.

11.2 Co-financing:

Proposed national co-financing:

<table>
<thead>
<tr>
<th>Ministry/Authority</th>
<th>Amount (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Small Enterprises and Tourism</td>
<td>240,000</td>
</tr>
<tr>
<td>Ministry of Economic Relations and Development</td>
<td>90,000</td>
</tr>
<tr>
<td>Ministry of Economic Affairs</td>
<td>230,000</td>
</tr>
<tr>
<td>Ministry of Labour and Social Affairs</td>
<td>290,000</td>
</tr>
<tr>
<td>Ministry of Education and Sport</td>
<td>125,000</td>
</tr>
<tr>
<td>Ministry of Science and Technology</td>
<td>200,000</td>
</tr>
<tr>
<td>Maribor City Municipality</td>
<td>70,000</td>
</tr>
<tr>
<td>Municipality Kranj</td>
<td>100,000</td>
</tr>
<tr>
<td>Maribor Chamber of Commerce and Industry</td>
<td>120,000</td>
</tr>
<tr>
<td>(Kranj, Velenje, Dravograd, M.Sobota)</td>
<td>80,000</td>
</tr>
<tr>
<td>Kranj Chamber of Commerce and Industry</td>
<td>300,000</td>
</tr>
<tr>
<td>Kranj Craft Chamber</td>
<td>300,000</td>
</tr>
<tr>
<td>Human Resource Development Fund Maribor</td>
<td>25,000</td>
</tr>
<tr>
<td>Maribor Development Agency</td>
<td>50,000</td>
</tr>
<tr>
<td>BSC Kranj</td>
<td>50,000</td>
</tr>
</tbody>
</table>
Local and national partners will provide co-financing in the amount up to EUR 1.645.000 or 52.3 % of total costs of the project.

The Ministry of Small Business and Tourism will co-finance the construction works in Maribor and organisation of two partnership meetings.
The Ministry of Economic Relations and Development will co-finance the training of project teams for EU programmes and preparation and implementation of projects as well as the preparation of strategy for new investments.
The Ministry of Economic Affairs will co-finance the activities of Maribor Chamber of Commerce and Industry regarding the assessment of at least 20 industrial enterprises, FDI /partnership activities and preparation of companies on Common Market. It will also provide financing for preparation of feasibility study and action plan for the reconstruction, reactivation and alternative use of derelict industrial sites and future vacant border facilities in regions for development of new businesses
The Ministry of Labour will co-finance assessment of structure and training needs of unemployed and redundant workers in industry and border services and preparation of training programmes for employed people.
The Ministry of Science and Technology will co-finance feasibility study and establishment of regional centres for technology development.
The Ministry of Education and Sport will co-finance establishment of five Inter-business Training Centres (MIC).
The Maribor Chamber of Commerce and Regional Chambers in Kranj, Velenje, Dravograd and M.Sobota will mainly contribute in kind through experts of CCI and will partly cover the material costs.
The Human Resource Development Fund in Maribor will co-finance the HRD activities partly in kind and with financial sources.
The Maribor Development Agency will provide the existing infrastructure - (part of the building), project manager, tendering costs for works, engineer, co-financing the preparation works and participation of experts in proposed service activities.
The Business Support Centre Kranj will co-finance execution of construction works in Kranj.
The Maribor City Municipality will co-finance the project with covering costs of communal infrastructure in Maribor and support of public works.
The Municipality Kranj will co-finance the construction works in Kranj.
The Kranj Chamber of Commerce and Industry and the Chamber of Crafts Kranj will co-finance the construction works in Kranj.

11.3 Additionality:
No other finances will be displaced by Phare intervention.

11.4 Project readiness and Size:
Technical documentation for renewal of the building were prepared in 1999. The Building Permits were issued in spring 2000.
Activities considered under service activities are agreed on the regional and cross-border level. Activities can be started as soon as the project will be approved.

11.5 Sustainability:
Regional development and economic co-operation have been considered as priority activities in the region as well as on the national level.

The sustainability is assured by the Maribor Chamber of Commerce and Industry, other regional chambers and their reputation among the member companies on one hand and best practice in achieving results in previous Phare projects. A full support has been obtained by the Consortium for Development Tasks of Podravje and involvement of key players responsible for the development of SME and HRD in the regions.

Programmes and interested institutions for the proposed infrastructure have been defined in past year. They will ensure long term use of the infrastructure.

In the project a special emphasis is given to the networking activities as the sustainable activities to be maintained also after the implementation period. Therefore the Maribor Chamber of Commerce and Industry (Maribor CCI) will improve the range of services in co-operation with Wirtschaftskammer Steiermark, especially those to support the development of economic co-operation. Maribor Developing Agency and Steirische Wirtschaftsförderungs GmbH will be supporting the co-operation activities in specialised industrial sectors (energy, metal manufacturing).

11.6 Compliance with state aids provisions

Each state grant allocated by Slovenia, as stipulated in Article 65(4) of the European Treaty, is to be taken into account in the first four years of the treaty validity that Slovenia is to be considered as an area which is equal to Community areas, described in item 92(3)a of the Treaty on the European Union (TEU). All actions financed by Phare will be carried out in line with the Phare DIS and will respect the state aid and competition provisions of the European Agreement.

11.7 Contribution to National Development Plan

The Project matches the NPAA objectives (see Chapter 1.2.2. Enterprise Sector Reform): Restructure the enterprise sector according to an open, export-oriented development concept and make it available, active and competitive participant in international markets, especially in the EU Single Market, Improve competitive abilities of the enterprise sector, increase real growth in manufacturing, higher return on investment, increase share of enterprise sector investments in GDP, increase inward FDI, facilitate and stimulate new entries and growth of export oriented small enterprises.

12. Conditionality and sequencing

This project will start after the signing of the financial memorandum which is foreseen by the end of year 2000.

Milestones of the project:

- Preparation of ToR (services) February 2001
- Tender Dossier (works) February 2001
- Tendering March 2001
- Contracting June 2001
- Infrastructure building July 2001– March 2002
- Services July 2001 - October 2002
LOGFRAME PLANNING MATRIX FOR PROJECT: “Emerging EU” Supporting activities to the regional development and economic co-operation in the border area Slovenia – Austria

**Project Number:** SL0009.02  

<table>
<thead>
<tr>
<th>Development Objectives</th>
<th>Indicators of Achievement</th>
<th>How, When and by Whom Indicators Will Be Measured</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
</table>
| - Increase the co-operation between regional development institutions in the frame of cross-border region seen as one single unit,  
- Restructuring of companies, adjusting to the Single Market rules and increasing the internationalisation of businesses in border regions; | - Increased regional share in the exports of Slovenia  
- Number of services provided in the renovated building | - National Statistical Office data  
- Statistical Data of Maribor CCI | National instruments are not designed to support restructuring of traditional industrial regions |

**Immediate Objectives**

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>How, When and by Whom Indicators will be Measured</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
</table>
| - Protect and refurbish building (ex prison) of cultural heritage value and construction of infrastructure and education/training facilities for regional institutions, increasing its value by introducing support services for SME and HRD in the frame of cross-border co-operation. | - Completed renovation  
- Number of services provided in the renovated building | National scheme of support to SME development do not provide sufficient budget for training of consultants to support the preparation and self-assessment of companies (SMEs) |

**Outputs**

<table>
<thead>
<tr>
<th>Indicators of Achievement</th>
<th>How, When and by Whom Indicators will be Measured</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
</table>
| - 940 m² of renewed infrastructure facilities  
- 400 m² new facilities built  
- Trained business consultants for business assessment  
- Pilot group of companies for restructuring according to the market needs (20 companies) implemented | - Renewed 940 m²  
- Constructed 400 m²  
- Number of training and participants  
- A training course for | Fear of competition by the firms could cause delays by project implementation |
- Project teams of regional and local institutions trained
- Assessment of structure and training needs of unemployed and redundant workers in industry and border services prepared
- Training programmes for employed people to meet the needs of potential new business developed
- Five Inter-business Training Centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education established
- Plan for reactivation and alternative use of derelict industrial sites and future vacant border facilities developed
- Promotional plan with incentives for attracting new investments developed
- Project teams of regional and local institutions trained in each region;
- Assessment of structure and training needs of unemployed and redundant workers in industry and border services prepared;
- Training programmes for employed people to meet the needs of potential new business developed;
- Train project teams for EU programmes and preparation and implementation of projects:
- Prepare assessments of structure and training needs on the market;
- Clarify the potentials for new businesses;
- Establishment of 5 inter-business training centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education
- Preparation of feasibility study and action plan for the reconstruction, reactivation and alternative use of derelict industrial sites and future vacant border facilities in regions for development of new businesses;
- Develop incentives to attract new businesses;
- Prepare promotional catalogue presenting integral offer of each region (sites and incentives) to attract new investors;
- Five Inter-business Training Centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education established;
- Plan for reactivation and alternative use of derelict industrial sites and future vacant border facilities developed;
- Promotional plan with incentives for attracting new investments developed;

<p>| the first group for 20 companies delivered and evaluated | Report |</p>
<table>
<thead>
<tr>
<th>Inputs</th>
<th>Means</th>
<th>Cost</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Renovation of 940 m².</td>
<td>3 contracts :</td>
<td>1.5 MEUR Phare funds</td>
<td>Pre-conditions</td>
</tr>
<tr>
<td>- Construction of 400 m².</td>
<td>- 2 works contract</td>
<td></td>
<td>Preparation of Tender</td>
</tr>
<tr>
<td>- Provide training for business consultants for business assessment</td>
<td>- service contract</td>
<td></td>
<td>Documentation</td>
</tr>
<tr>
<td>- Application of modern marketing techniques by implementation of new</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>electronic business tools and services</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>- Elaborate business assessment analysis of SMEs</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>- Adjustment of the businesses for each individual SME participant in</td>
<td></td>
<td></td>
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<tr>
<td>the project</td>
<td></td>
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<tr>
<td>- Provide a handbook for SMEs with evaluation grid for self-assessment</td>
<td></td>
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<tr>
<td>of Single Market readiness (&quot;My EU assessment grid&quot; Handbook);</td>
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<tr>
<td>- Collect data about potential business partners – companies in border</td>
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<tr>
<td>area;</td>
<td></td>
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<tr>
<td>- Analyse the potential business partners and organise matching with</td>
<td></td>
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<tr>
<td>cross-border partners;</td>
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<tr>
<td>- Organise partnership meetings;</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Provide promotion materials for co-operation meetings and presentation (companies, region profile);</td>
<td></td>
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<tr>
<td>- Prepare a feasibility study of SME, R&amp;D for the establishment of RTCs.</td>
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<tr>
<td>The RTCs will support transfer of know how. Ministry of Science and</td>
<td></td>
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</tr>
<tr>
<td>Technology supports mentioned the activities;</td>
<td></td>
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<tr>
<td>- Train project teams for EU programmes and preparation and implementation of projects:</td>
<td></td>
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<tr>
<td>- Prepare assessments of structure and training needs on the market;</td>
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<tr>
<td>- Clarify the potentials for new businesses ;</td>
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<tr>
<td>- Establishment of 5 inter-business training centres (MIC) to ensure systematic approach and suitable infrastructure for permanent vocational education</td>
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<tr>
<td>- Preparation of feasibility study and action plan for the reconstruction, reactivation and alternative use of derelict industrial sites and future vacant border facilities in regions for development of new businesses;</td>
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<tr>
<td>- Develop incentives to attract new businesses;</td>
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<tr>
<td>- Prepare promotional catalogue presenting integral offer of each region (sites and incentives) to attract new investors;</td>
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### Annex 2: DETAILED IMPLEMENTATION CHART

<table>
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<th>Activities</th>
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<th>2002</th>
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<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
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<tr>
<td>Preparation of TOR/Tender Dossier</td>
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<td>X</td>
</tr>
<tr>
<td>Start of tendering/call for proposals</td>
<td></td>
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<tr>
<td>Contracting</td>
<td></td>
<td></td>
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<tr>
<td>Start of project activities</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Implementation – services</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Implementation – works</td>
<td></td>
<td></td>
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<tr>
<td>Project Completion</td>
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</tr>
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</table>

### Annex 3: Cumulative Contracting and Disbursement schedule (MEUR)

<table>
<thead>
<tr>
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<td>Commitment</td>
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<td>1.5</td>
</tr>
<tr>
<td>Disbursement</td>
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<td>0.6</td>
<td>0.85</td>
<td>1.05</td>
<td>1.25</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
</tbody>
</table>
Annex 4:  Reference to relevant Government Strategic plans and studies:

- Strategy of the cross-border development Slovenia/Austria (available at the Phare CBC PIU)
- White Paper on Regional Development in Slovenia (available at the Ministry of Economic Relations and Development)
- Cross-border Inventory Slovenia/Austria (CBC 1995 project, available at the Phare CBC PIU)
- Regional Development Strategy for Styria (available at the Maribor Development Agency)
- Regional strategies and action plans (currently existing only for the region of Styria and can be obtained at RDA in Maribor)
- Mojmir Mrak, Structural Funds Component of the re-oriented PHARE Programme from 2000 onwards. Final report, June 1999
- Joint Programming Document Slovenia – Austria 2000-2006

Annex 5:  List of relevant Laws and Regulations in Slovenia

- Law on Copyright (Official Journal of the Republic of Slovenia, No. 21/95)
- Law on economic zones (Official Journal of the Republic of Slovenia, 45/98)
- Law on business (Official Journal of the Republic of Slovenia, 30/93)
- Law on industrial ownership (Official Journal of the Republic of Slovenia, 13/92)
- Law on supporting companies in the development of new technologies and the establishment and functioning of development units in the period 2000-2003 (Official Journal of the Republic of Slovenia, 99/99)
- Low on preventing the limitation of the competition (Official Journal of the Republic of Slovenia, 56/99)
- Law on research activities (Official Journal of the Republic of Slovenia, 8/91)
- Law on small business development (Official Journal of the Republic of Slovenia, 18/91)
- Law on the protection of the competition (Official Journal of the Republic of Slovenia, 18/93)
- Law on foreign trade procedures (Official Journal of the Republic of Slovenia, 13/93)
- Balanced Regional Development Act (Official Journal of the Republic of Slovenia, 60/99)
- Cultural Heritage Protection Act (Ur.I. RS, No 07/99)
- Spatial Planning Act (Ur.I. SRS, No 18/84, 15/89; Ur.I. RS, No 71/93)
- Act on Urban Planning and Other Forms of Land Use (Ur.I. SRS, No 18/84, 37/85, 29/86; Ur.I. SFRJ, No 83/89; Ur.I. SRS, No 43/89, 05/90; Ur.I. RS-I, No 26/90, 03/91, 10/91, 17/91; Ur.I. RS, No 55/92, 13/93, 18/93, 47/93, 71/93, 29/95 and 44/97)