National Agency for Enterprise and Housing

Evaluation

Ministry of Economic and Business Affairs´ Business Related Sector Programme Baltic Sea Region 1998-2001

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T&B Consult
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TABLE OF CONTENTS

Table of Contents
List of Abbreviations and Acronyms

1 EXECUTIVE SUMMARY (Dansk resumé i annex V) **1**
1.1 Background *1*
1.2 Relevance of programme *1*
1.3 Overall assessment of programme implementation *1*
1.4 Assessment of results and effects *2*
1.5 Recommendations *3*

2 Introduction **5**
2.1 Purpose of the evaluation *6*
2.2 Methods and data collected *6*

3 Description of Programme /implementation **8**
3.1 Set-up and administration of components *8*
3.2 Business Development component *9*
3.3 Export Skills Development component *12*
3.4 Business Education/Internship component *14*

4 Assessment of Implementation **15**
4.1 Business Development component *15*
4.2 The Exports Skills component *20*
4.3 The Business Education/Internship component *21*

5 Assessment of results and effects **22**
5.1 Business Development component *22*
5.2 Export Skills Development component *27*
5.3 Business Education/Internship component *29*

6. Assessment of cost/effectiveness and pay-back **30**

7 Some Cross-cutting findings **31**

8 Conclusions, lessons learnt, scope for improvements/ideas for new initiatives **34**
8.1 Summary of findings and conclusions *34*
8.2 Business Development Programme *35*
8.3 Export Skills Development Programme *36*
8.4 Business Education/Internship Programme *37*

9 Recommendations **38**

ANNEX I: **LIST OF PERSONS CONSULTED**
ANNEX II: **LIST OF DOCUMENTS CONSULTED**
ANNEX III: **KEY FIGURES FOR TRADE**
ANNEX IV: **KEY FIGURES PROGRAM COST**
ANNEX V: **DANSK RESUMÉ**

ABBREVIATIONS AND ACRONYMS

CDC	Copenhagen Development Consulting
Danida	Danish International Development Assistance
DATI	Danish Agency for Trade and Industry (now NAEH)
DFSME	The Danish Federation of Small and Medium-Sized Enterprises
DI IC	Confederation of Danish Industries International Consultancy
DK	Denmark
DKK	Danish Kroner
DTI	Danish Technological Institute
EU	European Union
ITEK	Danish Electronics Industry Association
LDA	Latvian/Lithuanian Development Agency
NAEH	National Agency for Enterprise and Housing (formerly DATI)
Sida	Swedish International Development Agency
SME	Small and Medium sized Enterprise
SWOT	Strengths Weaknesses Opportunities Threats
ToR	Terms of Reference

1 EXECUTIVE SUMMARY (DANSK RESUMÉ I ANNEX V)

1.1 Background

Within the framework of the *Business Related Sector Programme for the Baltic Sea Region* the National Agency for Enterprise and Housing (NAEH, until 2001: Danish Agency for Trade and Industry, DATI) has since 1998 initiated a number of projects. The aim of the programme has been to promote growth and community in the region, based on free market principles through the building up of a well functioning private sector. A total of DKK 83 million has been committed to the implementation of the programme. The implementation of the individual projects has been outsourced to Danish companies/institutions, who as *organisers* have had a key role in the projects.

The programme has contained three main components

- Business Development component - support to build partnerships between companies in Denmark and in East European countries; about 3/4 of total programme cost (61 Mill. DKK) has been allocated for this component. For this component a further 15 mill. DKK has committed as 50/50 co-finance of feasibility studies (max 50,000 DKK per study).
- Export Skills Development component.- support to strengthen the export skills capacity of existing local institutions, for which 14 mill. DKK were committed.
- Business Education/Internship component - projects in Russia aiming at strengthening the competencies of Russian business managers and at strengthening the Danish business presence in Russia. Totally 8 mill. DDK committed for this part.

T&B Consult was selected to carry out the evaluation of the programme. The evaluation was conducted December 2002 - April 2003. It has i.a. included interviews with the Danish organisers of individual projects; field visits in Latvia, Lithuania, Poland and Russia as well as questionnaires sent to project participants in Denmark and in the five project host countries

1.2 Relevance of programme

The evaluator finds that all 3 components have been relevant in responding to demands of Danish industry and to needs of companies in Eastern Europe. The projects came at a very crucial time, as the Russian financial crisis in 1998 totally undermined the traditional Russian market and forced East European companies to turn to new markets as well as it was a welcome boost to the development of Danish-Russian Business relations.

1.3 Overall assessment of programme implementation

Based on the findings of the evaluation team, the overall assessment of the programme can be summarised as follows:

	High	***Moderate***	***Low***
Sustainability			X
Professional content		X	
Participant satisfaction with the projects		X	
Efficiency of implementation	X		

The *sustainability* of the projects is found to be in the moderate to low end. For the business development projects, rather few new permanent partnerships have been established and many of the partnerships established during the project period have not proceeded further. In several cases, however, results were obtained instead through cooperation with a partner not having participated in the project, while in cases with existing relations these were mostly maintained and enhanced.

The use of an organiser selected on merits to implement the projects has represented an adequate approach in terms of meeting needs of different sectors or segments of Danish industry, and in terms of introducing a certain variation in implementation approaches. However, this outsourcing has implied limited concern for institutional sustainability in the project set-ups, with few systematised attempts to anchor experiences neither within NAEH, between organisers, within companies, within host country partner organisations, or within host country official counterparts.

The *professional content* of projects has been in the high to moderate end, the training provided generally meeting needs and requirements, the organisers in general conducting the matchmaking elements professionally and according to the stated requirements. The use of many organisers has allowed for a diversity in approaches and for professional and technical coherence between organisers and companies.

The *participants' perception* of the projects range in the moderate to high end. Questionnaires filled in by participants at the end of project period showed that more than 75% of participants were satisfied, thus meeting the success criteria. The findings of this present evaluation confirm this perception.

The *efficiency of implementation* is found to be in the high end. Generally, the implementation of projects has been professional and cost effective. With total cost for each project in the range of DKK 2-2.5 million, the projects have in general managed to reach many companies, who in different ways have benefited from the project participation, or in several cases from spin-off effects of the project participation.

1.4 Assessment of results and effects

Looking at the Business Development component it can be stated that the results and the impact of the matchmaking process has been quite diverse, and that the number of "ideal" permanent co-operations stemming from matchmaking with brand new partners has been modest. The relatively scarce results in terms of such permanent, concretised co-operations are not unique to this programme. Similar experience has been found in other, often considerably more costly, comparable programmes. As also mentioned elsewhere it should, however, be kept in mind that cooperation established with other partners than those participating in the projects, but in a way being generated by project activities, are not counted in the success statistics.

The focus on matchmaking has implicitly implied that relatively few resources have been available to conduct assistance and support to individual companies in the process. This, coupled with the relatively short time span of the projects, has led to some companies stating that lack of support to push the process forward hampered partnership development. The organisers often felt that they had to leave several opportunities when

the projects were finalised. That also applies to interaction among themselves e.g. through an exchange of experience at the end of the programme.

While the questionnaire survey indicates that the majority of responding companies are still co-operating, the field studies and the follow-up on those companies who did not return the questionnaires indicate that the number of new lasting partnerships established falls below of the intended one-third of companies entering into such partnership. It also indicates that the cooperation tends not to be in the form of the more "deep" partnerships envisaged (joint ventures, license agreements) but in the form less formalised and binding arrangements.

Overall, however, the projects have initiated a dynamic process, where the contacts and experience gained through the projects has contributed to companies establishing partnerships with other companies outside of the project group. In these cases project participation has more had a catalyst role in the internationalisation of many companies in Denmark and in the host countries.

Furthermore, the training elements embedded in all three components have shown good results in the host countries and, apparently, made an impact on the people and companies involved. Especially the combination of training and practice was perceived very positively by the participants. Such training often led to a process of eye opening bringing a new perspective into the personal and company situation, which in a way was looked upon in an outside observers perspective. The open and respectful way, in which the training and internships was performed, was very positively perceived and often understood as a special Danish way of doing things, seldom met in contacts with comparable offers from other nations. This applies to all 3 programme components.

1.5 Recommendations

While the programme from its outset is found very relevant, this is less the case in relation to future activities. As the functioning of the markets are approaching Western standards and as more companies in Denmark and partner countries have experience from contacts in the respective markets, the relevance of projects focusing on matchmaking between individual companies and on individual training is becoming less evident, especially in areas where the interaction with Western economic agents has attained a high level of intensity.

The focus is in this way moving from actions for individual companies towards meeting general needs for an enhanced availability of business service (consultancy, information, contacting, certification, quality standards etc.) through an institutional strengthening in partner countries. This demand is re-enforced in a situation where the partner countries´ companies are now facing EU requirements for products and processes.

In cases where it is considered appropriate to continue with Business Development projects of the same type as practiced in this program, e.g. in non-candidate countries with less intensive presence of Western business environment, the sustainability of such projects should be sought enhanced through a link-up with institution-building projects in the field of business service. Such linkage would also ensure follow-up action for the involved companies through the establishment of effective business services, e.g. within the framework of newly created business associations.

More consideration should be given to follow-up actions e.g. in the area of facilitation of finance in the case of Business Development projects, which could be done in a cooperation with institutions involved, public as well as private.

In the case of continuation of the consultancy development program (Export Skills), a solid anchoring should be assured in the co-operation countries. This also goes for the planning and design phase, considering the pace with which the framework for the business environment is changing. Examples of such anchoring partners are the SME Foundation of St. Petersburg and the Chambers of Commerce in the Baltic States.

In case it is decided to continue the cooperation with the Russian authorities in the area of business education also in the final phase of the Presidential Managers program, the present model should be maintained in order to utilise the experience built up during the project, also from cost/effectiveness considerations.

For possible future business sector programmes in Eastern Europe, it is recommended to continue the use of organisers, but with more opportunities for follow-up action and exchange of experience among the organisers. In the case of direct involvement in the projects of SMEs, it is recommended to incorporate players with long and concrete experience with the arrangement of cooperation between SMEs in the areas in question.

A higher information level and more dialogue during the whole project is recommended in the dealing with the involved authorities in the partner states. This would e.g. entail more accurate follow-up on the initial contacts and should include not only information on the projects being eventually implemented but also in connection with final reports.

For enhanced focus from participants on both sides it is recommended to leave the model with projects covering, at least in the implementation phase, more than one country.

2 INTRODUCTION

Since 1998, the National Agency for Enterprise and Housing (NAEH, until 2001 Danish Agency for Trade and Industry, DATI) has initiated a number of projects within the framework of the Ministry of Economic and Business Affairs´ *Business Related Sector Programme for the Baltic Sea Region*. The aim of the programme has been to promote growth and community in the region, based on free market principles through the building up of a well functioning private sector.

The central element in the support is to build up commercial cooperation between companies in Denmark and Central and Eastern Europe, which should subsequently:

- contribute to the development of business and industry in the Central and East European countries and
- enhance the globalisation process of Danish companies through the establishment of a market platform in Central and Eastern Europe.

The programme consisted of 3 main components:

Business Development component. Support to building up partnerships between companies in Denmark and in Eastern Europe. The support was primarily in the form of assistance to matchmaking and training. More than 20 such projects have been initiated in 5 different countries by eight different Danish organisers. Some of the projects have been started up in 2001 running into 2003.

Export Skills Development component. Support to develop and strengthen the export skills capacity of existing local training and advisory service institutions, through training of consultants and study tours to Denmark.

Business Education/Internship component. Projects in Russia, which aim at developing and strengthening the competencies of Russian business managers and at strengthening the Danish presence in Russian business.

A total of DKK 83 million has been committed to the implementation of the programme. The commitments to each component has been as follows (million DKK):

	1998	**1999**	**2000**	**2001**	**Total**	**%**
Business Development	17.5	12.5	25.5	6.0	61.5	74
Export Skills Development	6.5			7.0	13.5	16
Business Education	1.0		3.0	4.0	8.0	10

Furthermore 15 million DKK was committed to 50/50 co-finance for feasibility studies (max 50,000 DKK) under the Business Development component.

As a consequence of a new strategy, also reflecting the EU enlargement process encompassing Poland and the Baltic countries, a number of new projects more focussed on institutions/ infrastructure for the development of the business environment are in the pipeline. As a further consequence, the business development projects component, focussing on individual enterprises, is in a process of being phased out in the forthcoming EU member countries.

2.1 Purpose of the evaluation

Late 2002 NAEH called for an independent evaluation of its business related sector programme. T&B Consult was selected to carry out the evaluation, which was conducted December 2002-March 2003. The terms of reference (ToR) for the evaluation follow the Ministry of Finance's general guidelines for sector programme evaluations, requiring a description of the programme and its implementation, an assessment of the implementation and of the extent to which the objectives have been met. The ToR underline that focus of the evaluation is on results and programme effects, and that the evaluation shall include lessons learnt relevant for future programs of a similar nature.

2.2 Methods and data collected

The evaluation has included the following main elements:

- Study of documents at NAEH (project reports, correspondence etc)
- Interviews with all the Danish organisers (10) of the individual projects
- Field visits in Latvia, Lithuania, Poland and Russia
- Meetings with Danish companies and other players/stakeholders
- Sending questionnaires to all Danish 147 registered project participants and to 115 companies in the 5 project host countries
- Consultations with stakeholders in Estonia and Kaliningrad (where no field study was conducted)

The evaluation looked into the three programme components and has consulted people from all projects, with focus on the business development projects. Furthermore, focus was on projects that had ended at the time of the evaluation, without excluding experience from on-going projects where available and relevant in order to learn of any developments over time.

The field studies have been planned with the assistance of host country organisations and consultants and Danish foreign representations. Hence, in Latvia the consultants co-operated with the commercial department of the Riga Embassy, the Latvian Development Agency and the BKG consultants company; in Lithuania with the Lithuanian Development Agency, the Lithuanian Apparel and Textile Industry Association (LATIA) and with Dr. Eugenijus Milcius, Business Development Consultant; in St. Petersburg with the Consulate General and in Moscow and Warsaw with the commercial departments of the Embassies. In Moscow Ms. Elena Fedotova, Rockwool Russia assisted in the organisation of the Focus Group meeting there. The evaluators would like to thank for this assistance, as they would like to thank the Danish organisers, the companies consulted, the relevant ministries in the host countries, staff at NAEH and any other who has contributed to this evaluation.

Four out of five project host countries were visited. Estonia was not visited, as the number of activities in that country has been relatively small and as none of the projects have been carried out in Estonia only. Thus, the consultants have met the majority of host country partners involved in the implementation of the projects as well as participants from most projects undertaken. The meetings with companies have been in the form of either individual company visits/interviews and Focus Group meetings, typically with 5-8 participants from different projects (see annex I for list of persons consulted).

Questionnaires related to the participants' assessment of the project participation and results have been sent to all companies taking part in the business development and the business education projects. Since no database or register of participating companies existed, the recipients have been identified by the consultants based on the final reports made by the individual organisers. For contact details of host country companies, the consultants have been assisted by local institutions/consultants involved in the implementation of the projects. A total of 35 Danish questionnaires and 26 host country questionnaires had been filled in and returned. A total of 9 companies have not been identifiable (closed down) while 10 have responded that the people working with the project are no longer with the company or that they could not identify participation.

In the host countries, local institutions have assisted in sending out questionnaires and in contacting companies in order to increase response.

3 DESCRIPTION OF PROGRAMME / IMPLEMENTATION

In the section below follows a description of the contents of the three programme components:

- Business Development
- Export Skills Development
- Business Education / Internship (Russia)

3.1 Set-up and administration of components

The projects have typically been developed by NAEH, taking into consideration input from the relevant Danish Embassies, from counterpart authorities and from Danish business organisations. The projects should in this manner reflect perceived needs in Denmark as in partner countries.

The individual projects have been conceived within the overall framework of the Danish policy in the region; no specific type of "project" or "programme" document has been elaborated as background or guidance for e.g. the choice of sectors. The terms of reference (*kommissorium*) of each project and the proposal of the organisation winning the tender for the contract (typically 3-5 companies were invited to tender) have constituted the guiding documents for the implementation of projects. The contract for each project has typically been in the range of DKK 2-2.5 million, covering all implementation costs (except support for companies to conduct pre-feasibility studies, paid directly by NAEH).

The projects have in some cases been duplicated, responding to demand. The phase one and two of the projects (see scheme below) have mostly been identical and implemented by the same organiser, albeit in some cases some minor changes in the specific project elements have taken place. A special clause in the contracts between NAEH and the organisers has provided for an option for the organiser to continue the project, without new public tender, while at the same time giving NAEH the flexibility to opt for a new tender should it be found relevant.

Common to all projects is that the key player has been the organiser – securing the liaison and co-ordination with the NAEH – as well as with local partners in the recipient country. NAEH has functioned as back-stopper in concrete financial and organisational question as well as in questions about interpretation and deviations from the original terms of reference. The NAEH has, however, not been involved in the concrete content and professional questions during the implementation.

The NAEH has during the implementation kept track of the financial and professional aspects of the implementation through regular (4 times a year) reports from the organiser. This also serves to supervise the fulfilment of the conditions, e.g. quantitative participation requirements for proceeding to the following phases of the projects.

3.2 Business Development component

3.2.1 Overview of the Project Portfolio

The evaluation of the Business Development Programme component encompasses 17 completed projects out of a total of 20 initiated projects, implemented by eight different Danish organisers in 5 different countries. The table below provides an overview of the different projects.

Danish Organiser	**Sector/Project name**	**Geographical Area**	**Duration (month/year)**
DI IC	Wood & Metal. 1	Lithuania	12/98-12/00
-	Wood & Metal 2	Lithuania	11/99-3/01
-	Energy & Environment	Poland	12/00-01/03
-	Environment & Energy	St. Petersburg.	9/00-3/02
-	Food Processing & Agro-industry *)	St. Petersburg/Kaliningrad	9/01-7/03
Aalborg City	IT- & Electronics *)	St. Petersburg	9/01-7/03
DTI	Textile 1	Lithuania	1/99-5/01
-	Production Networks	Baltic Sea Region	6/99-12/00
-	Textile. 2	Lithuania	11/00-5/02
DFSME	Metal & Plastics 1	Estonia/Latvia	1/99-4/00
-	Metal & Plastics. 2	Estonia/Latvia	1/00-2/02
ExeconDOR/ITEK	Electronics 1	Estonia/Latvia	11/98-4/00
-	Electronics 2	Estonia/Latvia/Lithuania	1/00-5/01
NIRAS	Construction	Estonia/Latvia/Lithuania	1/99-4/00
PLS	IT	Estonia/Latvia/Lithuania	11/99-4/01
-	IT 1	Poland	1/99-5/00
-	IT 2	Poland	7/99-11/00
RAMBOLL	Agro-industry 1	Poland	11/98-4/00
-	Agro-industry 2	Poland	4/00-10/01
RAMBOLL/CDC	Wood, Metal & Plastics*)	Poland	9/00-3/03

*) On-going

The projects have encompassed a variety of sectors and countries/regions; the variety in the component is further underlined by the involvement of the different implementing companies/organisations, who have applied different approaches. Each project has, however, developed from a common conceptual platform, as outlined above.

3.2.2 Project concept

The basic objective of the business development component is that each project should contribute to create or extend commercial cooperation between companies in Denmark and East and Central Europe. This is to be realised through the implementation of a development course (*udviklingsforløb*) for Danish and Eastern European companies. The project objectives are

- to build up commercial co-operation between Danish and East European companies;
- to develop the management- and other skills and competence of East European business managers.

The underlying assumption for this type of projects is that support to match-making and training for some identified potential "winner-companies" will lead to the establishment of sustainable commercial partnerships, which under normal conditions would most likely not have been established.

This concept has been applied in a variety of other international as well as Danish programmes, including the *Private Sector Development Programme* of the Foreign Ministry focussing on establishing partnerships between Danish companies and companies from selected developing countries. In the partner countries where the NAEH projects have been implemented, other countries have implemented projects of a similar nature, e.g. the Swedish *Start East Programme* and British and German programmes. Also the EU *PHARE programme* has supported similar activities. Today the Danish programme is one of the few left of that kind as other countries, like Denmark now, as a consequence of the EU enlargement, have been phasing out their support to such programmes in Central and Eastern Europe. This follows an international trend away from focus on support or co-finance of "individual" companies towards focus on achieving an enabling environment for private sector development.

3.2.3 Project contents

In practice, the projects have typically involved:

- A match-making process
- Introductory seminars for Danish companies and training for East European partner companies management/staff
- Training visits at the Danish partner company
- Consultancy during the implementation
- Pre-feasibility studies, where applied for

The way in which these elements have been implemented by the organisers has varied. Typically the process has started with the identification and recruiting of Danish companies within the given sector(s) and the identification of "suitable" partner companies in the focus country(ies). The organisers have assisted the matching of these companies, e.g. by arranging meetings, collectively or individually and providing other practical support.

A central element has been organised training for partner companies' management/staff. The projects have also included an offer for co-finance (50/50 up to DKK 50.000 upon approval from NAEH) to companies wishing to undertake a study of the potential opportunities obtained through the partnership, which may then form the base for co-operation.

The Danish organisers have mostly acted in cooperation with local institutions or consultants, assisting in identifying local companies to match the Danish company needs and in taking care of practical arrangements.

The projects have typically involved app. 10-15 companies from Denmark and a similar number from the partner country(ies), having been active both in the matchmaking process and taken part in training. The original batch of interested companies has typically been larger, perhaps in the range of 30-40, but many have dropped out early in the process. The motives for these "drop-outs" have been many, but it seems that the interested companies after a first introduction have realised that they were not prepared to use the resources necessary for entering into matchmaking arrangements or an early judgement of lacking feasibility.

The projects have each lasted app. 18-24 months, the end-of-project date marked in the contract.

For the participating Danish companies, direct costs related to match making (screening visits) have been covered by themselves, while the preparatory matchmaking work, seminars and training as well as travel costs for the foreign partner, when a visit to Denmark was included. Likewise, different, limited types of assistance were provided by the organisers, free of charge to enterprises.

3.2.4 Project organisation and administration

The organisers have had the key role in the implementation of projects. Through this work they have built up much new experience and capacity within the specific areas and countries. The use of organisers was not part of the business-to-business programme implemented by NAEH before 1998. Such an organisational strengthening of the projects through a larger consulting element was, however, one of the recommendations in the 1997 needs analysis (see list in annex II).

The organisers have, as stipulated in the contracts, provided NAEH with regular process reports and a final report, its approval releasing final payment. The reports are quite different in their structure and content, some being in Danish and some in English, some with very detailed recordings of activities, other more analytical and other again more of a summary character. The reports have remained internal documents for use between the organiser and NAEH

There have been regular contacts between NAEH and the implementing organisers on issues related to the specific projects, but little contact or dialogue between NAEH and organisers as regards e.g. overall issues and lessons learnt for coming projects. In that sense considerations for institutional learning and spreading, sustaining and developing the experience and insights from the projects has had no prominent position.

This is also reflected e.g. in the fact that the NAEH counterpart institutions in the cooperation countries have not been in focus for systematic feed-back on projects, and regular meetings between NAEH and the group of organisers to discuss lessons learnt have not been part of the set-up. However, one such meeting has been held.

In the course of the programme period the responsible persons in NAEH have conducted monitoring visits covering a number of programme partners in the cooperation countries.

3.2.5 Project indicators

The criteria, or indicators, for project success stipulated in the project terms of reference relate to the establishment of a specified number of long-term cooperation partnerships

(*varige samarbejder*) and to the achievement of participants' satisfaction with project participation (based on an assessment of questionnaires at the end of the project).

The success-criteria relate to the end-of-project situation, whereas the expected results mainly relate to an after-project situation. Nor the individual projects or the programme as such include any post-project measures or activities.

Box 2: Success criteria and expected results for projects

Success criteria for each project:

- Minimum 75% of matched companies complete the initiated activities
- Minimum 30% of participants establish permanent co-operation, being in the form of e.g. sub-contracting agreements, co-production, license agreements, joint venture companies or similar
- Minimum 75 % of participants state their content with the project

Expected main results of each project:

- A number of new enterprise co-operations are established between Danish companies and companies in the host countries
- Increased trade with host countries is established
- The host country enterprises will improve their capabilities to operate under the conditions of a market economy

Source: Terms of reference for projects (success criteria and expected results are similar for all the projects)

3.3 Export Skills Development component

3.3.1 Overview of project portfolio/background

The evaluation of the export skills programme component encompasses 2 finished projects one in Lithuania/ Latvia and one i St.Petersburg. The table below provides an overview of all initiated projects including 2 on-going projects.

Danish Organiser	**Project name**	**Area**	**Duration**
Danish Technological Institute (DTI) and Carl Bro Plc.	Export Skills Development Baltic	Estonia/Latvia/ Lithuania	1/99-7/00
DFSME	Export Skills Development in Lithuania and Latvia *)	Latvia/Lithuania	1/02-1/04
RAMBOLL.	St. Petersburg Export Skills Development Project 1	Russia	2/99-7/00
RAMBOLL.	St. Petersburg Export Skills Development Project 2 *)	Russia	4/01-4/03

*) On-going

The projects have been developed by the NAEH in cooperation with local partners after consultation with the relevant authorities (the ministries of economics of the Baltic countries and the External Relations Committee of the St. Petersburg City administration). In this way the relevance and the feasibility of implementation has been taken into account before the start-up. The projects have also been adapted in light of ideas and wishes from the receiving partner.

A background for the project proposals has furthermore been the 1997 needs analysis conducted on the initiative of the Danish Export Promotion Council and as a follow-up on the Business-to Business programme which ran in the years 1994-97. One barrier identified for enhanced business cooperation between Denmark and the countries/areas

in question was the East European managers' lack of a skills in planning and implementation of export business. Furthermore, lack of experience in the use of consultants was also one of the findings.

With this in mind the Export Skills projects were initiated with the aim of developing and strengthening the competencies of the existing local training and advisory service institutions, public as well as private. A secondary aim was to foster a strengthened trade relationship between East European countries in the Baltic Sea Region and Denmark.

3.3.2 Project concept and purpose

The core concept is competence building in the selected target institutions/consulting companies based on the identified need. In the course of this the projects aimed, as an additional effect, that the companies participating in the practical part of the pilot courses should receive consultancy of immediate use in their export business. In order to enhance the interest of the participating consultants as well as for the companies, the practical part of the training of the consultants was targeted towards specific sectors.

By including the local authorities in some of the activities these should at the same time get more understanding of the companies need. By the organisers' use of local development agencies as sub-suppliers in the implementation, it was furthermore an essential part of the concept that these players should receive transfer of know-how in he course of the project.

3.3.3 Project content and implementation

The Export Skills development projects were built on two distinct elements:

Training of trainers. A short secondment to Danish enterprises/consultants/educational institutions was recommended. In view of this the training in the St. Petersburg project was followed by a study tour to Denmark for the participating consultants. In the Baltic project the secondment was obtained simultaneously with an export promotion tour together with the companies, see 2.

A practical phase where the trainers test their acquired competencies on real-life cases. In the Baltic countries part of the practical part was, upon a proposal from the organiser, performed in Denmark, where the participating companies had an opportunity to take up direct business contacts with potential customers. In this way a certain business development element was incorporated. In St. Petersburg the practical part was realised through a series of workshops where the consultants worked in teams and in that way got experience in team work.

The projects were preceded by a preparatory phase of selection of the participant consultants to be trained and the companies wishing to be part of the test cases/receive consulting. The trainers should – in order to secure an institutional basis - by preference be issued from an organisation/larger consultant company to the like. Furthermore a local partner assisting in the implementation of the project should be selected also in order to upgrade this partner.

The quantitative requirements/success indicators of the projects are:
At least 75 % of the trainees should go through both phases
At least 75 % of the participating companies should be satisfied with their participation

3.4 Business Education/Internship component

3.4.1 Overview of project portfolio/background

The evaluation of the business education component encompasses one finished project. The table below provides an overview of the 2 initiated projects including the second, on-going project:

Danish Organiser	**Project name**	**Area**	**Duration**
Danish Management Forum	Business education Russia	Russia	1/99-6/01
Carl Bro Plc.	Business Education Russia *)	Russia	1/02-1/04

*) on-going

The project has been developed by the NAEH in cooperation with the Federal Commission for Managerial Education and been matching other West European countries' contribution to the Internship part of the Presidential Programme for managers education. A background for the project is the barrier for enhanced business cooperation between Denmark and Russia caused by the need to improve the Russian staffs' skills in managerial areas and in getting acquainted with Danish business culture.

3.4.2 Project concept, purpose and content

A central element was the provision of assistance to Danish companies in getting their Russian employees on the Russian Governments so-called Presidential Programs management courses. These courses are conducted at a series of business education institutions in Russia. This education has an integrated element an internship at a Western company, in the Danish case at the company having obtained admission for its candidate for the programme. The Business education projects were initiated with the aim of on one side developing and strengthening the competencies of the Russian managing staff and to foster an enhanced Danish presence in Russian business. In this way the concrete assistance has consisted in

- a combination of paper work as well as lobbying the Russian Authorities/decision maker
- assistance in organising the internship for the Russian staff member at the Danish company.
- in an additional phase the organiser, as a third element initiated the start up of a Business club for former alumnis using the Danish Embassy's premises as a venue.

3.4.3 Project implementation

The first phase of the project consisted in a preparatory phase where the project was marketed and suitable candidates for participation were recruited. This was followed by the concrete work with the arrangements for the individual candidates as well as the organising of a cross-cultural seminar in Denmark for the participants during their internships.

In order to start up the project on time, a pilot project on cross-cultural courses within the framework of one company was implemented as the first phase. This was followed by more regular training arrangement for 12 trainees from 7 more companies. In a follow-up phase the organiser arranged the initiation of the business club in Moscow.

Success criteria were that 75 % of the trainees should be satisfied and that 15 candidates should complete their education and internships.

4 ASSESSMENT OF IMPLEMENTATION

4.1 Business Development component

4.1.1 Overall

The projects in the business development programme are characterised by diversity in sectors and implementing entities and approaches. The project implementation is most appropriately to be assessed in the light of the ability of the implementing organisations to meet the requirements set up in the terms of reference.

Overall, the projects have been implemented in a manner meeting the requirements. Companies have been identified, activities have been conducted according to plans and the stipulated project success criteria have been met.

As mentioned above, the success criteria have focused on the number of companies following the project, the number of permanent (*varige*) partnerships established and the degree of participants' satisfaction. The success criteria have been applied at the end-of-project, the final project reports prepared by the organiser typically outlining to which extent the success criteria have been met, e.g. the number of partnerships established. The final reports indicate that the indicators have been met and projects implemented according to plans.

In the material available, the consultants have seen no clear indications from either the side of the organiser or of NAEH that project indicators have not been met. In this perspective, the individual projects have indeed been very well implemented. There have been instances where problems have occurred and been discussed between NAEH and the organiser, not least in relation to finding enough relevant companies to take part in projects, but it seems not to have had a critical effect on implementation.

The interviews, the field studies and the questionnaire survey conducted for this evaluation support this general positive impression of the project implementation. The questionnaire survey show that by far most respondents categorise the implementation of the various elements as either good or fairly good, and thus reflect the general positive feed-back provided in the questionnaires, which the participants filled in at the end of project. This covers a great deal of variations in assessments, see box.

Danish questionnaire statements on the implementation of projects
"The consultants did a really good job – they were committed and professional. Thank you". "A positive experience – gave results." "A good initiative, that we sure will recommend other companies to take part in. It is, however, important that the participant really goes for it. The subsidy is not enough argument for participation." "The Danish consultants did not know much about the sector – the support went mainly to payment of the consultants' fees and travel expenses".

Interviews conducted with project participants support the overall positive assessment of the work done by the implementing bodies. The general feed-back is that the organisers have been professional in conducting their tasks and that their input has been relevant and appreciated. The organisers have generally taken up the task with much energy and engagement and in several cases enriched the design by adding features going beyond the ToR like: the introduction of promotion tours to Denmark with a consultant/company pair, a team building element in the training of consultants, seminars on cross-cultural

factors in Denmark in parallel to internship, organising the setting up of alumni clubs as a follow up to the education programme for Russian managers, the conduct of training courses in different places in the Baltic countries common for participants from all three countries and the design of e-training for the IT sector.

However, some observers and participants have pointed to cases where the organisers´ insufficient hands-on insight into the functioning and conditions for smaller companies in the specific sectors has limited their capability to assist the partnerships in more concrete matters.

Statements from Danish independent key informants
From interviews undertaken with two private players in the area of promotion of business cooperation between Danish SMEs, mainly in the metal-working sector in the Baltic countries and Poland: "In order to ensure a long range effect of arranging matchmaking between SMEs It is paramount to have an intimate knowledge of the conditions and way of behaviour of SMEs in the sector in question" "In order to follow-up on a cooperation initiated it is indispensable to have a permanent representative in the target area" "In order to ensure follow-up and develop opportunities revealed during the matchmaking process finance, often of minor amounts, is crucial. Public and international finance schemes are often too cumbersome for SMEs. The provision of simpler schemes or more investments from the Danish partner is therefore a barrier to be overcome in order to keep the momentum in the cooperation" "An assumption concerning Polish SMEs being able to communicate in foreign languages is not realistic, and very often the Danish SMEs (up to 40 employees) have the same problem" "Collective seminars should be replaced by individual counselling, which, when properly arranged does not require more resources" "A simple thing as assistance to Eastern companies' participation in business events in Denmark can be very effective, especially when combined with man-to-man support during the event" "Start a matching arrangement with a cross-cultural seminar for the East European partners" "In Poland it has often been an experience that disagreement arose concerning when agreements were final. This type of problems has been experienced less frequently in the Baltic countries" "Out of 7 company pairs with a LoI in the project for Agro-industry in Poland virtually no cooperation was existing 2 years later"

Statement from a Danish key observer in Kaliningrad Oblast
"Considerable business culture barriers still exist in the cooperation between Kaliningrad companies and Danish companies: Russian partners form the outset often have too high expectations to the immediate, concrete results" "It is of decisive importance that a Danish organiser has a partner which is permanently based in the region in order to accomplish results in an efficient way" "There is ample scope for a Danish bilateral effort as few competing alternatives are present. That also applies to international programmes like the Tacis, which are too cumbersome and moving too slowly for smaller companies"

4.1.2 Match-making

The business development programme evolves around the matchmaking concept, and much of the efforts of the organisers has been in identifying, motivating and assisting companies to take part in the programme and to act as a "mid-wife" in relation to partnerships between Danish and host country enterprises.

The project implementation has typically started with the identification and recruiting of Danish companies. The identification has taken as basis the network or the membership base of the Danish organiser, e.g. the companies affiliated to The Danish Federation of Small and Medium-Sized Enterprises or to the Confederation of Danish Industries. The interest among companies to take part in the projects has varied much. In some cases it turned out very difficult to mobilise the required batch of companies (e.g. for the

construction sector project) while in other cases, the organiser had to choose among many relevant companies (metal industry). The involvement of different organisers has implied a relatively wide accessibility to the projects, while also providing for the organiser and the companies to have some common references to build upon.

The recruiting process has often been difficult, reflecting e.g. that enterprises may suddenly come up with other plans and thus skip their expected participation in a project, or reflecting that the actual demand for the project among qualified/relevant companies has not been high. In some cases the participation has built on existing contacts between project partners. Even members of the same company group have taken part on each side of the partnerships. In such cases the participation has rather been aimed at deepening an existing cooperation using the training etc. provided by the project.

The recruiting process has in varying degrees involved assistance from a local partner, either an individual consultant or a company/business organisation. The approach has been focussed on the networks of the partner consultant/organisation; in some cases a previous contact. In projects were the focus is on matchmaking in relation to the needs of the Danish companies such an approach seems relevant, as it allows for relatively swift contacts.

Information leaflets on the projects were produced, but the host country enterprises seems mainly to have been recruited through direct contact rather than responding e.g. to general information. The information material from DATI(NAEH) underlines that the local companies through the cooperation with a Danish enterprise will gain access to new technology and manufacturing knowledge.

The host country companies that have taken part in the projects have been recruited from the network of the local partners. It is difficult for the consultant to assess to what extent important segments of the host country industries have been left out in the process. Some companies did express their concern that it was rather coincidental which companies were invited to take part in the projects, and that they would appreciate better access to information on the availability of such types of projects. Had the focus in projects been more on overall business sector needs and capacity building in the partner countries it would have been appropriate with a stronger involvement of business organisations and with a more concerted effort to identify companies with some common needs and requirements. However, seen in relation to the projects' focus on matchmaking and their relatively short timeframe, the approach seems appropriate.

Expected gains for host country partner companies

"Danish companies within the metal working and plastic industry are often highly specialised and orientated towards the international markets. By entering into a long-term business co-operation with a Danish company, Estonian and Latvian companies within the metal working and plastic industry will gain access to new markets and new manufacturing knowledge." *(Metal and plastic industries in Estonia and Latvia)*

"A co-operation between a Baltic and a Danish company will mean a transfer of knowledge in the field of technology, management and market economy to the Baltic companies." *(Building and construction sector in the Baltic countries)*

"For Lithuanian enterprises, co-operation with Danish enterprises will result in a transfer of i.e. knowledge on new production methods and management competence." *(Textile industry in Lithuania)*

Source: DATI(NAEH) info-folder in English on Business Development Eastern Europe, February 1999.

The next step is screening and matching, in most cases based on elaborated company profiles, followed by meetings between potential partner companies. The ideal is then that this results in permanent co-operation. Matchmaking is, however, a difficult process, where numerous factors may obstruct what on paper looked to be a perfect match: change of company strategies or key staff may reverse plans; partner motivation or expectations may turn out to be divergent; products or technologies may turn out to be incompatible; or the people involved may simply not be able to co-operate. This is reflected in the quite modest number of "ideal" permanent co-operations stemming from an initial matchmaking, which the consultants found during field visits. The work of the organisers in preparing the matchmaking and partner visits is generally appreciated, as it is generally recognised by participants that subsequent fading away of potential partnerships is not attributable to organisers but to e.g. companies' differing motivations or lack of resources to follow the partnership through.

Business-to-business and matchmaking programmes – some general experience

A number of organisations provide support to business-to business and matchmaking programmes in development countries and transition economies. There is, however, as mentioned, a trend of phasing out support to such programmes. The reasons for this include the fact that many transition economies have become market economies, where the need for support to overcome market imperfections has disappeared. Another reason is the fact that such programmes have often proven not to meet stated objectives sufficiently. Recently, evaluations have been conducted of Danida's business-to-business programme Denmark/South Africa and of the Private Sector Development Programme.

The evaluation of the business-to-business program running 1995-2000 notes it has neither led to the establishment of an enabling environment for small SA enterprises as originally foreseen nor to the foreseen creation of additional jobs in the South African economy, due i.a. to too optimistic assumptions and a lack of careful risk analysis at the time of the initiation. The impact of the programme on employment creation is found to be limited and the associated cost per job created very high. The evaluation also found that not all Danish partners have demonstrated the required technical assistance ability, with examples of Danish partners which based the partnership on skills they claimed to have, but which turned out to be insufficient or outdated. Furthermore, the March 2003 report of the National Audit Office (*Rigsrevisionen*) notes that of the expected 60 projects/partnerships implemented only 12 had in fact been implemented as of end-2001 (when the programme period ended), thus not reaching the stated results. Seen in relation to used funds (DKK 159 million) the costs accrued to each partnership appear very high.

The evaluation of the Private Sector Programme states that it is reasonably successful in being effectively implemented within the designed framework and by establishing itself as a recognised part of Danish development assistance appreciated by private enterprises. However, the design is very narrowly focused on individual private business-to-business co-operations with limited concern for broader aspects of development of the private sector as a whole and for the role of private sector development in overall growth and development of the respective countries. Consequently, the development impact of the Programme is limited and less than optimal. The March 2003 report of the National Audit Office further notes that the projects appear to be isolated and sporadic activities with limited synergy effects, but that with close to half of initiated partnerships appearing sustainable the programme effects are satisfactory. Most results have been reached in relation to improved occupational health and safety and technology transfer, whereas the least success relates to the commercial aspects of increasing exports.

Conclusions along these lines are also arrived at in other studies, i.e. in a recent world-wide study by Canadian International Development Agency and in a study of a corresponding EU programme in Egypt. A recent report from the Danish Centre for Development Research also points towards similar conclusions.

4.1.3 Training/internships

An overall finding from the host countries is that the participants are generally very satisfied with the quality and usefulness of the training provided by the Danish organisers. The material and the trainers were in general found to be of high quality, and

the methods applied (e.g. group work, practical cases, SWOT analysis) were found to be innovative and to provide for a good learning atmosphere. The written material was found useful, as indicated by many companies having the material easy at hand and reportedly consulting it on a continuous basis. The input from the training had reportedly been used by several people as an eye-opener and as a first impetus for implementing e.g. organisational changes or new marketing approaches. The overall positive assessment is given by both management and technical staff, as well as by different age groups. In some cases, not least in Poland, there were complaints of too little material available in translations.

The project training was appreciated, as the available training courses in the host countries are often found either to be too expensive or not of a high enough quality seen in relation to costs. Company representatives met generally lamented that they did not do enough to train people, but that the budget for training was often left out in times when the companies face financial strains.

The training has in some cases been open to companies, who did not have a Danish partner. In this regard, more companies have had access to and use of the training than had it strictly been defined to those with a partner. This is found to be a relevant use of training resources, and was highly appreciated by the host country companies that did not match a Danish partner.

A concern expressed by many was that due to time constraints, in some cases it was difficult to prepare and attain classes/training, the reason why absenteeism in some cases has been high. While this is a standard problem for training, a project (textile Lithuania) where the collective training took place over a 5-day period in Denmark was highly appreciated by participants as a very good way of assuring the full participation and attachment to the training (while also giving the participants a very good opportunity to meet other people within the sector, thus creating new contacts and networks).

Latvian views on the training components

IT-sector (project management courses): "Very practically oriented and useful, good professional level. Gave a good input".

Electronic industry: "Good course. A big need for management training. As a side effect we got useful contacts to other Baltic companies. The elements were well chosen. It also gave better English language competence. Good interchange between theory and practice. Some issues, e.g. planning of production, do however call for longer courses. Very useful result that we learned to regard our situation from outside".

Metal- and plastic industry: "Very satisfied with the courses in ISO-certification, quality systems and international trade given by Latvian instructors".

Internship/study-tour in DK: "The best element in the training. Very useful with the combination of seminars and practice. Many ideas from the study tour. Important to be there and see with your own yes, e.g. when it comes to quality procedures".

Construction sector: "No good experience. We did not learn the right things."
Source: field study interviews.

4.1.4 Pre-feasibility studies

The projects have included 50/50 co-finance (max 50,000 DKK) to companies who want to undertake a study related to the partnership (to be approved by NAEH), which

may then form as base for further cooperation. The companies applying for support have to pay a minimum of 50% of the study costs.

A total of about 10 million DKK, corresponding to about 200 feasibility studies, has been allocated so far. Of these 30 studies are on-going.

Reportedly, the access to support for studies has not been a key issue for the Danish companies, and even less so for the partner companies who in general seem to have been unaware of this element. Hence, some companies opted for furthering the partnership without applying for the support, finding that this provided them space and freedom being more important than the relatively modest support. Still, inclusion of the support possibility is reported by organisers to have functioned as a kind of carrot to keep companies motivated and to maintain momentum in the process.

4.2 The Exports Skills component

We met much satisfaction in Lithuania and Latvia with the cooperation with the Danish organisers.

In Estonia, however, mostly due to a less fortunate match with a local partner, a specialised export promotion organisation, there was a big divergence in expectations and therefore a less enthusiastic cooperation. Furthermore, this was aggravated by the long break in the Baltic project, due to the summer recess. After that it was a big job to get the Estonian part of the project going again. For the Latvian and Lithuanian partners, the Development Organisations, this did not cause the same problems and from some participants it was even regarded as an advantage allowing for better preparation for the next phase, the pilot project phase.

The SME-foundation in St. Petersburg felt that they were much on wave-length with their Danish partner, much more than with other European partners, e.g. Spanish or Italian.

It was a general remark that the atmosphere surrounding the conduct of training was very positively received. The down to earth and informal way made a positive impression. One could say that it was perceived as a special Danish approach.

The high professional and at the same time practically oriented approach was found adequate as well as the enthusiasm of the teachers made a very positive impression.

In the Baltic project, the organiser had added an element, not being part of the ToR, where pilot projects were made more realistic through the conduct of concrete export promotion in Denmark. This has been fruitful for the consultants, having in this way conducted real-life negotiations with Danish potential clients for their client company as well as for the company partner, who had a direct impression of the requirements on the Danish market (see also below on effects).

In St. Petersburg, the cooperation between the organiser and the SME Foundation was an important element in the institutional anchoring of the project effects. A special feature in the St. Petersburg project was a team-building element in the practical phase,

where the consultants not only had personal training but also practised working in teams, which was new for them.

4.3 The Business Education/Internship component

From all sides the implementation was praised for effectiveness and the way the tasks were accomplished. That goes for the administrative tasks, the lobbying necessary for getting the candidates on the Russian managers education program as well as for the practical arrangements and planning of the internships. Furthermore the trainees were very satisfied with the organisation of the training stays in Denmark.

The first phase of the project, following the preparatory phase, was criticised from Russian side as being too narrow in its scope, involving only one company. This was, however, a way to get the project off the ground and at the same time a way of testing internal training of the employees of one company working targeted on the cross-cultural aspects of business relations between a Danish company and its Russian subsidiary.

In the second phase, the range of participating companies was widened and brought more in line with mainstream donor projects attached to the Presidential program. It was, however, realised that the matching of Russian candidates and Danish companies during an internship is a very time consuming process with no guarantee of success in proportion with the efforts. This led to the acceptance from Russian side of a special Danish model based on already established company relationships, often in the form of Russian subsidiaries of Danish companies.

Other, and larger, countries' internship programmes are based on much more funding. E.g. the Swedish programme has an annual budget of DKK 10 mill. compared with the Danish of about DKK 1-2 mill. Annually. Even in the case of established company relations, there were complaints from the Russian trainee that the process of organising an Internship took too long time (up to 1½ years).

The trainees' evaluations of the arrangements for internships in Denmark have been very positive both concerning the practicalities and the content. The good atmosphere and the flawless organisation of the stay were especially praised. Also the opportunity to visit different companies and see how things are working in a Danish company was praised for relevance.

5 ASSESSMENT OF RESULTS AND EFFECTS

5.1 Business Development component

The results and impact of the business development component should be assessed in relation to the stated success criteria of the individual projects, as well as in relation to the overall project objectives.

In the projects' terms of reference, the expected results have focussed on:

- Establishment of new partnerships between Danish and host country enterprises
- Increased trade
- Improved capacity of host country companies to operate under market conditions

5.1.1 Partnerships

In relation to assessing the results, it should be kept in mind that the first batch of projects only ended 2-3 years ago, and that many other projects have only recently ended. Considering that partnerships and related results in terms of increased trade and company upgrading take time to develop, the present evaluation cannot provide affirmative answers as regards results; however, the information gathered does provide some indications.

Some Lithuanian match making experiences

- One company in Lithuania was matched with a Danish partner that looked for companies within the coffin-business. The two companies met, came along fine, and the Lithuanian partner visited Denmark. Here it became evident that it would become difficult for the two to co-operate, as the way and style of producing and using coffins in Lithuania is distinctively different from that in Denmark. The partnership did thus not continue, but the contacts established in Denmark led to some import from Denmark of paint and lacquers for the production

- A company producing mattresses, with an export ratio of 60%, was invited to take part in the project. It was matched with a Danish company that it had had some previous contacts with, without this leading to any kind of cooperation. The matchmaking visit to Denmark indicated that there was potential for some cooperation, a fact which was confirmed by the Danish company when visiting the company in Lithuania. The Lithuanian company provided some samples, and the first shipments have been followed by continued orders by for sewing and quilting parts of the mattresses, which now make up app. 20% of its total exports. The Lithuania company expect that the cooperation will continue and may develop further.

- A metal production company hoped that the project could link it up to a Danish company that it could work as sub-contractor for. The visits in Denmark proved that the Lithuanian company could not meet the quality standards to act as a sub-contractor for Danish metal companies. This insight led to a shift in company strategy to focus on its sales of finished kitchen equipment rather than engage in sub-contracting ventures.

- The Lithuanian wood company hoped that the participation in the project might lead to establishment of contacts to Danish clients who would buy pallets from the company. However, the visit showed that the clients in Denmark were paying very low prices and that competition from low-quality pallets made it difficult for a relatively high quality Lithuanian company to enter the market. However, the visit in Denmark was supplemented with a visit to Sweden, where he got exposed to some state-of-the-art production technologies as well as to some Swedish contacts. This eventually led to a contract with IKEA, which is now the far largest client

Source: field study interviews

In general terms, it can be stated that the results and the impact of the matchmaking process has been quite diverse, and that the number of "ideal" permanent co-operations stemming from matchmaking from scratch has been rather modest. As the examples above might illustrate, the contacts facilitated by means of a project might take all sorts of directions.

Latvian views on project results
"We have established stable cooperation relations with two companies contacted during the stay in Denmark, but not with the original project partner, we didn't really match." *Latvian company*. "The project participation made us more competitive in general, also on our traditional markets, like Russia." *Latvian company.*

The assessment of the results is somewhat hampered by a lack of any clear definition of what is exactly a "partnership". The projects operate with the aim of establishing "long term partnerships", which denotes a cooperation going beyond pure sales relations and occasional business contacts and enter a close cooperation including transfer of technology. The types of partnerships referred to in the project terms of reference are thus: sub-contracting arrangements, co-production, license agreements and joint venture companies. However, to many of the companies the aim of the partnership is often more pragmatic, in terms e.g. of getting access to the Danish or the host country market, or to use a local partner to access third country markets.

A yardstick for a company match leading to phase 2 of projects was in most cases a signed letter of intent (LoI). The project implementation showed, however, that there was a long way to go from a letter of intent to a concrete cooperation and very often it did not materialise. The signing of a letter was in this way an indication of the intention to participate in the project activities rather than a commitment to enter into concrete cooperation. This also reflects the complicated character and intense work required before two companies can decide on intensive cooperation and commitment of core company resources.

The questionnaire survey indicates that 70% of the respondents still have some kind of co-operation with their partner from the matchmaking phase. This figure does, however, not represent a fully balanced picture in terms of indicating new lasting partnerships. The main reason for this is that those who have responded to the questionnaire are mainly those who have maintained co-operation with their existing contact/partner. Of the 140 questionnaires send out to the Danish companies, 31 have responded, while a group of a similar size are no longer in business or have had project participation limited to staff who have left the company. The field studies and telephone calls to those companies who did not return the questionnaires indicate that the majority of the non-respondent group is no longer co-operating with their first partner; they also indicate that the co-operation which is still ongoing is in many cases based on contacts established prior to the project participation, and are thus not "new" partnerships. Thus, while the returned questionnaires provide relevant information on participants´ perceptions of projects, they do not in isolation give a balanced picture on the impact and the results in terms of new lasting partnerships. Here, the evidence from field studies, interviews and follow-up is that the number of new lasting partnerships established falls below of the intended one-third of companies entering into such partnership. It also indicates that the cooperation tends not to be in the form of the more "deep" partnerships envisaged (joint ventures, license agreements) but in the form less formalised and binding arrangements.

Results in terms of lasting established partnerships are thus difficult to establish with accuracy but in cases where we had the opportunity to dig further down it was only in very few cases that cooperation established from scratch during the projects had led to lasting cooperation. On the other side results from spill-over, including co-operations taken up during the project, but not registered in the project, are left out. This compensates partly for the lack of concrete long-lasting effects, registered.

A relatively few results in terms of new partnerships is not unique to this programme, similar experiences being found in other comparable programmes (ref. box on p. 15), which in most cases have been significantly more demanding in terms of the resources applied than the NAEH program. The reasons for this are as mentioned many, the bottom-line being that the process of matchmaking is long and complicated and may often be difficult to fit into a limited project period.

Most partnerships focus on sub-contracting, e.g. the host country partner delivering semi-produced goods used by the Danish company for its production. Only in very few cases enter license agreements, co-production or joint ventures. Those partnerships established rarely apply a strong focus on elements of technology, which are often more relevant when it comes to co-production or joint venture partnerships.

This notwithstanding, the projects have indeed reaped many results stemming from the matchmaking and partnership testing process in that the projects have initiated a dynamic process in companies, where the contacts and experience gained through the projects has in some cases contributed to companies establishing partnerships with companies outside of the project group. Hence, the project participation seems to have acted as a catalyst for the internationalisation of many companies in both Denmark and host countries.

The section below will look into these results as seen from the perspective of the host country companies. As for the Danish companies, the evaluation indicate that the project participation often served as a facilitator for implementing or testing their ideas of broadening their involvement in Eastern Europe.

5.1.2 Results on capacity of host country companies to operate under market conditions – technology transfer

Seen from the perspective of the host country partners, the match making has been useful mainly in expanding their international network and exposing them to the demands and problems related to internationalisation. This experience has been useful for them in establishing and developing business contacts with other potential partners in Denmark as well as in other countries.

Many people met, especially from the Baltic countries, noted that the project participation had come at a very crucial time, as the Russian financial crisis in 1998 totally undermined the traditional Russian market, cutting off their traditional export market and earnings and forcing them to turn to new markets. Taking part in a project of this character reportedly gave many a certain hope that there was “light beyond the tunnel”, providing them with inspiration and with tools (e.g. marketing) to re-orient their strategies and to pursue potential for partnerships with and export to countries in (mainly) Western Europe. The project did make them focus their first attention to potential Danish partners and markets possibilities, but also made them more pro-active towards e.g. Swedish and other traditional trade partners, including other East European

countries. The training provided and the possibility of establishing or expanding ties with potential partners in Denmark was therefore seen as highly relevant.

The participants consulted in general reported that they did not have strong expectations that the project would result in the establishment of a more formal partnership with a Danish company, leading to e.g. sub-contracting orders or investments. Expectations were reported to be attached primarily to learning/training and to get access to the experience and practical advice from Danish companies, which could be useful for their own production (technology transfer). Likewise, the possibility of meeting new potential partners, as well as existing business contacts, in Denmark were seen as important for establishing new links, although it might not result in new orders or contracts in the short term. One statement went as follows: "Any contact with a Western company is conducive to our approaching Western market condition."

The general notion among host country companies is that, while the input from the training had been substantial, the input – or the technology transfer – derived from the co-operation with the Danish companies had not always lived up to their expectations. While visits to Danish companies gave them some inspirations, the contacts with the Danish partner companies reportedly seldom were of a nature that paved the way for e.g. new production methods or technologies, which could be applied at their home company. Expectations that the project participation might result in access to or insight of new production technology were, thus, not met.

Some companies, however, found that the visits to the Danish companies had been very useful in learning them that in order to qualify for being a sub-contractor to a Danish (or West European) producer, the company had to make efforts to improve the quality and process control to meet the requirements. The experience had thus contributed to the companies focusing on areas in their production that needed upgrading in order for them to qualify as a sub-supplier.

Views on the effect of training
1. The consultant had the possibility of meeting two persons in Lithuania who had taken part in individual training at the Danish partner company as part of the project participation. They both found the experience very useful and inspiring, but found that the training provided (e.g. training in use of Navision system) was not fully in line with the resources and most urgent needs of the company. It was not really relevant or possible to apply the training at the home company. 2. A manager of a smaller Polish company (30-40 empl.) stated that after the training, he, for the first time in his 20 years´ career, had a really clear overall understanding of what running a company is all about.

While not all expectations in relation to technology transfer and establishment of partnerships have been met, the general assessment of host country project participants is positive and very. At the personal level they found that it had provided them with new skills and capacities, had opened their eyes for many relevant things and had sharpened their international focus and network. The skills acquired seem in many cases to have been put into immediate use in their enterprises.

Concerns and ideas raised by stakeholders
"We would like to get more training, increase our knowledge and get more practice with preparing business plans, feasibility studies, economic substantiation of projects, and not least work in a Danish company some time, in order to prepare for EU requirements". *Questionnaire reply from Lithuania.* "More practice in Danish companies". *Questionnaire reply from Lithuania* "Proposals for follow-up actions: 1. Close monitoring of areas of interest for Danish-Russian companies

on the Russian and Danish market. 2. Make a list of potentially interested companies concerning Danish-Russian cooperation. 3. Make a specific programme and follow up on its implementation. 4. Engage a company with a commercial interest in the project implementation." *Questionnaire reply from Russia*

"The number of participants can be higher (since the project was made at no cost for the participants, many registered, but did not show up so resources were wasted). The local partner in organising the training programme should be more professional". *Questionnaire reply from Estonia*

5.1.3 Results on trade

Assessing any impact on increased trade (being an expected result of the projects) is not easy, as the project interventions have been relatively limited and as trade figures are influenced by a number of factors, making the establishment of linkages between the programme and trade fluctuations very difficult. Interviews and questionnaires have indicated that the projects have led to trade, either directly through the partnerships or in terms of spinn-offs. The reported amounts of trade created are generally six digit figures or less. In annex III a table with figures for Danish import from and export to the five partner countries is brought. Figures show a general increase in exports to the countries, the export to each of the three Baltic countries e.g. doubling over the period 1996-2002 and the import tripling.; however, no change in trend related to the introduction of the projects can not be found in these aggregate figures. As an arbitrary "control country" trade figures for Hungary have been included, the recent increase in export to that country growing more than to the Baltic countries.

When turning to figures for the relevant sectors in the countries, it is likewise not possible to establish any linkages. There seems, however, to be one exception. Hence, there seems to be room for claiming some connection between the marked increase in trade with the textile sector in Lithuania, where two textile sector projects have been implemented and where presently a Danish project (not part of this evaluation) is introducing ISO 14000 at Lithuanian textile companies, see the following table:

Danish textile import (DKK million)

	1996	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**
Lithuania	8	9	13	24	65	82	109
Latvia	27	29	36	34	24	26	18
Russia	11	22	48	70	87	82	48
Danish textile export							
Lithuania	96	148	194	232	348	341	385
Latvia	59	85	109	119	143	155	147
Russia	15	30	45	53	50	68	68

5.2 Export Skills Development component

Results/effects might be categorised according to the target :

- *Institutional* in a wide sense encompassing e.g. change in attitudes in the business environment.
- *personal* i.e. for the individual participants
- *company-wise*, for the companies participating in the pilot/training projects

Institutional
More permanent/sustainable effects on the institutional environment have taken varying forms:
In several cases the participating consultants were recruited among business school teachers. As it was stated during one focus group meeting held with some participants in the Latvian project, participation led to a substantial upgrading of the education given in the business schools. In this way, a much more realistic teaching could be given though the use of the concrete cases during the project. The project education as such was described as being on a highly professional level, with teachers characterised by high competence, openness and result oriented. It was a kind of "Master Classes". In one case, however" a partner in an existing consulting company participated in the project but the company did not take export consultancy up in order not to diversify activities too much

The Danish project has been an inspiration for the Latvian authorities (Ministry of Economy) in their own efforts for establishing projects e.g. within enhancing the export competence of Latvian businesses. This was stated by the civil servant in charge with these programmes and who himself had participated in the Export Skills Development programme.

In the case of the SME foundation in St. Petersburg, the participation in the implementation of the Export Skills project has been crucial in the upgrading of the institution as such obtained through the better qualified staff and building up of references being the foundation for taking up new assignments. This has made the SME Foundation an attractive partner for Western partners. Other sustainable affects are the training material acquired through the projects as well as the network built up in the course of the project.

In St. Petersburg the project also led to the establishment of several new consultants companies among other based on the consultant teams formed during the training.

The projects were to a large extent the first experience for many participating companies in the use of consultants. Some had been using consultants in connection with public funded projects, i.e. without paying for the services. In the Export Skills projects an element of self-finance was built in, also to stir the interest among the consultants and to some degree to avoid too much unfair competition towards established consultants. In this sense, the projects had a general impact on the awareness of the usefulness of using consultants. An important barrier is, however, especially for the smaller companies, that it is too costly to use consultants except when the purpose is very concrete, e.g. the obtaining of certification of a product or the establishing of concrete contacts abroad.

In some cases, the intention was not met: The Latvian implementation partner, LDA (Latvian Development agency) has not taken up training in export consulting as they do not have the capacity to diversify into this area. Lack of personnel resources and excessive rotation was an impediment for the Lithuanian Development Agency to directly engage in the project, and the institutional impact has therefore not been optimal. However, the LDA is using the material from the project training in their own consulting of companies. The on-going export skills development with DFSME is intended at fostering and anchoring institutional export consultant knowledge within LDA, so that LDA can upgrade its services for the app. 700 companies that are included in the database of LDA. Such efforts aiming at ensuring institutional anchoring seem highly relevant.

Personal
The personal outcome for the project participants seems to be quite high, as the trainees have been given new skills and competencies they can use directly in their work. In many case, however, it has been difficult for the participants to make full use of their skills, either because of companies being reluctant to buy consultant services or because they now work in other areas.

Companies
A general problem was, that the participating companies had very high expectations to concrete immediate results of participation and spending money on consulting services.

Some companies, especially those participating in a promotion tour to Denmark, part of the concept for the Baltic project, appreciated very much the opportunity to take up contacts with Danish companies , having a first hand impression of opportunities and requirements on the Danish market.

For some companies the effect of higher professional level of the export marketing had made their position on their traditional markets stronger and led to increased exports to these markets. The Danish market was in many cases still considered as difficult because of the high quality requirements.

For the most companies this was, however, their first experience with consulting and, of course depending on their experience made them aware of the possibility of expanding business through external assistance. The cost of consultancy, however, has excluded many participating companies from using this possibility, while some of the participating consultants got a contribution to the further development of their business through the contacts made.

Public authorities
In one case we met a concrete example, where a civil servant through his personal participation got a direct impulse for taking up initiatives in this field (Latvian Ministry of Economy).

It was not, however, the impression that public players have participated actively in the projects, thus the effect of making them aware of the companies needs in this field has not been outspoken. In St. Petersburg, the Committee of External Relations would have liked to be more engaged in the project, but it was not contacted after the initial elaboration of the project.

5.3 Business Education/Internship component

The first pilot project had as its target one company. Through a specially designed training project involving an important number of mainly middle managers, the company was assisted in overcoming the cultural barriers experienced from the very start of the company in 1992. These barriers made it difficult to get the full potential out of its cooperation with its Russian subsidiary, a take-over of an existing facility with its staff. After a preparatory phase the training was adapted according to an analysis undertaken by the Graduate School of Business Education in Moscow and the project showed substantial results in the end. The participants and the management were in the first phase rather disappointed with the effect of the training which exposed the problems in the dialogue between top and middle management caused by the difference in Danish and Russian management culture. However, in the end this led to a positive process, which in the end helped overcoming many of the problems and making the dialogue between Russian and Danish partners more productive. It also served as an inspiration for the school in its designing of courses for similar cases.

In the second round of projects, 12 trainees from 7 Russian partner companies realised the full programme of both having their employees on the Presidential business education programme and on an internship at the Danish partner company. From trainee-side, the assessment of the effects of the training stay at the Danish company was in general assessed very positively. Special results/effects pointed to was:

- learned about the Danish business culture, including the very individualistic orientation
- the establishing of a Danish network
- new ideas/inspiration for use in the daily work and through that better cooperation with the Danish partner
- opportunity to deal with real life tasks in a Danish business environment which also contributes to a better running of the Russian partner company

It was a clear impression expressed by some of the participants that the project in general created goodwill towards Danish companies. E.g. there were examples of participants that, after the project, preferred employment in Danish companies. So even if the project led to some of the participants leaving their company, they went to another Danish company instead, harvesting in that way the benefits. The internship had more an effect on attitudes and business culture aspects than on transfer of concrete know-how. However, the internship gave also a very valuable overall insight into how Danish, and Western, companies work.

The questionnaire survey covering the 7 Danish participating companies (4 filled out) shows a high rating concerning the overall relevance of the programme and the assistance provided by the organiser. The same applies to the rating of effects on the individual employees participating in the program, whereas the effect on the Danish and Russian partner companies´ performance is in the medium range. In this connection it should be borne in mind that the participating companies are rather large and the company effect therefore difficult to detect.

Statements from Danish Partner companies
"The participation in the project has greatly enhanced ambitions of the involved Russian employees" "There was a good relation between the companies efforts (time) and the projects' contribution in the form of provision of a free MBA training and transportation to Denmark for the trainee"

6. ASSESSMENT OF COST/EFFECTIVENESS AND PAY-BACK

As mentioned elsewhere, the organisers have put much energy in coping with the often very resource requiring process of recruiting participation not least from Danish side. Furthermore the arranging of collective matching has been difficult to practice and often leading to individual solutions with more demand for organiser resources. It is also our impression that the organisers in most cases have been ready to assist the participants in concrete question arising during the projects. In this light it is the conviction of the evaluators that value for money has been delivered when it comes to services provided by the organisers and their partners.

In table in annex IV the cost of the main activities per "unit" has been calculated. The differences in cost also reflect differences in the condition for working with the sector in question and the type and scope of training provided. We believe however, that it gives a good picture, especially when taken all together. The table brings key figures for the total costs and of the training part, where available. The "unit price" per companies´ match (excluding the more complicated Production Networks projects involving more partners, and therefore costlier) are in the range from 86 to 137.000 DDK. The "unit price" for training courses was in the range of from 12 to 75.000 DKK, the typical "price" being about 30.000 DKK.

A *pay-back effect (returprocenten)* in terms of the part of project funds being immediately plowed back to Denmark is high, as the majority of funds have been used for paying Danish organisers to conduct training, matchmaking etc. and for provision of services in Denmark. Only a minor part of funds have been used for payment to host country partners and to the provision of host country services (e.g. transport, hotels).

On longer terms, a payback effect from the business co-operations through the creation of e.g. increased exports and earnings is difficult to assess, at least in the short to middle term. However one can point to some effects that could enhance Danish presence on the markets:

In some cases this has happened very concretely, e.g. in connections with the study tours leading the participating companies looking for Danish equipment in order to meet the quality requirements realised necessary during the project.

The cooperation partners in the Export Skills project turned into better partners for Danish companies, not only because of better skills but also because the cultural barrier towards the Danish market was lowered in the course of the project. At the same time, their Danish network and experience make them better equipped to counsel their clients in looking for Danish cooperation partners.

The rather moderate amount spent on the Business Education project, 4.2 milllion DKK and leading to 30 employees participation in the Presidents programme, combined with the PR fostered through the Alumni club does not require much response in order to pay back. One can add that the project has received a quite important co-finance from the Russian partner in terms of education provided and transport for the candidates to Denmark.

7 SOME CROSS-CUTTING FINDINGS

The matching process
In many ways the Business Development projects did not work quite the way they were intended to, according to the model case. But overall, thanks to side effects and spinn-off effects, the projects have to a large extent led to many positive developments in the intended direction. However, many of these developments did not realise the potential effects because of missing follow-up.

The very notion of creating new business partnerships through the activities of the project did rarely materialise. It seems that only in cases, where the relationship between companies were already established, did the full effect of e.g. the training materialise.

It seems that the process of establishing a lasting partnership between companies is a very complicated process, which requires a deep understanding from the change agent of the conditions in the specific sector as well as of the way smaller businesses work.

Training
One effect, however, stands out: the positive effect and creation of good will brought about by the introduction of the very notion of training for company staff and management and the way it was implemented and performed:

The combination of training and practise was very positively perceived by the participants. The training led often to a process of eye opening bringing a new perspective into the personal and company situation, which in a way was for the first time looked upon from the outside.

The open and respectful way the training was performed was very positively perceived and often understood as a special Danish way of doing things, not met in contacts with comparable offers from other nations, maybe with the exception of Swedish (Sida) initiatives. This applies both to the Business Development programme and the Export Skills Development programme. In the case of the business education programme for Russian managers, the same novelty was found in the training programme performed for Rockwool employees. This way of drawing employees from all levels of management was seen as an innovative way of working with the cultural barriers.

Follow-up
Some drawbacks prevented the full effect of the projects. That goes for the missing follow-up on the established business contacts. Also, the organisers felt that they had to leave several opportunities upon the finalisation of the projects.

Barriers to cooperation
Language: In the programme countries the working command of English is mostly confined to younger people with a higher education. This applies especially to Poland and Russia, while this is less the case in the Baltic countries, as confirmed by several of the interviewed. One obvious explanation, probably among several, is the urge and need for foreign language skills in smaller countries.

Business culture: Judging from statements from several players interviewed, and supported by statements in organisers´ final report, “cultural” barriers are mostly felt in Russia and

Poland and less in the Baltic States, being in a way perceived closer to "Scandinavian" ways. Here again one may argue that sheer size has an effect, but of course also historical facotrs. Some of barriers perceived are of a more fundamental character, like customs for when an agreement is binding and the regard for strategic and marketing aspects of business.

In several cases regrets were expressed concerning the Danish partners´ lacking patience, while Danish partners felt a lack of initiative from the other side. In some cases this led to opportunities missed, both partners waiting an initiative from the other side. In these cases the organisers often had an important role into assist in overcoming this information/culture barrier a kind of coaching role.

More specific barriers, probably easier to overcome, are e.g. differences in price calculation methods and estimation of the necessary size of sales efforts.

Many language and business culture barriers are tied to the sector in question (traditional/new) and the age of the staff.

Barriers from official side, customs, legal, red tape etc. was seldom mentioned as being of major importance.

Some frustrations met
No finance for materialising the co-operation.

Lack of information in Western Europe of the opportunities in Central and Eastern Europe.

Local Business service
It was a general finding that companies and other local players found little help in the traditional business organisations. This is partly due to lack of human and money resources, and partly to a lack of service-mindedness stemming from the traditional role of these organisations in the former command economy. Assistance, where available, was provided by newer organisations like Chambers of Commerce and Development Organisations, some of them based on foreign assistance. One can say that the organisers in this way had a role that in Denmark typically is handled by industrial associations, sector organisations and the public business service system (e.g. DTI, TIC etc.).

"Denmark" effect
A "Denmark"- good-will effect was primarily obtained though the conduct of training and seminars as mentioned above. These were seen as a new phenomenon as they provided service to smaller companies. An additional impression stemmed from the fact that this was provided free of charge and financed by a foreign government. In some cases, e.g. in Poland it even led to some suspicion regarding the motivation for these grants. In the end, however, the offers were accepted very positively.

In the case of the Business Education programme an additional element was, on the organisers' initiative, introduced by the establishment of an alumni club for the trainees. They have since met regularly at the premises of the Danish Embassy/Consulate general, and in this way enriched the Danish-Russian business community in Russia.

Organisers' role
In the course of the programme, the organisers have accumulated much experience, which they deplored not being able to draw on in a follow-up phase. They could have wished an organised exchange of experience among the organisers.

Unfair competition
In some cases, the question has been raised about the unfair competition aspect that could follow from e.g. the subsidies consulting in the Export Skills projects and the promotion of the use of IT-people for outsourcing of Danish jobs. These complaints seem to have been quite sporadic and not met widespread support.

Institutional anchoring
It seems that the institutional building element has been limited in most projects. This has to some degree been caused by the lack of players suitable for taking up the tasks conducted by the organisers, or in cases, where adequate structures existed, by lack of funding and capacity to take up the task. A weak demand side, companies lacking funds for e.g. courses and consulting makes it difficult to finance institutions taking up these tasks.

Counterpart authorities' views and ideas on future co-operation
In Lithuania, the authorities – the Ministry of Economy – found the projects had been highly relevant and useful. They recognise that the Danish funded project - as well as comparable projects from the EU, Sweden, Germany and the UK – had provided companies with new skills. Likewise, a need is felt to further the institutional capacity to deal with the needs and requirements of private companies, not least seen in the light of the EU admission. Specifically, the Ministry pointed as a need to strengthen the national capacity in benchmarking of industry and a need to strengthen ministerial and institutional capacity to deal with the wide range of new needs and requirements that are linked to EU admission, e.g. environmental requirements, trade issues etc.

In Latvia the programme is regarded as being very useful, especially the more targeted parts of it, e.g. the Export Skills Development Program. Other prioritised areas are building up of industrial clusters, furthering commercial use of research results, multimedia and assistance in handling EU-applications, where expertise is needed..

The Estonian Ministry of Economics deplored the poor level of coordination with the ministry, but supported the idea with e.g. the Export Skills project, which was the only one they had information on.

Both St. Petersburg the City Administration and the Polish Ministry of Economy, Labour and Social Policy are very prepared to contribute more to the planning and design phase of future projects, but have until now felt a lack of information and feed-back after the initial formulation of ideas as drawn up in memoranda. From Polish side it has furthermore been mentioned that a drop-wise presentation of project ideas, e.g. presented by different consulting companies makes it difficult to express opinions, as this would require a total overview of options available and a stating of priorities.

8 CONCLUSIONS, LESSONS LEARNT, SCOPE FOR IMPROVEMENTS/IDEAS FOR NEW INITIATIVES

8.1 Summary of findings and conclusions

Based on the findings outlined above, the conclusions on the elements outlined in the terms of reference for this evaluation may be summarised as in the table below.

	High	***Moderate***	***Low***
Sustainability			X
Professional content		X	
Participant perception		X	
Efficiency of implementation	X		
Pay-back effect		X	

The *sustainability* of the projects is found to be in the low end. Few permanent partnerships have been established and many of the partnerships setting out with an LoI have not proceeded any further. In several cases, however, results were obtain instead through cooperation with a partner not having participated in the project.

There has been little concern for institutional sustainability in the project set-ups, with few systematised attempts to anchor and embed experiences neither within NAEH, between organisers, within companies, within host country partner organisations, or within host country official counterparts.

The *professional content* of projects has been in the high to moderate end, the training provided generally meeting needs and requirements, the organisers in general conducting the matchmaking elements professionally and according to the stated requirements. The use of many organisers has allowed for a diversity in approaches and for professional and technical coherence between organisers and companies. The focus on matchmaking, the diversity in company needs and the relatively short time span meant that more individual counselling did not get a prominent role.

The *participants' perception* of the projects range in the moderate to high end. Questionnaires filled in by participants at the end of project period showed that more than 75% of participants were satisfied, thus meeting the success criteria. The questionnaire related to this evaluation, as well as the individual interviews conducted, confirm this.

Both in St. Petersburg, Latvia and Lithuania the professional level and the pedagogical conduct of the Export Skills training was praised. The way in which theory and practice was linked was found very useful. The export promotion element in the Baltic project was furthermore valued highly because there was a simultaneous link between practice and theory. This assessment was backed by observers in the Ministries of Economy in Lithuania and in Latvia where the contact person had participated himself. In St. Petersburg the SME Foundation, who had 3 participants in the project valued the project as of big importance for the building up of a know-how base which could be used directly in assignments.

The *efficiency of implementation* and the cost effectiveness is found to be in the high end. With total costs in the range of DKK 2-2.5 million for the implementation of each project, the projects have in general managed to reach many companies, who in different ways have benefited from the project participation, in several cases via spin-off effects from the project participation. The projects have in some cases been rather complex in logistical terms, involving up to three countries and numerous local partners and companies; to achieve this within the given budget, while also ensuring the professional content of the projects, is found to be a major effort. It is our clear impression that the organisers and their partners have put much energy and engagement has been put into the project implementation in order to make it succeed. In that perspective the NAEH has certainly got value for money.

8.2 Business Development Programme

A major strength of this programme has without doubt been the training organised for partner companies in the cooperation countries. Where study tours were organised and combined with concrete contacts and visits to Danish cooperation partners, this element has been the most appreciated by participants from the cooperation countries. It is worth stressing that even if the training was generally well organised and professionally to the point, it was not least the way the training and study visits were conducted that impressed the participants. The positive, direct and congenial way and the respect showed towards the participants in some cases had made a deep impression, often combined with the perception of this being a display of a special Danish way/model for training of professional people.
Lessons learnt: In the area of training methods for company staff, Denmark has some unique tools/ways to offer.
Scope for improvements: More use of local partners, also to overcome language barriers.

It seems that in comparison to the effect of being there and seeing with you own eyes how things were done in Danish companies, the direct impact on technological transfer has stood in the shadow. The technological transfer has rather come over a longer period in the course of the Eastern partner taking over more responsibility for the production and marketing.
Lessons learnt: learning by doing/seeing is a strong concept
Scope for improvements: Brief internships/study tours must be combined with more in depth training in order to secure a concrete transfer of know-how

The matchmaking element seems to have been the most difficult to implement. The most successful activities have been made by organisers having an intimate knowledge to at least one of the cooperation side, either on the basis of having been living for a longer period in the partner country or having had extensive concrete experience with the sector. One may talk about the importance of empathy in the conduct of arrangements, which involve core functions of companies. Taking up cooperation with a new business partner may be one of the most important and comprehensive decision a company can make.
Lessons learnt: In the process of establishing new partnerships, a more intimate understanding of the situation for the individual cases is necessary, requiring a very good

understanding of the sector and the realities of smaller companies or requiring cooperation with partners having such an understanding.
Scope for improvements: Establish an additional component in the project organisation fulfilling the requirements for such intimate sector/company knowledge.

The feasibility study element seems not to have had a crucial role in fostering partnerships, party because of its relatively limited financial scope.
Lessons learnt: This element has not had a major part in the effect
Scope for improvements: Either the pre-feasibility studies should have a larger scope and be applied in cases where the partnership is firmly established, or they should be dropped, in order to concentrate resources for more effective project elements.

Often the programme effect was obtained through cooperation with a partner different from the one introduced through the project, or the effect would come only much later or did not materialise because of lacking follow-up/finance.
Lessons learnt: The project structure should not be too rigidly defined bearing in mind the dynamic nature of such ventures as well as the varying conditions in different sectors.
Scope for improvements: An integral part of the projects should be a follow-up phase, possibly combined with initiatives in the area of finance. Both elements would require permanent bodies in the partner countries offering the necessary services to businesses. Such an institutionalisation would, following the Danish system, typically happen via the establishment/upgrading of relevant sector business associations. Right now such associations are not widespread in the programme area and often not geared, including financially, to the provision of the required services for businesses. The support for such a development is an obvious challenge for a new, institutionalised approach.

8.3 Export Skills Development Programme

The impact of this programme has been very much linked to the success with the anchoring of the established new competencies. This has to a large degree been concentrated on the immediate cooperation partners, in St. Petersburg the SME Foundation and in the Baltic states the Development Agencies. These effects can be divided into the establishment of institutions, which can provide consultancy and at the same time creating institution where consultants can be trained. These institutions do not provide basic courses as such but this is left to different business schools. Trough the participation of teachers from these schools the projects also provided for this effect. Of course, the final training of consultants will happen through the handling of concrete assignments. The last element is, however, difficult to institutionalise. That will come with the more widespread use of consultants.

The pilot projects have by several statements furthered the use of consultants, or at least the attitude to this. Because of the expensiveness of consultancy, also at local rates makes it difficult for this change in attitude to materialise.
Lessons learnt: It is a difficult task to train consultants. This is partly caused by the fact that excellence in consultancy is obtained through real assignments completed successfully. So therefore, by its very nature immediate results of such a training effort can hardly be expected. The projects have however, had a positive effect on the consultancy environment both on the supply side through the upgrading of institutions that train consultants, like the SME-foundations, the Development Agencies and

business school and on the demand side through pilot projects with the participation of the potential clients, the companies.
It was expressed in several statements that the business environment is changing very fast and the development of the local training and the consultancy environment would be on a different level in few years. There would therefore not be much point in repeating projects like the accomplished. The best advice on this point would therefore be to secure close cooperation with relevant institutions in this field in case of new initiatives.

8.4 Business Education/Internship Programme

The idea that the programme in addition to existing partnerships also should target participants from Russian companies without a Danish partner has, reportedly, been very difficult to materialise. Experience from other programmes confirms this. There is strong indication that the cost needed to realise such an extension of the programme would be too high within the budget framework of this programme and furthermore not guarantee success. In a way one is confronted with the same resource requirements seen in the Business development programme of matching companies.
Lessons learnt: the original model, based on existing company partnerships seems to be working after some initial difficulties. The extension, with the establishment of an open alumni club seems to have been a success.
Scope for improvements: Experience gained form this project and the on-going one should be utilised in a possible future project following the same lines.

9 RECOMMENDATIONS

While the programme from its outset is found to be very relevant, this is less so in relation to future activities. Thus, as market conditions are becoming more normalised in the partner countries and as more companies in Denmark and partner countries have experience from contacts in the respective markets, the relevance of projects focusing on matchmaking of individual companies and on individual training is becoming less evident.

In a situation where the partner countries are now facing EU membership, the needs are of a different character and much related to meeting special EU standards and requirements. Moving focus a way from individual companies to more focus on general business needs and institutional strengthening in partner countries thus seems appropriate.

In relation to other Central and East European countries than the neighbour-countries/regions the programme components seem to warrant relevance. The business sector type of support, applying the tested approach, can relatively easily be adapted to and implemented in new countries, and might yield some quick results useful in strengthening bilateral relations.

Should business support programmes be implemented in co-operation with "new " partner countries, it seems, however, relevant to put less emphasis on pure match-making type of arrangements based on Danish company needs, and more emphasis on meeting pertinent needs of partner country companies and institutions. Specifically, the following recommendations are given for future activities within the field:

- By a possible continuation of Business Development programme in the countries where this is relevant a solid anchoring should be ensured. A link-up with institution building projects in the field of business service would e.g. enhance the sustainability considerably. This would also be important in order to ensure follow-up actions for the involved companies through the establishment of effective business services, e.g. within the framework of newly created business associations. Concrete business cooperation could be used as basis for conducting pilot projects in this field.

- An initiative much in demand would be the support of establishment of institutions for finance, current as well as investment, for smaller enterprises in the host countries. This could possibly be done in cooperation with Danish/Scandinavian financial institutions already present on the markets or in the course of establishing there.

- In case of a continuation the Export Skills programme a solid anchoring should be assured in the cooperation countries. This also goes for the planning and design phase considering the pace with which the framework conditions for the business environment is changing. Examples of such potential anchoring partners are the SME Foundation in St. Petersburg and the Chambers of Commerce in the Baltic States.

- Continued use of organisers can be recommended, but with more opportunities to make follow-up actions and exchange experience among the organisers. The concept has proved its viability and shown a high degree of cost/effectiveness. In

cases with the direct involvement of SMEs it is recommended to ensure an enhanced effect through the incorporation of players with long and concrete experience in the field of co-operation between SMEs.

- A high information level during the whole programme period is recommended for the involved authorities in the partner states. This would e.g. entail follow-ups on memorandums including not only information on the eventual project implementation but also on final reporting/evaluations.

- The Business Education programme for Russia should be considered for continuation also in the final phase of the Presidential Managers programme, which runs through 2007. This would permit utilising experience built up with the present model. It is, however, not advisable to attempt copying matching models run by other, bigger countries, including Sweden, as this would hardly be sufficiently cost/effective.

- The alumni clubs for trainees, which have been organised in connection with the first Business Education project should be supported also in the future. For rather small means they have a considerable PR effect for Denmark and are at the same time an important contribution to the development of the Danish-Russian business environment.

ANNEX I - LIST OF PERSONS CONSULTED

Denmark

National Agency for Enterprise and Housing
- Pernille Hjort Engstrøm, Head of Section

Ministry of Foreign Affairs
- Steven Foster, Counsellor

Danish Technological Institute - DTI
- Lars Holst-Jørgensen
- Hans Graversen

The Danish Federation of Small and Medium-Sized Enterprises (Håndværksrådet)
- Henning Nygaard

PLS Consult/RAMBOLL
- Anders Ulrich
- Klaus Askjær Pedersen

Execon-DOR /ITEK (Danish Electronics Industry)
- Ella Petersen

NIRAS
- Ole Brøns Christensen

DI International Consultancy
- Johnny Ohgrøn
- Peter V. Helk

Copenhagen Development Consultants/RAMBØLL
- Niels Buchholst
- Helle Hegelund

Dansk Management Forum (nu: Center for Ledelse)
- Irina Markova Hoorfar

RAMBOLL
- Susanne Pedersen
- Helle Hegelund

ErhvervsCenter Greve
- Lars Kruse Ravnsbeck, general manager
- André Bayer, area manager

Agro International, Kolding
- Villy Iversen, manager

St. Petersburg:

Danish Consulate General
- Emilia Ismailova, project officer

St. Petersburg City Administration
- Anastasia Marova, senior expert

St. Petersburg Foundation for SME Development
- Sergey Balanev, general manager
- Tatiana Apatovskaya, consultant

Focus Group Meeting, Export Skills Development (premises of the Danish Consulate General)
- Arcady Khotin, Arcadia Inc.
- Andrew Vonev, Petrolaser
- Anton Avsyanko, Danish Consulate General
- Oleg Bagautdinov, Baltenergofond plc.
- Oleg Zhukov, SME-foundation

Focus Group Meeting, Business Development projects (premises of the Danish Consulate General)
- Boris Leonov and Alvina Russkikh, Tristan
- Leonid Moskalev, Aqua-Delta
- Alexander Abramov, Tandem
- Eugeny Gumen, Baltproject

IECD Timber A/S /OOO IECD Timber (premises of Hotel Moscow)
- Knud Schierbeck, man. dir.
- Irena Dmitrievna Chernenkaya, director

Moscow:

Federal Commission on organisation of managers´ and executives training
- Oleg Lushnikov, head of secretariat
- Victor Fedik, secretary for international relations

Graduate School of International Business
- Leonid Evenko, rector, president of Russian Association of Business Education

Rockwool Russia
- Anders Pedersen, HR manager, Rockwool-Russia (premises of Danish Embassy)

Focus Group meeting (premises of the Danish Embassy)
- Elena Fedotova, Rockwool
- Svetlana Zhukova, Rockwool
- Elena Bizyukareva, Rockwool
- Olga Chertischeva, Rockwool
- Michael Senechkin, Emborg

- Nail Rakhimyanov, Emborg
- Irina Goreleva, Ramboll
- Oleg Tereschenko, Grundfos
- Elena Beliaeva, Grundfos
- Elena Michailova, Velux

Estonia:

Danish Embassy
- Kristy Tättar, commercial officer

Ministry of Economy
- Kadri Aru

Latvia:

Danish Embassy
- Lars Sall, commercial attaché

Ministry of Economy
- Raimondis Aleksejenko, head of division

Latvian Development Agency (LDA)
- Andris Alksnis, specialist

BKG, consulting company
- Didzis Liepins, consultant

Focus Group Meetings, Export Skills project (premises of LDA)
- Georgijs Burakovs, director, College of Economics and Business Administration
- Inga Meija, Latvijas Keramika
- Dainis Ruduss, consultant
- Natalija Belikova, Pures Cehs
- Janus Caune, BALTA eko

Focus Group meeting, IT and Electronics sectors (premises of the Embassy)
- Nadezda Semjonova, BDA
- Vilnis Peimanis, Jauna
- Juris Stripnieks, Dambis

Focus Group meeting, Metal and Plastics industry (premises of BKG)
- Ivars Bernavs, Orionts
- Arnis Balodis, Metal Meistars

East Metal, Dobele
- Klaus Neergaard Pedersen, director

Komfort, Tukums
- Atis Zirdzins, president

Tv-net / Grafton, Riga
- Vents Dorins, director
- Ivars Bauls, director

Valiants, Riga
- Ingmar Pada, president
- Olga Pada, director

Lithuania

Ministry of Economy of the Republic of Lithuania, Industry and Business Department:
- Juozas Martinonis, director, Industry and Business Department
- Violeta Virsilo, senior officer, Industry Strategy Division
- Ms Margerita

Lithuanian Development Agency - LDA
- Laura Guabuzaitè, senior project manager

Lithuanian Apparel and Textile Industry Association
- Linas Lasiauskas, deputy general director
- Raminta Krulikauskienè, project manager
- Jonas Blozè, lawyer

Dr. Eugenijus Milcius, Business Development Consultant

Export Skills Development Project 1

Consultants:
- Ausra Burnienè, Aitecs, export manager
- Virmantas Galdikas, Technogama, marketing manager
- Gabija Cepaitienè, Vulcanos, director

Companies
- Renata Martinkutè, BIOK, now LDA Project Manager Exports
- Rimas Montvilas, Alsena, director

Electronic sector project (DOR)
- Romas Jurevicius, electronic house uab / Metalco Baltic
- Lechas Valeika, UAB Viliaus Ventos Puslaidininkiai, technical manager

Metal and Plastic industry sector project (DFSME)
- Vytautas Jocas, Vildeta, production manager
- Valerij Kovalenko, Detales ir Technologine Iranga / Forvelè, manager
- Benjaminas Zemaitis, Kaligrafas / Nova Meta, managing director

Textile sector project (DTI)

- Greta Piscikaite, Padvaiskas Ir Ko UAB, marketing and sales manager
- Alfreda Sedlevicienè, UAB Eina, general manager
- Eidimantas Rinkevicius, UAB Eina, sales manager
- Inga Stasiulionytè, Trys Sezonai, manager
- Daiva Eidukynienè, Trys Sezonai, marketing director
- Laimute Bigeniene, Sevingas UAB (also UAB Mintenè), owner
- Andrius Bigenis, Saugu (sales company of Sevingas), director
- Vydas Damalakas, UAB Tributum (formerly Silvos Trikotazas), director
- Zenonas Simniskis, UAB Tributum (formerly Silvos Trikotazas), sales manager

Kaliningrad Region:

Danish Consulate/project coordination office

- Arne Grove, consular

Poland:

Danish Embassy

- Niels Freese, councellor

Ministry of Economy

- Grazyna Gojska-Gdula, senior adviser

Focus Group meeting, Business Development projects, (premises of Danish Embassy)

- Wlodzimierz Kander, Uniscale
- Jan Rajtar, Eko-Efekt
- Miroslaw Laskowski, Inwestycje Kapitalowe
- Andrzej Zdzitowiecki, 4pi Analyst

Trafber, Nadarzyn

- Andrzej Berus, man. dir.

Kongskilde-Polska, Kutno

- Dariusz Blaszczyk, man. dir.
- Alina Jozwiak, accountant man.

ME-TECH, Sopot

- Grzegorz Krzyzanowski, man. dir.

ANNEX II – LIST OF DOCUMENTS CONSULTED

The Danish Government

NAEH-files

Organisers' Final Reports

Østeuropa Behovsanalyse (Needs Analysis), Erhvervsfremmestyrelsen, February 1997

Strategi for den danske Øststøtte (Danish Strategy for Assistance to Central and Eastern Europe) 2002-2003, Regeringen, april 2002

Evaluation of the Business-to Business Programme, Danish Agency for Trade and Industry, December 1999

Evaluation of the South Africa-Denmark Business-to Business Programme, Danida 2000

Evaluation of the Danida Private Sector Development Programme, Danida 2002.

Beretning til statsrevisorerne om privatsektor programmer i udviklingslande. Marts 2003.

Phare

"Integration into the European Union: Law Approximation", subcomponent on Industrial Policy, Swedish Business Development Agency and Ministry of Economics of the Latvian republic, Riga 2002

ANNEX III – KEY FIGURES for Danish export and import to selected countries

Danish export and import from selected countries, in million Danish kroner.

Total export	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**
Estonia	573	688	816	710	987	1053	1169
Latvia	550	659	902	850	908	1142	1196
Lithuania	1016	1642	1732	1760	1670	1970	2078
Poland	5020	5967	6392	6193	6782	7200	7071
Russia	4366	6142	4587	2940	4126	5856	5426
Hungary	*700*	*772*	*1002*	*985*	*1100*	*1435*	*1758*
Textile – Lithuania	96	148	194	232	348	341	385
Textile – Latvia	59	85	109	119	143	155	147
Textile – Russia	15	30	45	53	50	68	68
Total import							
Estonia	432	502	763	881	1253	1401	1362
Latvia	426	599	697	912	1058	1442	1280
Lithuania	653	798	1058	1397	1765	1876	1997
Poland	4123	5022	5308	5544	6585	7669	7408
Russia	2284	2017	2270	2129	3322	3475	3197
Hungary	*426*	*561*	*773*	*751*	*926*	*1142*	*1306*
Textile – Lithuania	8	9	13	24	65	82	109
Textile – Latvia	27	29	36	34	24	26	18
Textile – Russia	11	22	48	70	87	82	48

ANNEX IV – KEY FIGURES PROGRAM COST

Business Development Program ---------- 1.000 DKK ----------

Organiser	Sector	Area	Company matches, no.	Participants in training, no	Intern-ships, no	Total costs	Excl. training	Per match	Training	Per trainee
DI IC	Wood & Met.1	Lithuania	15	47	7	1.950	na	na	na	Na
-	Wood& Met. 2	Lithuania	15	40	20	1.530	na	na	na	Na
-	Envir.&Energy	St. Petersburg	12	38	21	2.250	1.650	137	600	16
DTI	Textile ind 1	Lithuania	11	21	6	2.500	1.350	123	1.150	55
-	Prod. Networks	Baltic Sea Reg.	10	16	5	3.950	2.750	275	1.200	75
-	Textile ind. 2	Lithuania	15	13	13	1.970	1.470	98	500	38
DFMSE	Metal&Plast. 1	Eston./Latvia	16	21	5	2.100	na	na	na	Na
-	Metal&Plast. 2	Estonia/ Latvia	15	28	12	1.915	na	na	na	Na
DOR /ITEK	Electronics. 1	Estonia/Latvia	11	38	8	2.250	1.050	95	1.200	31
-	Elektronics 2	Est./Latv./Lith.	13	23	6	2.100	na	na	na	na
NIRAS	Build.&Constr.	Est./Latv./Lith.	13	30	3	1.900	1.100	85	800	27
PLS-Ramboll	IT-sector	Est./Latv./Lith.	21	34	15	2.500	1.800	86	700	21
-	IT-sector 1	Poland	18	18	15	2.500	1.800	100	700	39
-	IT-sector 2	Poland	21	24	15	2.500	1.800	86	700	29
RAMBOLL	Agro Ind. 1	Poland	17	12	10	2.280	na	na	na	na
-	Agro Ind. 2	Poland	10	25	15	1.600	1.300	130	300	12
Total			233	428	176	35.795	na	na	na	na

Export Skills Program -------1.000 DKK------

Organiser	Area	Participants training, no.	Total cost	Per trainee
DTI	Est../Latv./Lith.	30	2.550	85
RAMBOLL	St. Petersburg	34	2.565	75

Feasibility studies totals: No.: about 175 Co-finance: about 10 mill. DKK

Business Education Program ------ 1.000 DKK-------

Organiser	Area	Part. companies, no.	Internships, no.	Total cost	Per internship
DMF	Russia	9	38*)	4.250	112*)

*) 10 more Internships in the pipe-line resulting from this project. That would bring the unit down to about 90.000 DKK

ANNEX V – DANSK RESUMÉ

1. Baggrund

Inden for rammerne af Økonomi- og Erhvervsministeriets erhvervsrelaterede sektorprogram har Erhvervs- og Boligstyrelsen (indtil 2001 Erhvervsfremme Styrelsen) siden 1998 iværksat et større antal projekter. Formålet har været at fremme vækst og samhørighed i Østersø-regionen baseret på markedsøkonomiske principper via en velfungerende privatøkonomisk sektor. Geografisk omfatter programmet Estland, Letland, Litauen, Polen samt Skt. Petersborg og Kaliningrad-områderne og for lederuddannelsesprogrammets vedkommende også Moskva. I alt 83 mill. kr. er blevet bevilget til programmet, hvis gennemførelse er blevet udliciteret til danske organisatorer (virksomheder og organisationer). Derudover blev der i forbindelser med virksomhedsudviklingsprogrammet bevilget 15 mill. kr. til medfinansiering af feasibilitystudier, der blev godkendt og udbetalt af styrelsen selv.

Programmet består af tre hoveddele:
Virksomhedsudvikling – støtte til etablering af samarbejde mellem danske og østeuropæiske virksomheder. Ca. ¾ af de totale midler – 61 mill kr. - er anvendt på denne del.
Virksomhedsrådgivning - støtte til styrkelse af rådgivningsfunktionen inden for eksport i eksisterende institutioner/virksomheder i mållandene. 14 mill. kr. af bevillingen gik til denne del.
Lederuddannelse - projekter i Rusland rettet mod en styrkelse af lederkompetencen hos russiske ledere i virksomheder, som danske virksomheder har etableret samarbejde med. I alt 8 mill. kr. er bevilget til denne del af programmet.

T&B Consult blev udpeget til at udføre programevalueringen, der er foregået i perioden december 2002 – april 2003. Evalueringen har indebåret interviews med de danske organisatorer og andre nøglepersoner, markstudier i Polen, Litauen, Letland og Rusland samt spørgeskemaundersøgelser rettet mod deltagere fra begge sider.

2. Programmets relevans

Evaluator har fundet alle tre programdele relevante for dækning af behov hos såvel de danske virksomheder som hos de østeuropæiske parter. Ydermere kom initiativerne på et meget belejligt tidspunkt, hvor det russiske marked var skrumpet p.g.a. valutakrisen i 1998.

3. Overordnet vurdering af programgennemførelsen

Evalueringsteamet observationer kan opsummeres som følger:

	Høj	***Middel***	***Lav***
Bæredygtighed			X
Fagligt niveau		X	
Deltagertilfredshed		X	
Effektivitet i gennemførelsen	X		

Bæredygtigheden af projekterne er fundet i den lave ende af skalaen. Kun få nye virksomhedssamarbejder etableret i projektfasen varer stadig ved. I flere tilfælde er samarbejde imidlertid etableret med virksomheder der ikke deltog i projektet. Begrænset forankring i Rådgivningsprogrammet har også ført til den relativt lave scoring på dette punkt. I de tilfælde hvor projektdeltagelsen har bygget på allerede eksisterende kontakter – eller ligefrem samarbejder – har levedygtigheden selvsagt været større.

Brugen af organisatorer efter udbud har været en hensigtsmæssig måde at imødekomme de særlige krav for tilpasninger, som vilkårene i de enkelte sektorer har stillet. Omvendt har denne organisationsform medført en begrænsning i en mere permanent institutionel forankring ligesom der har været begrænsede bestræbelser på at udnytte erfaring opsamlet under forløbet.

Vurderingen af det *faglige indhold* i projekterne ligger mellem højt og middel, idet kursusaktiviteterne gennemgående har imødekommet eksisterende behov og krav og matchningen af virksomhederne er blevet udført professionelt og i overensstemmelse med de stipulerede krav. Brugen af mange organisatorer har givet plads til mange forskellige måder at gennemføre projekterne på og faglig og teknisk overensstemmelse mellem organisatorer og deltagere.

Deltageropfattelsen af projekterne ligger også mellem høj og middel skoring. Slutevalueringerne fra projekterne har vist mere end 75 % tilfredshed og dermed levet op til succeskriteriet. Disse resultater bekræftes af nærværende evaluering.

Effektiviteten i gennemførelsen er fundet i den høje ende af skalaen. Gennemgående har gennemførelsen af projekterne været både professionel og omkostningseffektiv. På basis af de 2-2½ million kr., der har været sat af til hvert projekt er det lykkedes at komme ud til mange virksomheder, som på forskellig vis har haft nytte af deltagelsen enten direkte eller via forskellige spin-off effekter.

4. Vurdering af resultater og effekter

For virksomhedsudviklingsprogrammets vedkommende har effekterne af virksomhedsmatchningen været meget forskellige fra projekt til projekt, idet antallet af ideal-matchninger, hvor varigt samarbejdet er etableret i et nyt samarbejdsforhold har været beskedent. Relativt få resultater af denne art er også fundet ved en evaluering af tilsvarende – i øvrigt betydeligt mere omkostningskrævende - programmer. Når det er sagt skal man dog erindre, at langt fra alle effekter bliver registreret som hidrørende fra projekterne.

Det store forbrug af ressourcer på matchmaking-delen har betydet, at der har været relativt få ressourcer til individuel bistand. Det har igen betydet at nogle samarbejder er gået i stå p.g.a. manglende opbakning til fremdriften. Tilsvarende følte flere organisatorer at de havde måttet lade mange muligheder ligge ved afslutningen af projektet, herunder muligheder for at drage nytte af erfaringsudveksling med de andre organisatorer.

Mens spørgeskemaundersøgelsen indikerer at flertallet af repondenterne stadig samarbejder med deres partner, viser markstudierne og den telefoniske opfølgning på ikke-repondenter, at antallet af varige partnerskaber falder under måltallet på en tredjedel af de indledende partnerskaber. Endvidere indikerer de indhentede oplysninger også, at

samarbejdet normalt ikke har karakter af et dybere samarbejde (joint venture eller licensaftaler m.v.), men mindre forpligtende, ikke-formaliserede aftaler.

Alt i alt har projekterne imidlertid i mange af tilfældene igangsat en dynamik, hvor kontakter og erfaringer opnået via projekterne har ført til samarbejde med andre partnere end dem der deltog i projektet. I disse tilfælde har projekteffekt mere haft karakter af en katalyseeffekt.

Kursus/praktik-elementet, der har været en del af alle tre programdele har gennemgået haft god effekt samtlige alle partnerlande, både på virksomhedsforankrede og personlige. Især har samspillet mellem kurser og praktik været værdsat. Kurserne har tit haft en øjenåbnereffekt, hvor de involverede har set på deres egen og virksomheden situation med nye øjne, så at sige udefra. Hertil kommer en meget positiv modtagelse af den særlige åbne og respektfulde undervisningsform været værdsat og ofte opfattet som en særlig dansk måde at gøre tingene på.

5. Anbefalinger

Mens programmet, da det blevet startet op, efter evaluators opfattelse har været særdeles relevant er det i mindre grad tilfældet, hvis man skal vurdere fremtidens behov. Efterhånden som de pågældende markedsfunktioner nærmer sig vestlig standard og flere erfaringer med virksomhedskontakter gøres, bliver relevansen af individuel matchning af virksomheder mindre åbenlys, især i de områder hvor kontakterne med det vestlige marked har nået en høj intensivitet.

Fokus bevæger sig derfor fra indsatser overfor enkeltvirksomheder mod indsatser overfor generelle behov for udbud af erhvervsservice (konsulenttjenester, information, kontaktformidling, assistance til opfyldelse af kvalitets- og godkendelseskrav o.s.v.) gennem en institutionelt forankret indsats i samarbejdslandene. Disse behov skærpes i en situation med fremadskridende indførelse af EU-normer.

I tilfælde hvor det vurderes hensigtsmæssigt at fortsætte med virksomhedsudviklingsprojekter, f.eks. i lande, der ikke står foran optagelse i EU og hvor tilstedeværelsen af et vestligt præget virksomhedsmiljø er mindre intensiv bør bæredygtigheden søgt øget gennem en sammenkobling med institutionsopbygningsprojekter. En sådan kobling vil sikre opfølgningsmuligheder for de deltagende virksomheder gennem etablering af erhvervsservice f.eks. forankret i egnede erhvervsorganisationer.

Der bør sættes mere fokus på opfølgningsfasen f.eks. hvad angår finansieringsordninger i tilfældet med virksomhedssamarbejdsprojekter. Sådanne ordninger kunne etableres i samarbejde med involverede aktører, private som offentlige.

Hvis det besluttes at fortsætte virksomhedsrådgivningsprogrammet, bør der sikres en solid forankring i samarbejdslandet. Det gælder også planlægnings og designfasen af hensyn til erhvervsmiljøer under hastig ændring. Eksempler på sådanne forankringsmuligheder er SME Foundation i Skt. Petersborg og handelskamrene i baltiske lande

Ved en fortsættelse af samarbejdet med de russiske myndigheder omkring uddannelsesprogrammer for virksomhedsledere også i den afsluttende fase af Præsident-

programmet, bør den nuværende model fastholdes, både af hensyn til en udnyttelse af de hidtidige erfaringer og af hensyn til omkostningseffektiviteten.

Ved en eventuel fortsættelse af det erhvervsrelaterede sektorprogram for Central- og Østeuropa anbefales det at fortsætte med brugen af organisatorer, men med flere muligheder for opfølgning og erfaringsudveksling mellem organisatorerne. I tilfælde, hvor mindre virksomheder involveres direkte anbefales det, at de sker i samarbejde mellem organisatorerne og aktører med lang og tæt erfaring med samarbejdsaktiviteter mellem mindre virksomheder inden for de pågældende sektorer.

Et højere informations niveau og mere dialog med de involverede myndighedspartnere i samarbejdslandende anbefales. Dette vil f.eks. kræve mere systematiske opfølgninger på de indledende, f.eks. en nøjere redegørelse for hvilke projekter, der besluttes gennemført og i forbindelse med slutrapporteringen/evalueringen.

Det kan ikke anbefales at fortsætter med flerlandeprojekter, da det svækker fokus fra begge sider.