GIJIMA KZN STUDY TOUR

CZECH REPUBLIC

2 – 11 September 2007

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Department of Economic Development
14th Floor, The Marine, 22 Gardiner Street, Durban
4001 Private Bag X 001, Bishopsgate, 4008
Tel: +27 31 310 5493 Fax: +27 31 310 5494
Website: www.kznded.gov.za
1. GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Participants</th>
<th>Due to the high level and strategic nature of the study tour, participation is restricted to the following:</th>
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<tbody>
<tr>
<td></td>
<td>▪ 8 District Municipal senior officials</td>
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<td></td>
<td>▪ 2 Business Association representatives.</td>
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<td></td>
<td>▪ 3 DED officials</td>
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<td>▪ 1 Gijima KZN official</td>
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<td></td>
<td>▪ 1 DPLG official</td>
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<td>▪ 1 SALGA representative.</td>
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<td>Participation is by application and selection (See application processes below) Participants must have valid permanent passports. European countries do not accept temporary passports</td>
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| Schedule | Arrival: 2 September 2007  
Departure: 11 September 2007  
(For detailed schedule see draft programme below) |
|----------|--------------------------------------------------------------------------------------------------|

| Nature and content of the study tour | ▪ The similarities with regard to the economic strengths of South Africa and the Czech Republic and their positions within the global economy  
▪ The extent to which democratisation has taken place at a local level  
▪ Regional versus local economic development  
▪ How local government operates in the area both in the city and more rural areas.  
▪ How the economy is dealt with at the local, regional and national levels.  
▪ Looking at local level examples of pro-poor local economic development projects.  
▪ Looking at the co-operative and/or social enterprise movement either independent of local government or supported by local government.  
▪ Coops and social entrepreneurship – the move to single entrepreneurs and away from collectivism (coops)  
▪ The relationship between business and local government. Czech has strong business associations  
▪ Mono industries and the impact on economic development. Czech economy is focused on the motor industry  
▪ The levels of democratisation in the larger workplaces and mechanisms established for democratic participation in the economy.  
▪ Tourism and tourism diversification – in the context of Czech within European destinations vs. KZN within the South African context  
▪ TiK vs. Czechinvest and strategies regarding regional investment |

| Notes | ▪ This tour is being planned by MEPCO which is a joint venture between the Czech Association of Municipalities (SMO) and the Dutch Association of Municipalities (VNG International)  
▪ This is a draft of the programme (see below) and some amendments may be necessary depending on the final availability of hosts |
2. APPLICATION AND SELECTION PROCESSES

Applications

- Applications must be made by using the relevant application form and by providing all required documentation. Handwritten applications will not be accepted.
- Applications must be received by Gijima KZN on or before **16.00h on 15 July 2007**.
- Applications can be posted or hand delivered

General selection criteria

Criteria for the selection of participants of study tours will, inter alia, include:

- Organisational location of the participant
- Current active participation in Gijima KZN or LED issues, processes and structures and the issues on which the study tour focuses
- Nature and content of the tour and the appropriateness for participation
- Participants’ ability and commitment to disseminate learnings
- Participants’ ability to cover financial contribution
- Race and gender representivity

Specific selection criteria for this tour

Due to the high level and strategic nature of the international study tours participation is restricted to District Municipalities. There will be no general Solicitation OF participants, all participants will be targeted and the group representation will be as follows:

- 8 District Municipal senior officials
- 2 Business Association representatives.
- 3 DED officials
- 1 Gijima KZN official
- 1 DPLG official
- 1 SALGA representative.

Participants must have valid permanent passports. European countries do not accept temporary passports.

Participant commitment

To ensure commitment of participants, the following will be required:

- In the case of District Municipalities, a Council Resolution approving participation must be to be attached to the application.
- After selection is confirmed, 10% of the total study tour cost (or a figure that will be agreed upon) must be paid to Gijima KZN as a commitment fee by the participant. This money will be used by Gijima to defray costs of the tour.

Selection processes

- The tour schedule, programmes and selection processes and criteria (this document) for the tour is available on the **[Gijima KZN website](http://www.gijimakzn.org.za)**.
• Reference to this has been emailed to PSC members, all district municipal managers, DPLG PSC representative, SALGA PSC representative and other relevant stakeholders
• Applications are to be sent to Gijima KZN in the specified format on or before the closing date.
• Participants will be strictly assessed against criteria and Gijima KZN will provide a technical report to the PSC Policy Sub-committee on the assessment and selection of participants
• Based on the technical report, the Policy Sub-committee will make recommendations for the approval of the Programme Manager
• Once approval obtained from the Programme Manager:
  ▪ Participants selected will be approached in good time regarding their participation and their commitment obtained. Participants commitment will be confirmed by deposit of own contribution (non-refundable)
  ▪ Once commitment is obtained, travel and accommodation for participants will be procured, booked and paid for
  ▪ If participant does not show, the deposit will be attached and used to defray cancellation costs
  ▪ If participants show, then their own contributions will be used for meals and other disbursements on the tour
3. DRAFT PROGRAMME

DAY 1
(Sunday 2 September 2007)

- Arrival: Prague’s Ruzyne airport,
- Meet MEPCO coordinator and project manager Ms. Stepanka Litecka and transfer to hotel.
- Welcome dinner.

DAY 2
(Monday 3 September 2007)

Morning

MEPCO, Ltd.
www.mepco.cz

Introductory session with MEPCO
(Mr. Zdenek Husek, director; Mr. Zdenek Vyborny, senior project manager; Ms. Stepanka Litecka, junior project manager).
- Introduce the Study Tour programme
- Explain the connection between the programme and the institutions which will be visited.
- A brief introduction to the situation in the Czech Republic

MEPCO was founded 2004 as a joint venture between Czech Association of Municipalities (SMO) and VNG International. It is the daughter company of the Dutch Association of Municipalities (VNG). Mepco supports regional and local governments in increasing administrative effectiveness and quality

Union of towns and municipality CR
www.smocr.cz

The Union of Towns and Municipalities of the Czech Republic is a voluntary, non-political and non-governmental organisation. It is a partner of the Government, Parliament and, at present, also European Union institutions. Cooperation with these bodies mainly entails participating in the preparation and creation of proposals for legislative and other measures by submitting amendments in the areas concerning competencies of municipalities. The Union’s activity is primarily based on the activity of mayors, lord mayors, local government councillors and employees, who apply their knowledge and skills when tackling the problems of municipalities and towns.

Afternoon

Ministry for regional development (MMD)
www.mmr.cz

MMR CR is the NAC (National Aid Coordinator) for many EU programmes in the CR. The delegation will have an opportunity to meet representatives of the Department of European funds as well as the Managing Authority of the
joint and regional operational programmes. Both departments have experience with the national framework for the regional and local development financed from national sources and EU funds. The delegation will be welcomed by deputy minister Mr. Pucek (who has a long-term experience in the municipality of Town of Vsetin where he was Secretary of municipality.

The Ministry is the central body of the State Administration of the Czech Republic in following areas:
- regional policy, including regional support for private enterprises,
- housing policy and the development of housing resources,
- leasing of residential and non-residential facilities,
- zoning and building regulations,
- Investment policies and tourism.

The Ministry also:
- manages financial resources provided by the Government for areas of housing and regional policy of the State.
- co-ordinates the activities of other Ministries and central bodies of State Administration when implementing the housing and regional policies of the State
- co-ordination of the financing of these activities in cases when the Ministry itself does not directly manage these financial resources.
- provides information and methodology for counties, cities and municipalities and their associations and supervises the activities associated with the process of integrating regions into European regional structures.

**DAY 3**
(Tuesday 4 September 2007)

**Morning**

**Ministry of Industry and Trade**

[www.mpo.cz](http://www.mpo.cz)

The Ministry of Industry and Trade is the central body of the government administration involved in the Co—ordinates the foreign trade policy of the Czech Republic in relation to individual states, concludes bilateral and multilateral business and economic contracts including commodity contracts, executes commercial cooperation with EC, EFTA, WTO and other international organisations and integration groups, controls and administers activities associated with license regime application within the sphere of economic relations abroad, investigates the dumping of imported products and takes measures to protect against the import of such products, controls hall marking and precious metals testing.

Meet with representatives from different sections:
- The Structural Funds sections will describe and compare the situation for entrepreneurship and innovation in the new EU programming period prior to the accession of the CR into EU;
- The Trade Section will describe the economy at local, regional and national levels.

**CzechInvest Agency**
After the meeting with the Ministry the delegates will have the opportunity to meet representatives from the National Agency CzechInvest which is a subsidiary company of the Ministry of Industry and Trade. CzechInvest deals with the LED and FDI at regional and local level.

CzechInvest, an agency of the Ministry of Industry and Trade was established in 1992. The main objective of CzechInvest is to advise and support existing and new entrepreneurs and foreign investors in the Czech Republic. The agency contributes to attracting foreign investment and developing domestic companies through its services and development programmes.

CzechInvest also promotes the Czech Republic abroad and acts as an intermediary between the EU and small and medium-sized enterprises in implementing structural funds in the Czech Republic. CzechInvest is exclusively authorized to file applications for investment incentives at the competent governing bodies and prepares draft offers to grant investment incentives. Its task is also to provide potential investors current data and information on the business climate.

Since the Czech Republic's accession to the European Union, CzechInvest has also administered resources from structural funds. Through the Operational Programmes Industry and Enterprise and Human Resources Development, hundreds of millions of euros were distributed to entrepreneurs in 2004-2006.

To further promote the Czech Republic's investment and business environment, CzechInvest together with the Association for Foreign Investment http://www.afi.cz/en/ established a joint project called Partnership to Support Foreign Direct Investment to the Czech Republic. Partnership in this case involves cooperation in achieving CzechInvest's aims and is open to all companies interested in supporting foreign direct investment and in taking part in improving the business climate in the Czech Republic.

Afternoon

Union of trade and transport
www.spcr.cz

The Confederation of Industry of the Czech Republic is a voluntary organization uniting employers and entrepreneurs in the Czech Republic in the field of industry and transportation. SP CR is fully independent of government, political parties and trade unions. Representatives will describe the relationship between the association and government and they will describe the government business policy from the associations' point of view.

Chamber of commerce Czech Republic
www.komora.cz

The Chamber of commerce Czech Republic focuses mainly on the distribution of information concerning support for small and medium enterprises, changes in the legislation, businesses, offers and demands for products, services, invest opportunities etc.
DAY 4  
(Wednesday 5 September 2007)

Morning

Czech Tourism  
www.czechtourism.com

The activities of the Czech Tourist Authority (CTA) are about promoting the Czech Republic abroad. The travel and tourism industry constitutes a significant factor in the Czech Republic’s economy; foreign exchange earnings from tourism reached 118.13 billion Cz. crowns in 2001, constituting 5.5 % of the GNP. The share in the Czech Republic’s overall export earnings was 9.3 %. In 2001 were more than 110,000 (2.37%) of people were employed in travel and tourism - in other words, every tenth person is employed in the travel and tourism industry or in some related sphere. All activities of the CTA are concentrated on developing the country’s travel and tourism. The representatives of the JAR embassy in the CR and Senator Tomáš Jirsa (member of the international department in the Senate of the CR) will talk about tourism and tourism diversification – in the context of Czech within European destinations vs. KZN within the South African context.

Afternoon

Departure by bus to the South Bohemian Region

City of Ceske Budejovice  
www.c-budejovice.cz

Ceske Budejovice grew into the economic and cultural capital of South Bohemia and in 1949 it became the seat of the newly created Ceske Budejovice region. In 1948 the Pedagogical Institute was established, today it is the Pedagogical Faculty of the South Bohemian University. Since the 1950s the city has been marked by considerable territorial and population growth, the population has doubled and is currently just under one hundred thousand. It is now a modern city with many investment opportunities, with advanced industry and business. The city is situated near the border with Austria and Germany and has very good relations with these countries.

DAY 5  
(Thursday 6 September 2007)

Morning

South Bohemian regional office  
www.kraj-jihocesky.cz

By the law regions are governed by a local authority - which in the South-Bohemian Region has 55 members. Other authorities of the region are a Council of the Region and a Governor of the Region and a District Council. The Governor of the Region establishes, by law, specialized authorities for
delegated performance. The local authority sets up boards and District Council committees and supervisory authorities. The region can establish legal entities and organizations.

The top management of the South Bohemian regional will introduce main characteristics of the Region and they will describe the situation with respect to agriculture, industry, tourism and LED from the regional point of view.

During all visits in the South Bohemian region the delegates will be accompanied by Ms. Pavla Konopova, MEPCO deputy director.

Afternoon

Regional development agency South Bohemia

www.rera.cz

The Regional Development Agency of South Bohemia – RERA Inc. has been successfully operating within the EU member countries - based on the principle of partnership among individual regional bodies operating in the South Bohemian Region. The Agency began operating in January 1999 with the objective of supporting and coordinating economic, social and cultural development within the South Bohemian Region.

South Bohemian chamber of commerce

www.jhk.cz

The South Bohemian chamber of commerce (JHK) was established by entrepreneurs of South Bohemia according to the code no. 301/1992 Coll. and the following acts about the Chamber of Commerce and the Agricultural Chamber of the Czech Republic.

JHK is an association of entrepreneurs that supports the development of entrepreneurship in the region, co-operates with state administration bodies and regional autonomy and provides wide information, consulting and marketing service in the field of entrepreneurial activities. JHK focuses mainly on the distribution of information regarding the support small and medium enterprises, changes in legislation, business, offers and demands for products, services, investment opportunities etc. JHK has 1100 members, enterprises and entrepreneurs in the South Bohemian region.

DAY 6
(Friday 7 September 2007)

Morning

Czech Invest - Investment and business development agency

www.czechinvest.cz (see description above)

Visit to the Regional CzechInvest office to see how regional services are provided by its Prague headquarters and its regional offices. The representatives of the Regional office of the CzechInvest will describe the programmes being offered to municipalities and to entrepreneurs in the region of South Bohemia. They will also describe the situation in the region where it has a mono-industry.
Regional office for tourism South Bohemia  
[www.jccr.cz](http://www.jccr.cz)

The Regional office for tourism supports tourism activities in the region. It will explain how it advertises South Bohemian tourism potential and how it cooperates with different national institutions.

### Afternoon

**Municipality Hluboka nad Vltavou**  
[www.hluboka.cz](http://www.hluboka.cz)

As an example of the concrete output of the activities and services of the institution mentioned above we will visit the municipality of Hluboka nad Vltavou, a tourist attraction which also serves but also businessmen - and recently also sportsman of all kinds.

The mayor of the municipality is also a Senator and we would have met him on day 4 (see above)

Hluboka nad Vltavou is also member of the micro region Budejovicko-North and we will visit some of other member municipalities (Borek, Usilne). Their representatives will explain us why they established the micro region, if they see any advantages for their development and if there are greater possibilities to obtain sources from EU funds for their activities.

An example of the “transitive miracle” among Czech municipalities. The town of Hluboká nad Vltavou (4,500 citizens) is famous, above all, for its stunning, night-lit Hluboká Château built in the Windsor Neo-Gothic style, with its splendid interiors. The Château is located around 20 km for the capital of South Bohemian Region Ceske Budejovice.

Recently, the town has become a popular centre for sports. The sports complex on the left bank of the Vltava River provides a wide range of sporting activities.

**Micro region Budejovicko-North**  
[www.budejovicko-sever.cz](http://www.budejovicko-sever.cz)  
[www.usilne.cz](http://www.usilne.cz)

| DAY 7  
(Saturday 8 September 2007) |
|-----------------------------|

**Town of Cesky Krumlov**  
[www.ckrumlov.cz](http://www.ckrumlov.cz)

The unrivaled status of the town led to the declaration of Cesky Krumlov as a Historical Urban Reservation as early as 1963. The significance of Cesky Krumlov as an unusual Historical Monument was pointed out in 1992 by the act of the International Association of UNESCO. Cesky Krumlov was included among the monuments of world importance, those to which exceptional care,
attention and support had to be indispensably devoted. The unique urban environment is made up of more than 300 historical. Nevertheless Český Krumlov does not remain only an historical open-air museum, but it is a living city with typical and unique offers of cultural and social activities. Any visitor could spend several pleasant days here by discovering the beauties of the town and its surroundings.

The delegates will spend the whole day in the municipality of Cesky Krumlov. The mayor will introduce the municipality and officials will briefly describe obstacles to LED caused by an emphasis on tourism. Delegates will be also see examples of pro-poor local economic development projects.

During afternoon, the city centre will be visited - accompanied by MEPO project manager Mrs. Martina Slapakova (who originally worked for the municipality of Cesky Krumlov). A visit will be made to the nearby golf course. Ms. Konopova will introduce the idea of golf courses as an alternative tool for further LED.

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**DAY 8**
(Sunday 9 September 2007)

Departure to Prague and free time in Prague in the afternoon

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**DAY 9**
(Monday 10 September 2007)

**Morning**

Closing session with MEPCO and SMO experts, last opportunity to ask questions and request explanations

**Afternoon**

Evaluation of the study tour (delegates will be given an evaluation survey)

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**DAY 10**
(Tuesday 11 September 2007)

Transfer to the airport, departure to SA