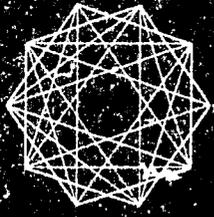


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**P A D C O**

PLANNING AND DEVELOPMENT COLLABORATIVE INTERNATIONAL, INC.

# **FINAL REPORT**

**PRIVATE SECTOR DEVELOPMENT OF HOUSING  
EASTERN EUROPE**

# **SUMMARY OF SLOVAK STUDY TOUR**

**Prepared for**

**United States Agency for International Development  
Bureau for Private Enterprise  
Office of Housing and Urban Programs**

**April 1993**

PROVIDES GOVERNMENTS AND PRIVATE CLIENTS WITH SERVICES IN PLANNING, HOUSING, MANAGEMENT, FINANCE, ECONOMICS, ENVIRONMENT, GEOGRAPHIC AND OTHER INFORMATION SERVICES, AND TRAINING.

# **FINAL REPORT**

## **SUMMARY OF SLOVAK STUDY TOUR**

**Prepared for**

**United States Agency for International Development  
Bureau for Private Enterprise  
Office of Housing and Urban Programs  
Washington, DC**

**Prepared by**

**Miriam Maxian  
James Lynch**

**Planning and Development Collaborative International (PADCO)  
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**EUR-0034-C-00-2032-00, RFS 16**

**April 1993**

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# Summary of Slovak Study Tour February 16-26, 1993

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## 1 Background

As part of an ongoing program with the Association of Slovak Entrepreneurs, ten Slovak members of ASE from the construction and building industry travelled to the Home Builders Show in Las Vegas and to Washington D.C. for a Study Tour. The objectives of the Study Tour were to provide participants with an insight into the role and functioning of U.S. trade institutions, and an opportunity to become familiar with U.S. building systems and technologies.

## 2 Participants

The ten Slovak participants are all owners or co-owners of private firms which are members of the Association of Slovak Entrepreneurs. On a voluntary basis, in addition to managing their firms, Mr. Lispuch is a member of the board of the Association, Mr. Zajac is the chairman of the chapter in Spiska Nova Ves, and Mr. Masarovic is an advisor to the Executive Director.

The participants were from various parts of Slovakia, including Martin, Presov, Banska Stavnica, Pezinok, Spiska Nova Ves and Bratislava. The sizes of the firms varied from 10 to 300 employees. The markets addressed by their respective firms varied: two participants focused their construction activity in Germany (Lispuch, Zajac), one firm was starting to develop clients in Ukraine (Valovic), the others focused on the domestic market. Some firms (Zipajova, Hanusrichterova) were also involved in building water, sewer, gas and sewage treatment infrastructure; and one firm was involved in recycling materials (Masura). Other participants focused on renovation, including roof replacement, thermal insulation, and addition of rooftop units (Sumeč, Longauer, Koniar, Masarovic). Please refer to Attachment C for more detailed descriptions of the participants.

## 3 Study Tour Program

In Las Vegas, the Slovak delegation joined a Polish delegation that included members of the Polish government as well as private Polish firms. Both the Slovak and Polish delegations participated in a program prepared by the Home Builders Institute and NAHB. In Washington, PADCO and Steven Winter Associates prepared a program for the delegation. The program included:

### 3.1 Site visits

- WMK Brickyard, concrete block factory
- Several houses in varying price ranges at the Sommerlin development
- Masco House
- Smart House
- Building Materials Center (Home Depot)
- Ryland Panel Factory, Maryland

Ryland Finished Homes, Maryland  
Suburban Maryland Building Industry Association  
Pentagon City Retail, Hotel, Office and Residential Complex

Several of the site visits provided the participants an opportunity to see the finished quality of wood frame housing. This was in contrast to the low finished quality product of wood frame housing (mostly second homes and cottages) in Slovakia.

### **3.2 NAHB Council Meetings and Board of Directors Meeting**

The delegation attended the following meetings:

Energy Council (with Miles Haber)  
Research Council (with Miles Haber)  
Building Systems Council  
Remodelers Council  
High Production Builders Council  
International Housing Association Luncheon  
NAHB Board of Directors Meeting

These meetings provided the participants with a better sense of the functioning of NAHB. The Slovak participants were particularly impressed by the active participation of NAHB members, the representation of local chapters on the national board, and the NAHB emphasis on representing its members' interests in lobbying government.

### **3.3 Suburban Maryland Building Industry Association**

The program directors of the Suburban Maryland Building Industry Association provided the participants with a description of the organization and activities of their government affairs, programs and events department; the builder warranty craft training and surety bonding programs; and the community outreach program. The Slovak questions focused on the details of implementing the programs, including the financial structure and payment requirements for the local chapter.

### **3.4 Seminars**

The participants had four days in which to participate in seminars organized by NAHB. The following is a partial list of seminars attended:

Leadership Training Seminar  
Quick Management System  
Measuring Fiscal Impact of New Development  
Economic Outlook  
American Dream in Poland

### **3.5 Tour of Exhibit Floor and Visit to Exhibits**

The participants had three-and-a-half days to tour the exhibit floor, during which time they were able to obtain information about building systems and technologies. Of interest were reusable formwork for concrete, recycling systems, wood frame systems, composite wood beams, and insulation materials. The exhibitors were provided with addresses for future contact.

## **4 Symposium**

PADCO organized a half-day symposium in Washington for the Slovak delegation to present their views on the Study Tour and to identify specific needs that could be addressed in a future AID program of technical assistance. Responding to the specific request of the delegates to find partners for investment, the symposium also included members from various U.S. programs that might lead to investment in the Slovak housing industry, including the Slovak Enterprise fund, the Capital Development Initiative, and the American Business Initiative. Please refer to Attachment A for a list of participants at the symposium and speeches made by the Slovak delegates. The delegates identified several areas where AID could support the creation of a market-oriented housing supply system:

### **4.1 Finance**

- a. Need for both construction and mortgage financing of housing.
- b. Need for an infrastructure finance system.
- c. Need for changes in taxation and banking.
- d. Need to work with developers and construction companies in preparing projects for financing (with particular emphasis on project budgets and market studies).

### **4.2 Information Clearinghouse**

- a. Need for a system/clearinghouse for regular communication with other associations and firms regarding joint-ventures, new technologies, conferences, etc.
- b. Need for a clearinghouse of information regarding foreign assistance programs (specifically U.S. programs to promote investment, such as the Capital Development Initiative and apprenticeship or professional training programs abroad).

### **4.3 Association of Slovak Entrepreneurs in Housing**

- a. Need to establish a housing and construction sector-specific association as part of the Association of Slovak Entrepreneurs. The Association of Slovak Entrepreneurs would continue to focus on legislative issues specific to housing and construction. They plan to establish a housing- and construction-specific organization by the beginning of May 1993.
- b. Need to lobby for legislation and regulations which eliminate the monopoly of the state firms in construction.
- c. Need to work with municipalities in packaging land for development and streamlining the construction approval process.

## **5 Potential Next Steps**

The Slovak delegation plans to meet with the AID representative in Bratislava to discuss detailed proposals for next steps, and to develop a program of technical assistance in support of private sector construction, which corresponds with the strategic objectives of the AID office in Bratislava. AID representatives at the symposium indicated an interest in meeting with the Slovak group in Bratislava to develop these next steps into a long-term program of assistance. A meeting between AID, the Association of Entrepreneurs, and PADCO has been tentatively scheduled for April 22 in Bratislava.

### **Attachments**

- A. Symposium February 25, 1993: Slovak Delegation Presentations
- B. Agenda for Study Tour
- C. Description of Participants
- D. Symposium Transcripts

**Attachment A**

**Symposium—February 25, 1993**

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## LIST OF PARTICIPANTS

### LUNCH & SYMPOSIUM EVENT FOR ASSOCIATION OF SLOVAK ENTREPRENEURS

Key Bridge Marriott  
February 25, 1993

#### LUNCH

1. Barry Veret, USAID
2. Sarah Wines, USAID
3. Hank Henward, PADCO
4. James Lynch, PADCO
5. Miriam Maxian, PADCO
6. Steven Winter, SWA
7. Richard Dine, Czech Slovak Enterprise Fund
8. Dine's Assistant, Czech Slovak Enterprise Fund
9. Mark Mowry, US Department of Commerce
10. Mike Dodman, US State Department, Desk Officer for Slovakia
11. Mr. Franchek Ruzika, Slovak Embassy, Secretary of Economics & Commerce
12. Mr. Korinek, Slovakia News Agency
13. Mark Abromowitz, Capital Development Initiative (CDI) Program
14. Robert Rourke, Coopers & Lybrand, CDI Program
15. Translator

#### SYMPOSIUM

In addition to the above, the following individuals attended the Symposium Event from 2:30-5:00 pm:

1. Steve Giddings, USAID
2. Judy Becker, HBI
3. Mike McIntyre, HBI
4. Alastair Law, Consultant
5. John Kupferer, Consultant
6. Walter Kardy, Int'l Masonry Institute

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SYMPOSIUM FOR THE  
ASSOCIATION OF SLOVAK ENTREPRENEURS

Key Bridge Marriott  
February 25, 1993  
2:30-5:00 p.m.

- 2:30-2:45 pm Welcome and Opening Remarks, Hank Henward, PADCO
- 2:45-3:45 pm Presentations by members of Slovak Delegation on the following topics (approx. 15 min. each):
- o Overview of the Housing Industry in Slovakia
  - o Activities of the Association of Slovak Entrepreneurs in the Housing Sector
  - o The Delegation's Assessment of the US Study Tour
  - o The Housing Outlook in Slovakia and Opportunities for Collaboration with US Firms and USAID
- 3:45-5:00 pm Response, Question and Answer Period, Hank Henward, PADCO
- 5:00 pm Adjourn to Reception, adjacent to Meeting Room

**Attachment B**

**Agenda of Study Tour**

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**WASHINGTON, DC ACTIVITIES  
FOR  
ASSOCIATION OF SLOVAK ENTREPRENEURS**

Date

Tuesday  
2/23/93

9:34 a.m. --	Depart Las Vegas
6:10 p.m. --	Arrive Dulles/Washington, DC
6:30 p.m. --	Van pickup at Dulles Airport
8:00 p.m. --	Arrive Key Bridge Marriott Hotel

Wednesday  
2/24/93

9:00 a.m. --	Van pickup at Key Bridge Marriott
10:00 a.m. --	Arrive Suburban Maryland Building Industry Association
12:00 a.m. --	Lunch at SMBIA
1:00 p.m. --	Van pickup at SMBIA
2:00 p.m. --	Arrive Ryland Housing Factory
3:30 p.m. --	Visit Housing Development Sites
5:30 p.m. --	Van returns to Key Bridge Marriott
6:30 p.m. --	Arrive Key Bridge Marriott

Thursday  
2/25/93

9:00 a.m. --	Van pickup at Key Bridge Marriott
9:15 a.m. --	Arrive Pentagon City Mall
9:30 a.m. --	Presentation on Mall's Development History
10:30 a.m. --	Mall tour and walkthrough
12:00 p.m. --	Van pickup at Pentagon City Mall
12:15 p.m. --	Arrive Key Bridge Marriott
1:00 p.m. --	Lunch at View Restaurant Keybridge Marriott
2:30 p.m. --	Symposium at Key Bridge Marriott
5:00 p.m. --	Reception at Marriott

Friday  
2/26/93

9:00 a.m. --	Van pickup at Key Bridge Marriott
9:15 a.m. --	Tour Washington monuments
12:30 p.m. --	Arrive National Airport
1:55 p.m. --	Depart Washington for New York

**Attachment C**  
**Description of Participants**

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## List of Slovak Participants for the Study Tour

### 1. Peter Lispuch

Address: [REDACTED]  
Telephone work: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: Alena Lispuchova  
Beneficiary relationship: Wife

Ing. Lispuch is on the Board of Directors for the Association of Entrepreneurs. He is co owner in firm COMPEX, a construction and trading firm.

### 2. Magda Hanusrichterova

Address: [REDACTED]  
Telephone work: 0847/32568  
Telephone home: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: Jan Hanusrichter  
Beneficiary relationship: Husband

Ing. Hanusrichterova is the director of the branch office of the Martin of the firm CONSULT. CONSULT is a private firm specializing in the design, engineering, and construction of buildings. In Martin, the firm is active in the areas of residential buildings, installation of gas into towns and communities, the sewage lines and sewage treatment plants. The firm is equipped with computer technology for design of buildings. Obstacles to the firm's growth include 1) lack of contemporary base of materials in Slovakia, 2) shortage of progressive materials and technological processes for construction of buildings, and 3) Obtaining finance for the construction of buildings.

The objectives for the study tour are:

- getting available information about materials used in civil engineering in the US
- contacting the producers of these materials and discussing possibilities of their import and representation in the Slovak Republic
- learning about new technologies for construction including
  - erection of walls and ceiling from surface structural elements
  - light construction for attics
  - varying prefabricated houses
- getting information about use of heat and water proofing insulation materials of good quality
- getting knowledge for more effective constructing

### 3. Ivan Koniar

Address: [REDACTED] 01 [REDACTED]  
Telephone work: 07/335/093  
Telephone home: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: Luotica Komarova  
Beneficiary relationship: wife

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#### 4. Vratislav Longauer

Address: [REDACTED]  
Telephone work: [REDACTED] Bratislava, Slovakia  
0859/23612, 23725  
Telephone home: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: [REDACTED]  
Beneficiary relationship: Michal Longauer  
Brother

Ing. Longauer is the owner of STAVASTA Ltd., a private building company oriented mainly to the building of family houses, the restoration of historical monuments, the water cleaning establishment, road building, and the trading of building materials. The company was formed in December 1991 and as of December 1992 has 80 employees with a turnover of 16 million Kcs. In 1992 the company completed the following buildings: Hotel Antol Mill (new construction in Banska Stavnica), the renovation of the kirgezia tea restaurant, the reconstruction of the bakery concop, the renovation of the church in Ostry Grun. Projects which are in construction include the water and gas distribution lines in Lieskovec, The Zember house renovation, the reconstruction of the amphitheater.

The company is self-sufficient in the building of small and middle sized buildings with its technical equipment and the wide range of worker's expertise. The company owns trucks and building machines. The company is located in the historical town of Banska Stavnica with an ancient mining history.

The purpose of Ing. Longauer's visit to the US is to learn more about new building technologies, machines and the interesting building materials, particularly materials used for thermal insulation. Further he is interested in the ownership relations of the buildings.

#### 5. Igor Masarovic

Address: [REDACTED]  
Telephone work: [REDACTED] Bratislava  
07/497713  
Telephone home: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: Anna Masarovicova  
Beneficiary relationship: Wife

#### 6. Peter Masura

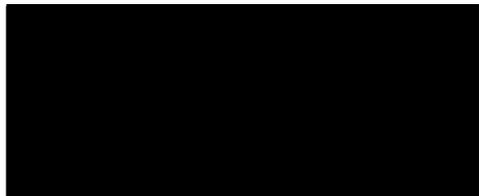
Address: [REDACTED]  
Telephone work: [REDACTED]  
Telephone home: [REDACTED]  
Passport Number: [REDACTED]  
Date of Birth: [REDACTED]  
Beneficiary name: Anna Masurova  
Beneficiary relationship: Wife

Ing. Masura is the owner of a private company Petmas in the town of Pezinok. The company provides civil construction services, maintenance, reparations and reconstruction of buildings, transport of solid municipal and house waste, organization and operation of waste dumps, providing of separated salvage of recycled materials, cleaning and maintenance of municipal roads.

The interest of the the company during the study tour is details of constructions, roof technology, providing of underroof flats, additional thermal insulation of buildings, production and application of small architecture in cities, technology and recycling of plastic and paper materials, grading lines of recycled waste.

**7. Milos Sumec**

Address:  
Telephone work:  
Telephone home:  
Passport Number:  
Date of Birth:  
Beneficiary name:  
Beneficiary relationship:



Dagmar Sumecova  
Wife

**8. Vlliam Valovic**

Address:  
Telephone work:  
Telephone home:  
Passport Number:  
Date of Birth:  
Beneficiary name:  
Beneficiary relationship:



Katarina Valovicova  
Wife

The private firm UNING a.s. was established in 1990. They provide a complex range of services including design/engineering, construction, trade, and services. UNING employs 15 employees full time with long term contacts based upon need with 15 to 30 additional employees. A partner company UNISTAV ensures construction. Unistav has 25 full time employees with 150 seasonal employees .

**9. Adolf Zajac**

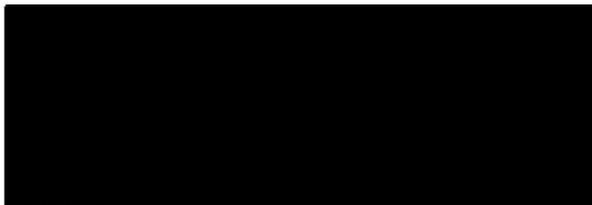
Address:  
Telephone work:  
Telephone home:  
Passport Number:  
Date of Birth:  
Beneficiary name:  
Beneficiary relationship:



Viera Zajacova  
Wife

**10. Milada Zipajova**

Address:  
Telephone work:  
Telephone home:  
Passport Number:  
Date of Birth:  
Beneficiary name:  
Beneficiary relationship:



Anna Tomesova  
Mother

Ing. Zipajova is an entrepreneur in design, engineering, and construction of building development. She is a graduate from the Slovak Technical University in Civil Engineering. Her current activities are in the field of civil engineering and the firm provides for a variety of necessary services in this field including designing, discussing designs with customers, and negotiating with investors.

**Attachment D**  
**Symposium Transcripts**

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Viliam Valovic  
February 25, 1993 -- Washington D.C.

### **Current Situation of Building Industry in Slovakia**

Allow me, at the beginning, to sum up the situation of the building industry until the changes took place in 1989. Until that time, all construction activities were financed by the government. There were more than 40 thousand apartments built each year. More than 90% of them in high-rise construction. The infrastructure was also financed by the government. State subsidies ended in 1991. This year, only previously unfinished construction is being completed. It constitutes only about 10% of the original volume and is still financed by the state. Only minimal government participation is expected into the future, both in financing and building.

The material used for high rise apartment buildings was concrete with insulation polystyrene in external walls. Family houses were usually built by the owners, they used brick, lightweight blocks and concrete floors, wood roofs.

With regard to transition to market economy we could characterize the current situation as follows. There are these negative aspects:

First, lack of construction financing. This is caused by the lack of money in banks. On the other hand our legislation about small businesses prevents banks from providing loans to new entrepreneurs.

Secondly, the lack of the material of housing construction in all price levels. Some more expensive finish materials are available.

Thirdly, undeveloped housing market. There is some activity in family housing market, office and apartment building that were returned to the original owners. Current financial, legal, and administrative conditions don't allow for the development of housing in Slovakia in a way that is practiced here in the United States.

There are some positive aspects:

Firstly, small and medium sized private construction firms and architectural offices were formed. They contributed to the overall value of building construction ten to twenty percent.

Secondly, these construction firms have great potential and capable people to build any kind of trend necessary for finishing a project.

Thirdly, until the family housing construction, based on wood is developed, we can start immediately to remedy existing wood structures and turn them into apartments. Such remodeling would be possible with american credits under the conditions you have now in the USA.

After our opinions from visiting USA it seemed for us need help from USA side to us:

- a) to give us more informations and materials, educational video programs about house building to building the demonstration house in Slovakia.
- b) to help us in arguments in economic advantages of wood constructions, to give us know-how for preparing budgets and economy for the building.
- c) to help with preparing conditions for having possibility of using building processing used in USA -- know-how, or technologies for Slovak companies, even to joint venture activities for making these kinds of products.

Thank you for your attention.

1/b

Peter Lispuch  
February 25, 1993 -- Washington D.C.

### **Activities of the Association of Slovak Entrepreneurs**

The Association of Slovak Entrepreneurs was founded at the beginning of 1989, several months before the fall of the former regime in our country. At that time practically did not exist any private sector, only some individual dealt with small business. All our economy was managed and owned by the state. After November 1989 private sector started to develop dynamically and for example last year 21% of the GNP was created by this sector. By the same token, the importance of the Association of Slovak Entrepreneurs grew. At the beginning, the Association concentrated on building regional organizations and promoting membership base. Today the Association has its branches in almost all counties and covers entire Slovakia. The membership is now 20,000. The members are both small business owners and medium sized firms.

From the very beginning the Association participated in legislation preparation for business operations because most of the existing laws needed to be changed. Old legislation did not allow private ownership and entrepreneurship. Such activities were referred to as "exploitation of workers" and of course the number one exploiters were supposed to be the United States. So today we are here to learn how to "exploit" better. But now we know better we call it entrepreneurship; it is an activity that requires a lot of sweat and effort.

From the beginning our association has included entrepreneurs and business regardless of their main activity. The only condition was to be a private firm -- state owned firms were not allowed to become members. As the firms go by more and more business form their associations based on trade associations for example there are already associations like the association of truck drivers, travel offices, energy sector and so on. These associations are also members of the Association of Slovak Entrepreneurs. The Association of Slovak Entrepreneurs focus on representing the interests and needs of private business in relation to government. Specifically in the areas of legislation, taxes, banking, financial markets. Currently it is necessary and this study tour confirms the need to create other specialized professional organizations. All of us here agree that such an association focused on housing and construction sector is highly necessary.

It is important to mention that for all of us this is the first personal visit to the United States. I stress the word personal because we have all visited your country through your movies, newspapers, magazines, and popular music. For example my daughter's most favorite group is Guns and Roses.

It has proven again -- a picture is worth a thousand words. During our stay here we had the opportunity to get acquainted not only with your beautiful country and friendly people but also modern technologies of housing construction, new materials and construction financing. We also learned about the structure of NAHB which has been active for 50 years. I believe this is an opportunity to create a similar organization in Slovakia. So we will probably not achieve a membership of 157,000 firms unless we borrow some from neighboring countries but the principles of organization and activity can be applied in Slovakia. If we are successful it will also be because of the assistance provided by AID and PADCO. NAHB is a truly democratic organization when active members at local levels are the foundation of the organization and are represented at the National board of directors. This structure ensures that each local chapter can influence the decision making process at the highest level. Such structure also assures good exchange of information and experiences. And most importantly, this organization is a serious partner for the government.

With our American friends we discuss the ways of our potential mutual cooperation. There are many possibilities -- legislation, financing, banking. It is very important to establish a system for continuous exchange of information. I think it is a good idea to establish a similar organization to the American Polish Institute of Home Builders but with broader goals. Some kind of Slovak-American agency which would provide for the exchange of information. One of the first tasks could be a demonstration project to build a house based on US wood based technology. Due to the lower labor and material costs associated with this technology we could spur the housing construction activity. It is however necessary to see a demonstration house because no one in our country can imagine the high quality of such construction.

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Ivan Koniar  
February 25, 1993 -- Washington D.C.

## Feedback from Study Tour

### 1. Current construction industry in Slovakia:

- heavy technology (bricks, concrete with reinforcing steel bars)
- difficult for infrastructure installation
- difficulty in preventive maintenance and repair

These characteristics influence the length (duration) and cost of construction.

### 2. We saw new methods of construction and technologies.

- the US traditionally uses wood construction (2x4) and wood panel components
- The construction time is significantly decreased (two to three months) with the possibility of storing components in the factory.
- ease of constructing the mechanical systems (plumbing, electricity etc.) in the walls
- ease of repair of these systems
- the cost of construction (wood is also used in traditional (brick based) technologies.

### 3. Conclusions -- suggested next steps

- If we show our companies these new methods of construction
- If we convince them of the advantages of these technologies
- Then we can establish these technologies and methods of construction in Slovakia.

### 4. It is necessary:

- Construct a demonstration project (respectively houses) showing methods of construction finished product
- Furthermore, after interest is established it will be important to ensure technologies in country develop manufacturing factories training/teaching in these construction techniques

Igor Masarovic  
February 25, 1993 -- Washington D.C.

## **Next Steps and Opportunities for Cooperation**

In the first rate, we would like to thank you for the invitation to the USA and appreciate the willingness of the US government and the willingness of you to help us to solve our problems. As before said, in the former days we had many opportunities to hear about organization, work and results of American entrepreneurs as to see the products -- house and their parts -- on the exhibition and placed in the nature and suburbs too. Comparing our knowledges of Slovakian kind of building family houses and different other construction to house of American kind, comparing our legislation and possibilities to yours, we would suggest following specification of possibilities of the future cooperation:

### **At first:**

Establish an American-Slovak agency (or other institution like agency) which main task would be:

- to ensure the permanent exchange of informations of building industry
- preparing of subject matters of the next solving and making permanent those actually.

We suggest to place the headquarters of this agency in Bratislava.

### **Second:**

Great help and support by creating of a potent lobby force at Slovakian government. We expect from the American side the tendering of information and basis of local building associations for first example:

- about internal structure of them
- about the activities they take aim at
- about methods of assuring of their claims and interests.

Our mark is to build in the Slovakia one organization like NAHB or HBI, which would have an active and effective contact to the Slovak government and which would be able successful to fight for interests of Slovakian building entrepreneurs.

### **Third:**

The next tasks for cooperation and help as well will be

1) effective support of the American since by endeavor to change the Slovakian legislatives in following sphere:

- tax structures and prescriptions (Duties)
- banking system

in which spheres we most feel the greatest mistakes made by our government. These spheres do have the greatest reserves and do not create a good climate for private entrepreneurship standing at just the start of its life.

2) establishing of contacts to the American firms being prepared to spread their activities to Slovakia by

- making investments
- creating joint ventures
- tendering-offering of know how
- making trade cooperation

#### **Fourth:**

The next task for immediate realization could be - so mean we - the spreading of building family houses based on timber in Slovakia. We expect such activity can bring:

- lower costs for individual home building (today the costs for building of own house for most of Slovak people are too high and they can only dream of a real home.)
- to make the time necessary for building short (compared with today used construction systems (concrete and bricks))
- creating and spreading of firms, they will produce the materials and products necessary for this kind of building
- make the building in Slovakia more alive. (To make a good propaganda of this idea can break the today-thinking of our people the belief - how said - in concrete and bricks we recommend to realize in Slovakia a demonstration program based on:
  - searching ( together the Slovak and American side) the type of American wooden house that will be most near to Slovak imagination of family house.
  - to propaganda started in TV and newspapers describing the construction and build technology of such house. This could fully base on description given to us from the American side.
  - building of a demonstration house in one or two most visited cities in Slovakia, where are through the whole year arranged exhibitions. We suggest, to build two houses at the same place -- one that shows the constructions of walls, windows, doors, etc. and the steps of building as well. The other one will be fully completed and will create the really imagination of wooden houses, and the people will visit it and will touch it with own hands.

#### **Fifth:**

We suggest further, the American partners should investigate the possibility to establish a warranty (guarantee) bank in Slovakia. The mark of this possibility would be to make available to Slovak private entrepreneurs to realize development intentions and on this way to help to strengthen the group of Slovak private builders in Slovakia.

#### **Sixth:**

Together should be discusses the possibility of cooperation by the project saving the nature. We would like for example to receive credit at the levels of city communities for building water clearing constructions with application of American technologies.

Magda Hanusrichterova  
February 26, 1993

## **Feedback from Housing Study Tour -- Educational Programs**

### **1. Seminars attended:**

Building Systems Council  
HBI Quick Management System  
American Dream in Poland

### **2. Feedback on seminars**

- The NAHB committees were general and it will be difficult to say when in the future we will be able to evaluate the products of such committees in Slovakia.

- The seminar HBI QMS was very good -- specifically it is applicable also in Slovakia. We try to do management in a similar way but we must hurry (Currently it is difficult to find time to prepare what Mr. Prowse has prepared).

### **3. Recommended seminars in Slovakia**

- Management (preparation of grounds, including purchase of land, plan, infrastructure, and market study of demand

- Construction legislation

- Financing (how, credits, methods of financing)

- Development Process

- Methods of calculating economy of a project (proforma, payback etc.)

### **4. Technologies interesting for application in Slovakia**

- Wooden houses

- concrete molding with insulation

- combination of brick and wood construction where ceilings and attics will be wood (for example MacMilan) and beams from glued, specialized wood composites