Project Summary

Project Background
As a country in transition, Croatia faced the difficult task of introducing a market-oriented economic system. Especially the SME sector suffered (at project start in 2000) from severe shortages and unemployment. Efficient schemes for SME promotion had not been established. The effective promotion and employment creation in the SME sector required a multi-level approach encompassing framework conditions, institutional strengthening and support to new enterprise formation.

Project Objectives
The project aim was defined as the increased contribution to employment and economic added value of small and medium enterprises in selected districts.

Project Activities
In line with the above objective five activity and result areas were determined:
- Strengthening the departments responsible for economic promotion of SMEs in the Ministry for Crafts & SME
- Improving the cooperation between government institutions responsible for SME promotion on the one hand, and their interaction with private sector institutions on the other
- Creating appropriate consulting and training capacities matching the requirements of the enterprises
- Enabling the small and medium enterprises to build up capacities and become more competitive
- Building entrepreneurial capacities, especially for new enterprise formation

Implementation Features
The project consisted of several components, whereby conceptional inputs, technical consultancy and entrepreneurship training was provided by INTEGRATION/REFA under the consultancy contract. These short term assignments were executed on three levels:
- Establishing favourable legal-administrative framework conditions
- Building up local capacities for SME training and counselling
- Fostering new enterprise formation

Services Provided
- Institutional strengthening of SME departments and agencies
- Policy advice in respect of conducive framework conditions for SME development
- Support to training providers; training of trainers
- Enterprise level management consultancy, business counselling, training and coaching
- Technical consultancy on enterprise level

Croatia
Supporting the Promotion of Small and Medium Enterprises

Client
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)

Duration
2000 - 2003

Personnel
- 15 PM STE (conceptual inputs)
- 19 PM STE (technical consultancy and SME training)