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# CONSIDERATIONS FOR THE DESIGN OF THE RITE PROJECT

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FINAL REPORT

*Bureau for Private Enterprise  
U.S. Agency for International Development*

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## INTRODUCTION

One of the most critical factors affecting business performance and economic growth in Central and Eastern Europe is the loss of the region's traditional export markets. Until recently, the region relied heavily on exports to the former Soviet Union and the other Comecon countries. These markets have collapsed. Eastern Europe must now find alternative markets to sell its goods. This has proven to be no easy task.

The lack of basic business skills, the lack of affordable finance, and weak trade and investment policies all impede the ability of countries in Eastern Europe to develop new markets. But perhaps the most important impediment is the general lack of a "market orientation." For more than forty years, nearly all exports from East European countries were controlled by government-owned marketing agencies. The services of these agencies have all but disappeared, leaving export producers with little knowledge of foreign markets or the requirements of international competition. Already many manufacturing businesses have gone bankrupt, resulting in dramatic increases in unemployment and loss of income. No doubt some of these businesses were highly inefficient, and hence, unable to make the transition to a market economy. However, in their place, a new set of businesses must emerge -- businesses that have the ability to penetrate and develop new markets and compete vis-a-vis other countries in international trade. The development of viable export-oriented firms is essential to Eastern Europe's transition to a market economy.

It is in this context that USAID's Bureau for Europe has recently designed the RITE Project. The Removal of Impediments to Trade Expansion (RITE) Project seeks to assist small and medium scale enterprises to develop their export capacity. The project targets four countries in Central and Eastern Europe: Poland, Hungary, the Czech and Slovak Federal Republic, and Bulgaria. Because the conditions affecting export potential in the four countries differ considerably, the project has developed a tailored set of interventions for each of the countries. Broadly speaking, the RITE Project has two components: (i) short-term training in the United States under the Entrepreneurs International Program, and (ii) extensive long-term and short-term technical assistance to develop Eastern Europe's export capacity.

This report was prepared at the request of the Bureau for Europe and the Office of Women in Development. It seeks to assist the Bureau for Europe in two ways.

1. **Identification of opportunities to integrate gender issues into the RITE Project.** In no other region of the world do women play as active a role in the economy as they do in Eastern Europe. This report examines why gender issues are important to examine in the context of the RITE Project and provides recommendations for integrating gender considerations into the design of the project.

2. **Identification of areas in which the RITE Project complements or overlaps with other private sector initiatives.** During a review of the RITE Project, Mission Director Frank Almaguer identified a need to examine complementarity and potential overlap with USAID's other private sector initiatives in the region. This report includes a series of matrices which summarize USAID's key private sector initiatives in the following seven areas.

- Export Promotion
- Investment Promotion
- Privatization
- Financial Sector Development
- Institutional Development
- Small and Medium Enterprise Development
- Infrastructure Development

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## **GENDER CONSIDERATIONS AND THE RITE PROJECT**

The Removal of Impediments to Trade Expansion (RITE) Project aims to assist small and medium scale enterprises in Central and Eastern Europe to develop their capacity to export. The project will provide a blend of training and technical assistance. The training dimension of the project involves primarily short-term internships in U.S. companies via the Entrepreneurs International Program. This type of training will not only strengthen critical business skills, but will also help to develop linkages between businesses in the U.S. and Eastern Europe, thereby setting the scene for mutually-beneficial trade and investment opportunities.

In addition, the RITE Project proposes to provide extensive technical assistance in three general categories: (i) policy reform to promote exports from Central and Eastern Europe; (ii) assistance to public and private organizations to develop export and investment promotion strategies and programs; and (iii) firm-level technical assistance in such areas as export marketing, development of export strategies, management, business plan development, quality control, packaging and other areas.

As highlighted in the introduction to this report, export promotion is a major challenge for Eastern Europe, a challenge that is vital to the success to the transition process itself. Without the development of new export markets, there will be little opportunity for new businesses to emerge and grow. And without the growth of new and vibrant businesses, there will be few jobs for the growing number of unemployed. Given these challenges, one might ask whether gender issues are really that important, and if so, why. This paper begins by looking at this question. It then provides a series of recommendations for incorporating gender issues into the RITE Project.

### **A. WHY IS GENDER IMPORTANT TO CONSIDER?**

Women play a more active role in the economy of Central and Eastern Europe than they do in any other region of the world, including the United States or Western Europe. This is, in part, due to the legacy of the socialist era which encouraged and obligated women to work. The participation of women in the work force was considered fundamental to economic development under socialism. World War II wrought such devastation upon Eastern Europe that it required a greatly expanded workforce in order to begin the task of reconstruction. It was believed that everybody -- men and women -- should participate in "building socialism." In addition, socialist philosophy espoused the concept of full employment. The result was dramatic increases in the number of women in the work force over a forty year time span. Currently, women comprise nearly half of the work force in all of the Central and Eastern European economies.

Women -- and their families -- have come to rely upon the income this employment generates. As the cost of living escalates and purchasing power declines, at least two sources of income in the family have become increasingly necessary. Nonetheless, in the transition to a market

economy, unemployment has emerged. In Poland, unemployment statistics indicate that women are disproportionately represented among the unemployed; moreover, the proportion of women among the unemployed has been steadily increasing over time. Given the importance of women's income to the household, this is cause for concern.

In order to examine recent changes in women's and men's roles in Eastern Europe, USAID's Office of Women in Development recently commissioned two studies on gender issues in the transition to a market economy. One focused on Poland, the other on Hungary. These studies point to several reasons why gender is important to consider in the context of export promotion:

1. Differing Roles in the Business Community

Women, like men, are just beginning to establish their own businesses as opportunities emerge for private sector development in Central and Eastern Europe. There is little concrete data on the percentage of women-owned businesses; however, in Poland, bankers and leaders of business associations estimate that approximately 20 to 25 percent of the newly created private firms are women-owned or managed. According to WID's research in Eastern Europe, there appear to be no major legal or structural impediments to women in business. Indeed, the problems faced by many new business -- whether they are owned by men or women -- are often so overwhelming that gender-related impediments pale in comparison.

But this is not to say that gender is not an issue. There are three specific issues that are particularly relevant to the RITE Project: (i) differences in the types of businesses owned by men and women, (ii) differences in their participation in business training programs; and (iii) differences in their participation in business associations.

In both Poland and Hungary, there is a clear distinction between the types of businesses owned by women and men. Women-owned businesses are most often found in commerce, trade and service-oriented sectors. In contrast, businesses created by men tend to be concentrated in production and manufacturing. This is important from the perspective of the RITE Project because the project will most likely provide assistance to small and medium scale firms in the productive sectors in order to strengthen their capacity to export. Women may play leading management roles in these types of firms, but in most cases, they will not be the owners.

WID's research in Poland and Hungary also revealed differences in men's and women's participation in business training programs. In both Poland and Hungary, the team found that women's participation in many of the newly established training programs tends to be relatively low, with the exception of training programs in banking and finance. A number of factors account for the difference, but perhaps the most significant factor is that many programs are targeted toward senior-level executives. Since relatively few women were able to penetrate the senior managerial ranks under socialism, rarely do they have the experience required to enter these programs.

Similarly, women comprise a relatively small percentage of the members of the large and newly-established business associations. Nonetheless, they have begun to establish their own business associations in some countries. The most important group to emerge is the Hungarian Association of Entrepreneurial Women. Founded in November 1990, the association is essentially a grass-roots organization which aims to promote the participation of women in Hungary's business community; it also serves as a channel of information to women that are already in business or who wish to start new businesses. As of a year ago, a number of women's associations were also beginning to emerge in Poland.

All of these factors have important implications for the design of the RITE Project. The RITE Project intends to establish close and cooperative relationships with a number of business associations in order to identify potential project beneficiaries. If the project focuses solely on the leading business associations, only a small percentage of women in business will learn of the project's activities and few will have the opportunity to benefit from RITE. Likewise, if the project targets only "high-level" managers -- as it is currently designed -- it may inadvertently exclude many women from participating in valuable training and technical assistance programs.

## 2. Differing Roles in the Labor Force

As noted previously, women comprise nearly half of the workforce in Central and Eastern European economies. Nonetheless, there are significant differences in the occupations and sectors in which men and women work. Women dominate the labor force in a number of the light manufacturing and industrial sectors -- sectors which are critical from the perspective of export promotion. Two sectors in which women have been particularly active are textiles and agribusiness. Both sectors are undergoing wrenching changes during the transition from socialism. These changes present new challenges for women workers and business owners.

### a. Textiles

Women have traditionally comprised a large percentage of workers in Eastern Europe's textile industry. This sector has been particularly hard hit by the economic changes now confronting the region. For instance, the Hodikot Knitwear Factory in Hodmezovasarhely, Hungary -- which employs a workforce that steadily has been 80 percent female -- has cut the number of its workers from 5,400 to 2,700, with further reductions expected as the Hungarian government continues to sell pieces of the company to private investors.

As the company pursues privatization, it has been faced with the need to find new markets for its products: Soviet customers used to purchase one-half of all sweaters produced by Hodikot, but in 1991 did not directly purchase a single sweater. Joint ventures with foreign partners so far have provided natural markets for the sweaters, but one quarter of the Hodikot Factory remains to be privatized. These smaller firms, when privatized, will also need to find suitable markets for their goods. The RITE Project could assist newly privatized firms -- such as those established by the breakup of the Hodikot Knitwear Factory -- in developing new markets for their goods, thereby promoting exports and retaining a key source of employment for women.

Poland offers a different picture of what the changes in the textile sector have meant for workers, particularly women. With cheap textile imports from Asia flooding Poland's domestic market, and with the Soviet market evaporating, it seems that few opportunities remain for exporting Polish textiles. As women lose their jobs in the textile industry, they have begun to open small sewing businesses, reacting to increased demand for tailoring and mending services (made necessary by consumers' inability to afford new clothes). Clearly, such enterprises will be unable to absorb the numbers of women that will be laid off over the next years. However, this phenomenon may point to a broader trend in the textile sector: while production-oriented enterprises will continue to decline precipitously in the face of disappearing markets, small service-oriented enterprises are likely to grow.

b. Agribusiness

Agribusiness is another area characterized by a predominantly female workforce. For instance, in the Ovari vegetable processing factory in Mosonmogyorovar, Hungary, women consistently made up about 60 percent of the workforce, until the factory closed in late 1991. In Poland, women have become increasingly active in agribusiness, often as part of a family business. While family farms are fundamental to rural Poland, not all "family farms" have the support of men; in particular, when small farm units are located near urban industrialized communities, men often leave the farm to seek better paying jobs in industry. In fact, it is estimated that about 70 percent of small private farms are run by women. Some of the key problems mentioned by rural businesswomen are:

- Lack of markets
- Lack of storage, refrigeration, and packaging
- The high cost of credit
- The lack of adequate infrastructure
- The high cost of agricultural inputs

The lack of markets is a constraint that the RITE Project is designed to address. The RITE Project could also address packaging considerations in an effort to promote exports from Eastern Europe. The other constraints are already being addressed by a number of private sector initiatives in Bureau for Europe's portfolio.

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Textiles and agribusiness are just two examples of sectors in which women play a major role. Women will continue to comprise a large part of the labor force in these and other light industrial sectors, such as electro-mechanical, leather and many food-processing industries. The survival of these sectors -- and the jobs of many women -- will depend on Eastern Europe's ability to identify and develop alternative export markets. Export promotion initiatives, such as the RITE Project, are therefore critical to sustaining employment and income for women. This in turn will have a major impact on the economic and social well-being of many families because of the importance of women's income in the household budget.

## **B. RECOMMENDATIONS FOR THE RITE PROJECT**

The RITE Project has the potential to generate many important benefits for women and men. As noted above, the development of export-oriented businesses are critical to the livelihood of many women and their families. The assistance of the RITE Project could also be extremely beneficial from the perspective of women business owners and managers. As Eastern Europe adopts a market orientation, women's participation in the "new economic systems" is not a matter of social equity, but rather, one of economic necessity. Women's ability to generate income is critical to the well-being of families and to the transition process itself.

The following recommendations are not intended to change the fundamental design of the RITE Project. Rather, they aim to assist the Bureau for Europe in incorporating gender considerations into the existing design of the RITE Project so that it can be more effective in achieving its ultimate objective of promoting exports from Central and Eastern Europe.

### **1. EXPAND THE NETWORK OF CONTACTS FOR THE RITE PROJECT**

The RITE Project intends to establish close working relationships with a number of public and private organizations that promote private sector development. In each of the four targeted countries, a long-term advisor will be placed in a public or private sector organization. One of the advisor's key responsibilities will be to establish a network of contacts with key counterparts and potential clients in the country, including senior personnel in key government agencies, representatives of IESC, PHARE and other organizations working with the private sector, members of the Chamber of Commerce and Industry and trade associations, and entrepreneurs and other members of the local private sector community.

An important mechanism for beginning to reach women entrepreneurs is the associations for women entrepreneurs. While these associations are new -- and often fledgling institutions -- they would be an important addition to the "network" of contacts for the RITE Project. Women comprise a relatively small percentage of the larger and more notable business associations that have been established in recent years. Hence, in order to reach women-owned businesses, the RITE Project should expand its network beyond the mainstream organizations and market its services to some of the newly-created associations that specifically support women in business.

### **2. ADAPT TECHNICAL ASSISTANCE TO ENSURE WOMEN'S PARTICIPATION**

As noted previously, there is little concrete data on the percentage of women-owned businesses in Eastern European countries. In Poland, for example, it is estimated that 20 to 25 percent of the newly created private firms are women-owned or managed. Many of these firms are probably not direct exporters *per se*. In fact, women-owned firms are most often found in commerce and service-oriented sectors and are rarely involved in production-oriented activities. Hence, if the RITE focuses solely on manufacturing and production-oriented firms, it may inadvertently exclude the majority of women-owned firms.

The technical assistance of the RITE Project can be adapted in two ways to help ensure women's participation. First, the RITE Project may wish to consider providing assistance to firms that provide essential services to new exporters in Eastern Europe. For example, WID's research in Hungary noted women's involvement in the creation of export trading companies. A Polish businesswoman interviewed by the team was establishing a business to design packaging for products, but needed technical assistance. Services such as these are critical to the development of Eastern Europe's export capacity. By providing technical assistance to service-oriented firms, as well as production-oriented firms, the RITE Project will be in a better position to ensure women's participation in the project and to foster the development of strong export industries.

Building on the network of contacts discussed above, it is also recommended that the RITE Project actively promote its technical assistance services via women's business and professional associations to ensure that women obtain information on the program. In presenting the project's services, it will be important to emphasize that the project can provide assistance to not only direct exporters, but also to firms that provide goods and services to export-oriented firms.

### **3. *ADAPT TRAINING TO ENSURE WOMEN'S PARTICIPATION***

Women have been the backbone of a number of professions that are central to private sector development, including accounting, banking, finance and service related industries. These areas will be critical to the development of a vibrant business and export community. However, because these areas will change dramatically in the transition to market economies, women also need business education and training programs in order to modify and expand their skills. WID's research on gender issues in Eastern Europe identified management and skills training as the most important area for programming from a gender perspective.

As noted previously, however, women's participation in many of the new business training programs tends to be relatively low. One factor which helps to account for the difference is that many programs are targeted toward senior-level executives. Since relatively few women were able to obtain executive-level positions under socialism, rarely do they have the experience required to enter these programs now. As currently designed, the RITE Project also targets "high-level" managers in small and medium scale enterprises for training through the Entrepreneurs International Program. While there is no doubt a need to train senior-level managers, it is recommended that the RITE Program expand its pool of potential candidates to include mid-level managers. This would help to make women, as well as men, eligible for participation in the program.

Dissemination of information and effective marketing will also be important to ensuring women's participation in the Entrepreneurs International (EI) Program. It is recommended that the representative of the EI Program work closely with women's business and professional associations, as well as leading women in business, in order to expand the pool of potential candidates and ensure that women obtain information on the program.

Lastly, another consideration regarding women's participation in programs such as Entrepreneurs International is the necessary commitment of time. In many cases, women's full-time responsibilities at work and home necessarily preclude lengthy overseas trips and heavy commitments of time. It is recommended that the Entrepreneurs International Program remain flexible in terms of the length and scheduling of overseas internships to encourage the participation of women in the program. Some in-country training or "hands-on" technical assistance would also ensure greater access for women in business.

#### **4. COLLECTION OF GENDER-DISAGGREGATED DATA**

Nearly all of the projects funded by U.S. development assistance in Eastern Europe involve some amount of information gathering and reporting. The RITE Project will be no different in this regard. However, to our knowledge, none of the information collected on USAID's projects in Eastern Europe is gender-disaggregated at this time. We recognize the need to minimize burdensome reporting procedures, but adding gender as a variable to an on-going system rarely complicates the system and usually provides valuable feed-back and information for monitoring and evaluating the project's impact.

We do not recommend that the RITE Project necessarily establish "quotas" for women's participation in the project. Nonetheless, we do recommend that the project monitor and track beneficiaries of the project by gender. This will enable USAID project managers to obtain concrete data on the project's beneficiaries and its impact. If the percentage of women beneficiaries is significantly below 20 to 25 percent (an estimate of the percentage of the newly-established firms owned or managed by women), then project managers should examine why women are not participating and how the project might be adapted to increase their involvement.

At a minimum, it is recommended that the RITE Project collect gender-disaggregated data on: (i) the numbers of training participants in the Entrepreneurs International Program; and (ii) the numbers of firms assisted by the programs, with information on their owners and employees, disaggregated by gender. This information would enable project managers to track changes in employment by gender at the firm level. If possible, income data would also be valuable to collect in order to assess the changes in individuals' income resulting from assistance to firms. By collecting this type of gender-disaggregated information, USAID can gain a better understanding of the impact of the project and modify and/or adapt interventions if necessary.

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In summary, promoting exports is critical to the success of Eastern Europe's transition to a market economy. While other initiatives foster private sector growth, few have an explicit focus on developing new export markets. And yet without these new markets, private sector growth will be limited. From a gender perspective, export promotion is also critical -- for both the creation and strengthening of new women-owned businesses, as well as the development of new employment opportunities for women workers. Women's participation in the "new economic systems" is not merely a matter of social equity, but rather, one of economic necessity.

## **THE RITE PROJECT AND OTHER BUREAU FOR EUROPE PRIVATE SECTOR ACTIVITIES**

The second task of the team was to identify how the RITE Project complements or potentially overlaps with other private sector activities in Central and Eastern Europe. The tables on the following pages demonstrate the complementarity -- and lack of overlap -- between RITE and other projects. The first table, the "Overview of Private Sector Activities in Central and Eastern Europe", describes the seven major areas of assistance encompassed by A.I.D.'s projects in this region and categorizes the projects according to these areas. The seven areas of assistance are:

- export promotion
- investment promotion
- privatization
- financial sector development
- institutional development
- small and medium enterprise development
- infrastructure development

The tables that follow the overview detail the specific activities underway in the different areas of assistance.

### **A. RITE AND EXPORT PROMOTION ACTIVITIES**

As the "Overview of Private Sector Activities in Central and Eastern Europe" indicates, the RITE project focuses on export promotion and investment promotion. In its export promotion activities, RITE is joined by two other projects, the American Business and Private Sector Development Initiative (ABI) and PVO Humanitarian/Development Initiatives. Key differences between the projects, however, ensure complementarity rather than overlap.

The difference between the approaches of RITE and ABI is particularly vivid. In general terms, RITE aims to increase exports *from Eastern Europe* to other markets, while ABI seeks to increase exports *from the United States* to Eastern Europe. RITE intends to dismantle obstacles that *Eastern European firms* experience in attempting to export their products and to identify markets for such exports; ABI works to inform *U.S. businesses* of the opportunities for sales in Eastern Europe and to encourage familiarity and interaction with that marketplace. The two projects, then, are potentially complementary -- in that a U.S. company and an Eastern European firm might discover that they could sell to each other -- but do not overlap.

Likewise, the activities of RITE and PVO Humanitarian/Development Initiatives are complementary but do not coincide. The export promotion component of the PVO Humanitarian/Development Initiatives project concentrates on assistance to traditional, Hungarian artisans. Such assistance takes the form of product development and selection for export, market and buyer identification, and business training. These activities are similar to those that might

occur under RITE, but do not present an overlap "problem" because RITE's target group is broader than Hungarian artisans, a relatively limited group. The export promotion activities of the RITE Project and the Aid to Artisans program would reinforce one another, but would not compete because of their different target groups. Moreover, while the Aid to Artisans program is active only in Hungary at this time, the RITE Project will provide assistance to small and medium-scale firms in Poland, Hungary, the Czech and Slovak Federal Republic and Bulgaria.

## **B. RITE AND INVESTMENT PROMOTION ACTIVITIES**

Besides RITE, seven other A.I.D. projects undertake investment promotion activities. As the overview table indicates, these seven projects are ABI, the Enterprise Funds, the Financial Services Volunteer Corps (FSVC), Labor Market Transition, Promotion of Private Health Markets, Restructuring Agriculture and Agribusiness, and Technical Assistance to Enterprises. Within the broad category of investment promotion, however, RITE's specific activities differ significantly from those of the other projects.

As with the projects that concentrate on export promotion, those involved in investment promotion can be divided into two categories: those that work from the "U.S. side" -- seeking to promote U.S. investment in and linkages with Eastern Europe; and those that work from the "Eastern European side" -- endeavoring to improve the way Eastern European firms and institutions function, so that they become better candidates for investment and linkages. ABI, FSVC, Promotion of Private Health Markets, Restructuring Agriculture and Agribusiness, and Technical Assistance to Enterprises all fall within the former category, while Labor Market Transition, Promotion of Private Health Markets, and RITE fall into the latter.

The first group of projects (ABI, FSVC, etc.) complement RITE in a manner similar to the complementarity described between export promotion activities. Namely, RITE's technical assistance to Eastern European firms and other relevant organizations might inspire greater confidence on the part of U.S. firms encouraged to seek opportunities in Eastern Europe through other A.I.D. initiatives.

Likewise, the activities of the other two projects that fall into the second category outlined above (Labor Market Transition and Promotion of Private Health Markets) are complementary rather than directly coincidental. Both have a more narrow focus than does RITE. Labor Market Transition offers one type of assistance -- training (for U.S. firms involved in joint ventures with local companies); Promotion of Private Health Markets operates only in the health care sector and provides one type of technical assistance (business plan preparation to help firms qualify for finance). As is the case with its export promotion activities, RITE's investment promotion activities will reach a broader target audience.

### C. RITE'S NICHE IN EXPORT AND INVESTMENT PROMOTION ACTIVITIES

RITE's export and investment promotion activities are distinct and important. RITE focuses on *how* Eastern European firms produce goods, *what* goods they produce, and *where* such goods might be sold. Answering "how, what, and where" is critical if the private sector in Eastern Europe is to flourish. To fully enter the global economy, Eastern European companies not only must produce goods of high quality and competitive price, but also must learn to determine which marketplaces are suitable for such goods. Since Eastern Europe's exports previously were decided primarily by political rather than economic considerations, Eastern European companies face a new -- and initially daunting -- task in learning which markets are "natural markets" for their products. In assisting Eastern European firms to find these markets -- as well as produce and target products for these markets -- RITE takes an important step in establishing a strong and sustainable private sector in the region.

### D. OTHER DONORS' ACTIVITIES

The team was also asked to examine other donors' activities in Central and Eastern Europe that might complement or overlap with the RITE project. Based on the team's research, it appears that the other donors have not launched any major export promotion initiatives in the region. However, they have funded a number of activities that complement the RITE project. A brief description of some of these activities follows:

The World Bank has played a major role in encouraging Central and East European countries to adopt market-oriented policies. While these policies may not focus on the promotion of exports *per se*, they are essential to creating a sound environment for private sector development.

- In Poland, the World Bank has two major projects, the Industrial Export Development Project (\$260 million) and the AgroIndustry Development Project (\$100 million). Initially, these projects provided finance for exporters only. The Bank believed that the export focus was necessary because it was impossible to determine whether a firm was a good credit risk unless it could compete in overseas markets since the prices within Poland were so distorted. More recently, however, the Bank has agreed to finance import-substituting activities as well. Also in Poland, The International Finance Corporation (IFC) has provided assistance to improve the export credit insurance program; for example, its legal department provided assistance in drafting legislation governing export credit insurance.
- In Hungary, the World Bank funded a training program in export and import credit, as well as export credit insurance. The instructors were provided by the Export-Import Bank of Japan.

- In Czechoslovakia, trade policy has been part of the World Bank's overall agenda for policy reform; however, the Bank has not focused specifically on export promotion.
- In Bulgaria, the World Bank is planning to initiate an Industrial Development Project; this project may provide finance for export-oriented enterprises.

The **British Know-How Fund** has carried out a number of training activities to promote trade.

- In Poland, representatives from the Polish Chamber of Foreign Trade received long-term training at the Birmingham Chamber of Commerce. The Know-How Fund also sponsored two Polish officials to attend a one-year course in international freight forwarding.
- In Czechoslovakia, the Know-How Fund provided training in quality improvement and stock reduction.
- In Bulgaria, the Know-How Fund provided training in information technologies and management to senior officials in Customs.

Lastly, the Japanese have provided training to the Polish Ministry of Industry to encourage trade promotion. The training program held in 1991 aimed to expose Polish officials to Japan's industrial and trade policies. The program included visits to governmental institutions, industrial sites and financial institutions.

## Overview of Private Sector Activities in Central and Eastern Europe

Project Name	Areas of Assistance							
	Export Promotion*		Investment Promotion	Privatization	Financial Sector Development	Institutional Development	Small/Medium Enterprise Development	Infrastructure Development
	EE Exp	US Exp						
RITE	•		•					
American Business & Private Sector Development Initiative								
-- ABC (DOC/FCS)			•					
-- CABEE (DOC/FCS)	•							
-- CDI			•					
-- EEBIC (DOC/W)	•		•					•
-- OPIC			•					
-- TDP	•		•					
Bank Training								
-- Department of Treasury					•			
Business Services								
-- Department of Treasury					•			
-- Securities & Exch. Comm.					•			
Competition Pol., Laws, Reg's								
-- Dept. of Justice/FTC						•		
-- Dept. of Treasury						•		
-- DOC, IDLI, ABA						•		
-- Chesapeake Associates						•		
-- TDP, Hatfield, Teleconsult								•
Economic Restructuring/Priv'n				•				
Enterprise Funds			•					
Financial Svcs. Volunteer Corps			•	•	•		•	
GEMINI							•	
Inst'l Reform & Informal Sector					•			
Labor Market Transition								
-- Department of Labor			•	•		•	•	
Mgmt. Training & Mkt. Ec...					•	•		
PVO Humanit./Dev't. Initiatives	•			•				
Promotion of Priv. Health Mkts.			•			•		
Regional Human Resources				•	•		•	
Restructuring Ag. & Agribus.			•	•		•		
TA to Enterprises			•			•	•	
-- Business/Higher Ed. Forum						•		
-- Ctr for Int'l Pr. Enterprise						•		
-- Int'l Exec Service Corps			•	•				
-- MBA Enterprise Corps						•		
-- Polish Bus. Advisory Svc.						•		

\* "EE Exp" denotes that the project aims to increase exports from Eastern Europe. "US Exp" denotes that the project aims to increase exports from the United States.

**EXPORT PROMOTION ACTIVITIES**  
*Exports from Eastern Europe to Other Markets*

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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<b>RITE</b>	<b>Entrepreneurs International Program</b> provides training, including: -- internships with U.S. firms -- attendance at trade shows -- opportunities to explore commercial relationships	<b>Entrepreneurs International Program</b> provides training, including: -- internships with U.S. firms -- attendance at trade shows -- opportunities to explore commercial relationships	<b>Entrepreneurs International Program</b> provides training, including: -- internships with U.S. firms -- attendance at trade shows -- opportunities to explore commercial relationships
	<b>Follow-on TA</b> to participants in the EI program, in order to help their companies implement change, find new markets and develop products	<b>Follow-on TA</b> to participants in the EI program, in order to help their companies implement change, find new markets and develop products	<b>Follow-on TA</b> to participants in the EI program, in order to help their companies implement change, find new markets and develop products
	<b>Technical assistance</b> to export promotion groups	<b>Short term assistance</b> to promote exports	<b>Technical assistance</b> to develop and implement export promotion strategies and programs
	<b>Long-term and short-term technical assistance</b> to SME's	<b>Short term assistance</b> to SME's	<b>Firm level technical assistance</b> to SME's to enhance export capacities
	<b>Technical assistance</b> to export agencies and chambers to promote policy reform		

**EXPORT PROMOTION ACTIVITIES**  
*Exports from Eastern Europe to Other Markets*

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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<b>PVO/          Humanitarian          Development          Initiatives</b> -- Aid to Artisans		<b>Market identification</b>	
		<b>Product development          and selection for export</b>	
		<b>Identification of U.S.          buyers</b>	
		<b>Business training          (focused on pricing and          exporting procedures)</b>	

**EXPORT PROMOTION ACTIVITIES**  
*Exports from Eastern Europe to Other Markets*

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>The Baltic States</b>	<b>Bulgaria</b>	<b>Romania</b>
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<b>RITE</b>		<b>Entrepreneurs International Program provides training, including:</b> -- internships with U.S. firms -- attendance at trade shows -- opportunities to explore commercial relationships	
		<b>Follow-on TA to participants in the EI program, in order to help their companies implement change, find new markets and develop products</b>	
		<b>Technical assistance to develop and implement export promotion strategies and programs</b>	
		<b>Technical assistance to SME's to:</b> -- enhance export capacity -- build basic business and marketing skills	

**EXPORT PROMOTION ACTIVITIES**  
*Exports from the United States to Eastern Europe*

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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<b>American Business and Private Sector Development Initiatives</b> -- Consortia of American Business in Eastern Europe (CABEE) (Department of Commerce)	Provides grants to encourage consortia of American businesses to establish offices in Eastern Europe	Provides grants to encourage consortia of American businesses to establish offices in Eastern Europe	Provides grants to encourage consortia of American businesses to establish offices in Eastern Europe
	Identifies local counterpart associations with which consortia members will interact	Identifies local counterpart associations with which consortia members will interact	Identifies local counterpart associations with which consortia members will interact
-- Eastern Europe Business Information Center (Department of Commerce)	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"
	Provides Eastern European firms with access to U.S. database	Provides Eastern European firms with access to U.S. database	Provides Eastern European firms with access to U.S. database
	'Matchmaking' program to link potential business partners	'Matchmaking' program to link potential business partners	'Matchmaking' program to link potential business partners
-- Trade and Development Program	Funds feasibility studies	Funds feasibility studies	Funds feasibility studies

**EXPORT PROMOTION ACTIVITIES**  
*Exports from the United States to Eastern Europe*

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>The Baltic States</b>	<b>Bulgaria</b>	<b>Romania</b>

<b>American Business and Private Sector Development Initiatives</b> -- Eastern Europe Business Information Center (Department of Commerce)*	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"	Provides U.S. firms with information in Eastern Europe through the publication "Eastern European Business Bulletin"
	Provides Eastern European firms with access to U.S. database	Provides Eastern European firms with access to U.S. database	Provides Eastern European firms with access to U.S. database
	'Matchmaking' program to link potential business partners	'Matchmaking' program to link potential business partners	'Matchmaking' program to link potential business partners
-- Trade and Development Program*	Funds feasibility studies	Funds feasibility studies	Funds feasibility studies

\* Note: May also operate in Albania.

## INVESTMENT PROMOTION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>RITE</b>	Long & short term TA to relevant public and private sector entities	Short term TA to promote Hungary to U.S. investors	TA to promote joint ventures
	TA to promote joint ventures, including development of promotional materials		
	Long term technical advisor based at Polish State Agency for Foreign Investment		
<b>American Business and Private Sector Development Initiative</b> -- American Business Center, Warsaw (Department of Commerce/Foreign Commercial Service)	Establish a business center to provide critical services to U.S. businesses and their Eastern European joint venture partners.		
-- Capital Development Initiative	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness
	Provide project packaging and marketing assistance to help firms find finance	Provide project packaging and marketing assistance to help firms find finance	Provide project packaging and marketing assistance to help firms find finance

## INVESTMENT PROMOTION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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-- Capital Development Initiative (continued)	Provide general advice to potential U.S. investors in the targeted sectors	Provide general advice to potential U.S. investors in the targeted sectors	Provide general advice to potential U.S. investors in the targeted sectors
-- Overseas Private Investment Corporation	Operates the Project Development Program, in all sectors, to fund feasibility studies	Operates the Project Development Program, in all sectors, to fund feasibility studies	Operates the Project Development Program, in all sectors, to fund feasibility studies
-- Eastern Europe Business Information Center	Provides information services designed to link U.S. and Eastern European companies	Provides information services designed to link U.S. and Eastern European companies	Provides information services designed to link U.S. and Eastern European companies
-- Trade and Development Program	Funds feasibility studies	Funds feasibility studies	Funds feasibility studies
<b>Enterprise Funds</b>	Makes investments and loans to commercially-viable private businesses, and provide technical and training in connection with those projects	Invests in, lends to, and originates private enterprises that can be expected to be profitable and to contribute to privatization, growth of private enterprise, development of infrastructure, expansion of capital markets, and diversification of the Hungarian economy.	Invests in and lends to private enterprises and projects which produce employment, foster or expand exports, enhance the environment, and increase energy efficiency. Special emphasis is placed on small and micro enterprises.
<b>Financial Services Volunteer Corps (PRE)</b>	Establishing the American Investment Initiative in Poland, which aims to promote large corporate investments. Office located in State Foreign Investment Agency in Warsaw		

## INVESTMENT PROMOTION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Financial Services Volunteer Corps (PRE) (continued)</b>	Sponsored a Presidential Investment Mission bringing potential investors to Poland to identify obstacles to investment and promote U.S. investment		
<b>Labor Market Transition</b> -- Department of Labor	Training services for U.S. firms considering joint ventures with Polish firms whose workers need training		
	Private housing industry reform		
<b>Promotion of Private Health Markets</b>	Introduction of U.S. health care companies to the CEE market and to potential local partners	Introduction of U.S. health care companies to the CEE market and to potential local partners	Introduction of U.S. health care companies to the CEE market & to potential local partners
	Assistance with business plan preparation to help CEE firms qualify for financing	Assistance with business plan preparation to help CEE firms qualify for financing	Assistance with business plan preparation to help CEE firms qualify for financing
	Feasibility studies of new markets for joint ventures	Feasibility studies of new markets for joint ventures	Feasibility studies of new markets for joint ventures
<b>Restructuring Agriculture and Agribusiness</b> -- National Cooperative Business Association	Promotion and creation of joint ventures between U.S. and East European private agribusiness firms and/or cooperatives	Promotion and creation of joint ventures between U.S. and East European private agribusiness firms and/or cooperatives	Promotion and creation of joint ventures between U.S. and East European private agribusiness firms and/or cooperatives

## INVESTMENT PROMOTION ACTIVITIES

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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<b>Technical Assistance to Enterprises</b> -- International Executive Service Corps (IESC)	Promotes joint ventures between local and U.S. firms.	Promotes joint ventures between local and U.S. firms.	Promotes joint ventures between local and U.S. firms.
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## INVESTMENT PROMOTION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>American Business and Private Sector Development Initiative</b> -- Capital Development Initiative*	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness
	Provide project packaging and marketing assistance to help firms find finance	Provide project packaging and marketing assistance to help firms find finance	Provide project packaging and marketing assistance to help firms find finance
	Provide general advice to potential U.S. investors in the targeted sectors	Provide general advice to potential U.S. investors in the targeted sectors	Provide general advice to potential U.S. investors in the targeted sectors
-- Overseas Private Investment Corporation*	Operates the Project Development Program, in all sectors, to fund feasibility studies	Operates the Project Development Program, in all sectors, to fund feasibility studies	Operates the Project Development Program, in all sectors, to fund feasibility studies
-- Eastern Europe Business Information Center*	Provides information services designed to link U.S. and Eastern European companies	Provides information services designed to link U.S. and Eastern European companies	Provides information services designed to link U.S. and Eastern European companies
-- Trade and Development Program*	Funds feasibility studies	Funds feasibility studies	Funds feasibility studies
<b>Enterprise Funds</b>		Provides loans, equity investments and TA, primarily in agribusiness and farming	

## INVESTMENT PROMOTION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Restructuring Agribusiness and Agribusiness</b> -- National Cooperative Business Association			Promotion and creation of joint ventures between U.S. and East European private agribusiness firms and/or cooperatives
<b>Technical Assistance to Enterprises*</b> -- International Executive Services Corps (IESC)		Promotes joint ventures between local and U.S. firms	Promotes joint ventures between local and U.S. firms

\* Note: Also operates in Albania.

## PRIVATIZATION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Economic Restructuring/ Privatization</b>	Long term TA to identify companies to be restructured or privatized; TA to be provided for firms in a variety of sectors	Long term TA to identify companies to be restructured or privatized; TA to be provided for firms in a variety of sectors	TA to Ministry of Privatization in establishing and implementing the privatization program
	TA to develop mechanisms, systems and strategies to assist privatization, including an auction system for SME's, strategies for mass privatizations, improvements in bank preparation for privatizations, and a regulatory system to manage joint stock and regulated investment companies.	TA to examine or develop mechanisms to assist privatizations in general, including such options/tools as ESOP's, a quick form for converting local accounting and financial data to Western accounting records, and a model of bank privatization	Assists in privatizing firms in a wide variety of sectors and industries
<b>Financial Services Volunteer Corps (PRE)</b>	Assistance to Ministry of Privatization to implement ten privatizations through restructuring; assistance in contract review, review of restructuring proposals and company valuations		Assistance to Ministry of Finance in preparing legal framework for privatizing large state owned enterprises
	Long term TA to assist Mass Privatization Group		

## PRIVATIZATION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Labor Market Transition</b> -- Department of Labor	Counseling services for displaced workers	Counseling services for displaced workers	Dislocated worker programs; focus on tourism related opportunities
	Dislocated worker programs, including -- job opportunity info. -- counseling services -- training opportunities -- job search services	Dislocated worker programs, including -- job opportunity info. -- counseling services -- training opportunities -- job search services	
<b>PVO/ Humanitarian Development Initiatives</b> -- Citizens Democracy Corp	Long term TA to Polish state railroad to restructure its 63 service and production parastatals		
	Long term TA to Gdansk shipyard to privatize it and associated parastatals		
	Long term TA to food processing cooperative; TA includes business plan preparation, debt renegotiation, and general management		
-- Technoserve	Creation of agricultural service center to provide TA to potential investors in or buyers of state-owned properties. TA includes business plan preparation, sourcing funds.		

## PRIVATIZATION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>PVO/ Humanitarian Development Initiatives</b> -- Entrepreneurs in Residence		Long term advisor to identify volunteers to assist local businesses	Long term advisor to identify volunteers to assist local businesses
<b>Regional Human Resources</b>		Strengthening of state property agency	
<b>Restructuring Agriculture and Agribusiness</b> -- Agriculture Cooperative Development International		TA and training to agribusinesses	
-- Iowa State University	TA and training to agribusinesses	Internships, with the goal of developing privatization plans for the interns' companies	
	U.S.-based internships to develop general knowledge		
<b>Technical Assistance to Enterprises</b> -- International Executive Service Corps	Provides volunteer executive services to public firms undergoing privatization	Provides volunteer executive services to public firms undergoing privatization	Provides volunteer executive services to public firms undergoing privatization

## PRIVATIZATION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Economic Restructuring/ Privatization*</b>	Estonia: development of appropriate legislation; work on tax policies that affect privatization; privatization of dairy producers and marketing or processing facilities	Development of draft implementation guidelines for new privatization law	Long term TA to identify companies to be restructured or privatized
	Latvia: agriculture sector privatization; privatization of food processing and marketing firms	TA for the electronics, agribusiness, and chemical sectors, including review of all firms, advice on liquidation or privatization, and negotiation of sales of most viable firms	TA in the principles of restructuring and privatization
	Lithuania: privatization of large industrial firms		Training in management techniques (cost accounting, marketing, finance, etc.)
<b>PVO/ Humanitarian Development Initiatives</b> -- Citizens Democracy Corp		Long term TA and training to privatize a Center for Sight	TA to privatize a swine farm
-- Entrepreneurs in Residence		Long term advisor to identify volunteers to assist local businesses	

\* Note: Also operates in Albania, where activities have included assessment of privatization progress, formulation of a privatization strategy, and review of potential privatization candidates.

## PRIVATIZATION ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Restructuring Agriculture and Agribusiness</b> -- Pragma		TA and training to agribusinesses, directed toward expanding export markets and thereby generating hard currency	
<b>Technical Assistance to Enterprises*</b> -- International Executive Services Corps (IESC)	Provides volunteer executive services to public firms undergoing privatization	Provides volunteer executive services to public firms undergoing privatization	Provides volunteer executive services to public firms undergoing privatization

\* Note: Also operates in Albania.

## FINANCIAL SECTOR DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Bank Training</b> -- Department of Treasury	Upgrade two existing bank training institutes, including revised bank training curricula	Upgrade an existing bank training institute, including a revised bank training curriculum	Establish a bank training curricula and institute
	Institutionalize a financially independent bank training program	Train bankers in financial analysis, cost effective operations, management information systems, and credit risk analysis	Train bankers in financial analysis, cost effective operations, management information systems, and credit risk analysis
<b>Business Services</b> -- Department of Treasury	TA to government and commercial financial sector institutions in areas of law, economics, regulation, accounting, banking, auditing, bank reform issues, the privatization and debt consolidation processes, and tax and administration issues	TA to government and commercial financial sector institutions in areas of law, economics, regulation, accounting, banking, auditing, bank reform issues, and the privatization and debt consolidation processes	Long term advisors and short term TA for the Komerčni Banka for Management and for the General Credit Bank, regarding bank reform issues and the privatization and debt consolidation process
	U.S. training for senior banking professionals to expose them to U.S. capital markets and banking industry	U.S. training for senior banking professionals to expose them to U.S. capital markets and banking industry	

## FINANCIAL SECTOR DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Business Services</b> -- Securities and Exchange Commission (SEC)	TA to develop infant stock exchange regulatory systems, train regulatory and implementing agencies on securities market issues, and advise public and private counterparts on appropriate corporate governance structures	TA to develop infant stock exchange regulatory systems, train regulatory and implementing agencies on securities market issues, and advise public and private counterparts on appropriate corporate governance structures	
<b>Financial Services Volunteer Corps (PRE)</b>	Consulting and contract support to the Warsaw Stock Exchange	Seminars for more than 100 bankers at International Training Center for Bankers	Assistance to central bank on prudential bank supervision
	Assistance to Polish Securities Commission and the Polish Association of Accountants to create national accounting standards	Assistance to Budapest Stock Exchange to create a settlement and clearance system	
	Training to Polish Securities Commission in mutual funds, pension funds and insurance funds		
<b>Institutional Reform and the Informal Sector (PRE)</b>	Assistance to the Polish government to develop a new collateral law, a reform deemed necessary to activate lending to SME's		

## FINANCIAL SECTOR DEVELOPMENT ACTIVITIES

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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<b>Management Training and Market Economics Education</b>	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, and economics.	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, and economics.	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, and economics.
<b>Regional Human Resources</b>	Founding of viable credit unions	Founding of viable credit unions	

## FINANCIAL SECTOR DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Bank Training</b> -- Department of Treasury	Train bank personnel in Western banking skills, management techniques, and operations (emphasis will be on supporting the training efforts of individual banks)	Establish a bank training institute and curricula	Establish a bank training institute which will train bank personnel in Western banking skills and management techniques
		Institutionalize a financially independent bank training program	
		Train bankers in financial analysis, cost effective operations, management information systems, and credit risk analysis	
<b>Business Services</b> -- Department of Treasury	TA to Ministries of Finance and private financial institutions in developing operational, financial and fiscal policies and procedures	TA to government and commercial sector institutions in areas of law, economics, regulation, accounting, banking and auditing	TA to government and commercial sector institutions in areas of law, economics, regulation, accounting, banking and auditing
	Latvia: TA to the Customs Service	U.S. training for senior banking professionals to expose them to U.S. capital markets and banking industry	U.S. training for senior banking professionals to expose them to U.S. capital markets and banking industry
	Lithuania: TA to the Central Bank	Advise the Bank Consolidation Company on bank reform issues, and the privatization and debt consolidation processes for the financial sector	
<b>Financial Services Volunteer Corps (PRE)</b>		Lead mission to assess needs and provide recommendations	

## FINANCIAL SECTOR DEVELOPMENT ACTIVITIES

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>The Baltic States</b>	<b>Bulgaria</b>	<b>Romania</b>
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<b>Management                      Training and                      Market Economics                      Education</b>		Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, and economics.	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, and economics.
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## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Competition Policy, Laws &amp; Regulations</b> -- Department of Justice/Federal Trade Commission	Assistance to appropriate offices or ministries to develop and refine antitrust and privatization legislation	Assistance to appropriate offices or ministries to develop and refine antitrust and privatization legislation	Assistance to appropriate offices or ministries to develop and refine antitrust and privatization legislation
			TA to local antitrust institutions to carry out sound competition law enforcement and competition advocacy
-- Department of Treasury (Internal Revenue Service and Office of the Assistant Secretary for Tax Policy)	Long and short term TA to the Ministry of Finance to develop appropriate tax policies for market-led growth and to establish adequate administrative system for implementing income tax programs.	Short term TA to the Ministry of Finance to develop appropriate tax policies for market-led growth and to establish adequate administrative systems for implementing income tax programs.	Short term TA to the Ministry of Finance to develop appropriate tax policies for market-led growth and to establish adequate administrative systems for implementing income tax programs.
-- Department of Commerce, International Development Law Institute (IDLI), and/or American Bar Association Central and Eastern Europe Law Initiative (ABA/CEELI)	Assistance to develop small business and legislative reform advocacy groups which will promote a better institutional and legislative support system for the private enterprise system	Assistance to develop small business and legislative reform advocacy groups which will promote a better institutional and legislative support system for the private enterprise system	
<b>Economic Restructuring and Privatization</b>	Long-term TA to key ministries in design of laws, regulations, and procedures supportive of privatization	Long-term TA to key ministries in design of laws, regulations, and procedures supportive of privatization	

## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Financial Services Volunteer Corps (PRE)</b>	Training and professional development programs for the Insurance Division of the Ministry of Finance		
<b>Labor Market Transition</b> -- Department of Labor	Restructuring of employment services offices	Restructuring of employment services offices	Identification of the appropriate roles of the Ministries of Labor
	Strengthened Praga Center to train workers and managers for the construction industry	TA to improve labor statistics	
	Policy, strategic and technical guidance for the Polish National Labor Inspectorate	Dispute resolution techniques	
	TA to improve labor statistics		
<b>Management Training and Market Economics Education</b>	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, economics, management and agribusiness development.	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, economics, management and agribusiness development.	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, economics, management and agribusiness dev't.

## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Promotion of Private Health Markets</b>	TA and training to relevant public sector organizations in order to change policies, regulations, and management procedures that affect: -- establishment of viable state health care financing systems -- creation of public payment systems -- promotion of private insurance programs	TA and training to relevant public sector organizations in order to change policies, regulations, and management procedures that affect: -- establishment of viable state health care financing systems -- creation of public payment systems -- promotion of private insurance programs	TA and training to relevant public sector organizations in order to change policies, regulations, and management procedures that affect: -- establishment of viable state health care financing systems -- creation of public payment systems -- promotion of private insurance programs
<b>Regional Human Resources</b>	Strengthening of local institutions that teach English	Strengthening of local institutions that teach English	
	Establishment of government unemployment services and compensation	Establishment of government unemployment services and compensation	
		Strengthening of state property agency in order to promote privatization	
<b>Restructuring Agriculture and Agribusiness</b> -- Agriculture Cooperative Development International	Long term TA to the National Union of Cooperative Banks		
<b>Technical Assistance to Enterprises</b>	TA to Ministry of Industry and Trade to overcome problems that impede small business development	Funding to Hungarian SEED Foundation to develop support services for small enterprise development	

## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Technical Assistance to Enterprises</b> -- Business/Higher Education Forum (Northwestern University)			Will select and develop a Czech institution capable of providing small business incubator services
-- Center for International Private Enterprise (CIPE)		Works with new entrepreneur associations in developing their abilities to support small business needs, promote legislative reform, and become sustainable business organizations	
-- MBA Enterprise Corps (Keenan Institute)	Provides businesses with in-house business development assistance from recent U.S. MBA graduates	Provides businesses with in-house business development assistance from recent U.S. MBA graduates	Provides businesses with in-house business development assistance from recent U.S. MBA graduates
-- Polish Business Advisory Service (PBAS) (through a grant to IFC)	Advise the central government on developing and implementing policies to promote small business development, and on the adequacy of the financial system to support small business credit needs		
	Assist in developing the regulatory framework and provide TA to individual firms (and in some cases, take an equity position in firms which receive TA)		

## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Competition Policy, Laws and Regulations</b> -- Department of Justice/Federal Trade Commission	Assistance to the appropriate offices or ministries to develop and refine antitrust and privatization legislation	Assistance to the appropriate offices or ministries to develop and refine antitrust and privatization legislation	Assistance to the appropriate offices or ministries to develop and refine antitrust and privatization legislation
-- Department of Treasury (Internal Revenue Service and Office of the Assistant Secretary for Tax Policy)		Short term TA to the Ministry of Finance to develop appropriate tax policies for market-led growth and to establish adequate administrative systems for implementing income tax programs.	
-- Department of Commerce, International Development Law Institute (IDLI), and/or American Bar Association Central and Eastern Europe Law Initiative (ABA/CEELI)	Lithuania: Assistance to develop small business and legislative reform advocacy groups which will promote a better institutional and legislative support system for the private enterprise system	Assistance to develop small business and legislative reform advocacy groups which will promote a better institutional and legislative support system for the private enterprise system	
-- Chesapeake Associates		Assistance to the Economic Research and Educational Institute of Bulgaria in developing its institutional and analytical capabilities and in conducting policy outreach to promote private enterprise	

## INSTITUTIONAL DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>Economic Restructuring/ Privatization</b>		Long term TA to key ministries in design of laws, regulations and procedures supportive of privatization	Long term TA to key ministries in design of laws, regulations and procedures supportive of privatization
<b>Labor Market Transition</b> -- Department of Labor		Restructuring of employment services offices  Strengthening of Labor Ministry	
<b>Management Training and Market Economics Education</b>		Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, economics, management and agribusiness development	Provides grants to U.S. universities, which work with local universities on curricula development in such areas as MBA programs, banking, finance, accounting, economics, management and agribusiness dev't
<b>Technical Assistance to Enterprises</b> -- Center for International Private Enterprise (CIPE)	To assist new entrepreneurial associations in: -- developing their ability to support small business needs -- promoting legislative reform -- becoming sustainable business organization		

## SMALL/MEDIUM ENTERPRISE DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<b>Enterprise Funds</b>	Makes investments and loans to commercially-viable private businesses, and provide technical and training in connection with those projects	Invests in, lends to, and originates private enterprises that can be expected to be profitable and to contribute to privatization, growth of private enterprise, development of infrastructure, expansion of capital markets, and diversification of the Hungarian economy.	Invests in and lends to private enterprises and projects which produce employment, foster or expand exports, enhance the environment, and increase energy efficiency. Special emphasis is placed on small and micro enterprises.
<b>Financial Services Volunteer Corps (PRE)</b>			Managerial and technical assistance to businesses
<b>GEMINI (PRE)</b>	<p>Long and short term TA to promote small business development</p> <p>Assistance to government to develop strategy vis-a-vis small business; examine effects of policy and regulatory reform on SME's</p> <p>Development of program to target SME's financial needs</p> <p>Development of women-owned enterprises</p>		
<b>Labor Market Transition</b> -- Department of Labor	Women and business -- entrepreneurial training	Women and business -- entrepreneurial training	

## SMALL/MEDIUM ENTERPRISE DEVELOPMENT ACTIVITIES

<b>Project Name</b> -- subprojects -- other implementing agencies	<b>Poland</b>	<b>Hungary</b>	<b>Czech &amp; Slovak Republic</b>
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Regional Human Resources	Establishment of agribusinesses	Establishment of agribusinesses	Establishment of agribusinesses
<b>Technical Assistance to Enterprises</b>	Surveys of business sectors to determine ability to compete in world market	Surveys of business sectors to determine ability to compete in world market	Surveys of business sectors to determine ability to compete in world market
	Analysis of production techniques and correction of problems	Analysis of production techniques and correction of problems	Analysis of production techniques and correction of problems
	TA for development of technical management and economics skills	TA for development of technical management and economics skills	TA for development of technical management and economics skills
	TA for solution of small business financial problems	TA for solution of small business financial problems	TA for solution of small business financial problems

## INFRASTRUCTURE DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	Poland	Hungary	Czech & Slovak Republic
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<p><b>American Business and Private Sector Development Initiative</b> -- Capital Development Initiative</p>	<p>Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness</p>	<p>Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness</p>	<p>Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness</p>
<p><b>Competition Policy, Laws and Regulations</b> -- Trade and Development Program, Hatfield Associates and/or Teleconsult</p>	<p>Assist the government in de-monopolizing and privatizing the telecommunications sector</p>	<p>Assist the Ministry of Post and Telecommunications in spectrum management, procurement policy and other measures which promote open, free market communication media</p>	<p>Assist the Ministry of Post and Telecommunications in spectrum management, procurement policy and other measures which promote open, free market communication media</p>

## INFRASTRUCTURE DEVELOPMENT ACTIVITIES

Project Name -- subprojects -- other implementing agencies	The Baltic States	Bulgaria	Romania
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<b>American Business and Development Initiative</b> -- Capital Development Initiative*	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness	Provide cost share grant assistance to U.S. firms undertaking project development work in energy, telecommunications, environment, housing, and agribusiness
<b>Competition Policy, Laws and Regulations</b> -- Trade and Development Program, Hatfield Associates and/or Teleconsult		Assist the Ministry of Post and Telecommunications in spectrum management, procurement policy, and other measures to promote open, free market communication media	

\* Note: May also operate in Albania.