Annex 1: Internal study

Internal study

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Croatia		
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	Planned	*Fixed*
Date	28.4.2011	-
Venue/city	Grand Hotel Adriatic, Ulica Maršala Tita 200, Opatija	-
Thematic focus/objectives	The workshop in Croatia, titled “Transport and logistics SMEs: Cooperation and competition”, is going to gather primarily transport and logistics SMEs, as well as other SMEs having different transport and logistics needs, in new European Union States, two Candidate Countries and countries around Croatia. It should be of special interest to Croatian enterprises due to the planned finishing phase of the negotiation between EU and Croatia in the process of Croatia’s accession to EU. Thematic focus – the reasons, ways and benefits of the cooperation between SMEs and importance of the balance between SMEs cooperation and competition – is of the greatest significance in future design of SMEs’ position on the market under the globalization pressure led by large companies. These objectives are, indeed, connected to the other transport/logistics main issues, like intermodality, co-modality, transportation greening and safety, to mention only the few. In the line	-

	with the B2B LOCO goals, of course, other objectives are encompassed, like transport knowledge and new technologies information dissemination, the EC FPs projects best practice examples proliferation and rising the SMEs and entrepreneurs interest in the FP projects participation. The main aim of the workshop will be to examine/show competing and collaborating forces between transport and logistics SMEs based on projects results of FP5 and FP6 and FP7. Two main forces, cooperation and competition, greatly shape transport and logistics services market, influencing rationality of resource usage and environment effects. Special attention will be given to the regional clusters of SMEs.	
A state of the art within the planned thematic focus, possible feedback on attractiveness of the research offer to SMEs	Near 99.8% of 20.8 million of all EU enterprises, excluding finance sector, are SMEs – enterprises having no more than 249 employed persons. And within these SMEs 92% are micro enterprises (having no more than 9 employed persons) averaging 2.1 persons per enterprise. Of all the enterprises 6.9% are small (10–49 employed). In the Year 2008 SMEs absorbed 67.4% of all employed persons. It is evident the most common EU enterprise is micro enterprise and micro enterprises number has even the fastest growth. In the Year 2008 EU 15 average SME size per country varied between 3 and 12 occupied persons compared to EU 12 between 3 and 18. The number of jobs in SMEs in the same period increased by 1.9%, yearly, compared to 0.8% in large enterprises. Exactly 6% (1.24 million) of EU-27 SMEs are in the transport, storage and communication industry, averaging 4.6 occupied persons per enterprise. Micro SMEs have much smaller number of occupied persons, as a traditional home business often with only a driver and truck. Due to the economies of scale and other reasons, on average, SMEs have a lower labour productivity and lower profitability than large enterprises. And just because of that there is a lot of interest among SMEs to raise productivity and profitability through the wide spectrum of cooperation between SMEs. Big number of transport/logistics SMEs on	

	the market means severe competition among them, sometime leading to under quoting services just to survive in the medium run. Looking to the other industries similar situations exist when investigating the size of the SMES and level of competition. So SMEs it these industries are also pushed to cooperative business and networking and to changes in technologies and processes. It is expected that economic reasons, forms and positive outcomes of transport and logistics SMEs cooperation, under the frame of EU goals and policies toward development of regions, transport and SMEs, under privatization and deregulated market conditions, will attract speakers and participants to fruitful discussions. That is particularly clear when regional clustering, as a proven and still emerging form of firms' collaboration, promises better future not only to SMEs but to the regions too. All the transport and logistics have been constantly competing - around the World because of the big companies global supply chain systems and the Chinese economic growth, between Trans-European main transport corridors or different mode of transport in the corridors, and between European regions trying to exploit combination of natural and other advantages with efficient transport and logistics system. As the added value rise on new services of modern logistics, every SMEs should be interested in knowledge acquiring – and that is where centres of logistics competence and RTD community find new field of work. EU has been fostering transportation, SMEs and regions through extensive incentives and programmes among which FPs provide deep knowledge as well as best practices. In his core the B2B LOCO project has been taking care about both the knowledge and best practices in the transport and logistics matters that are of the greatest importance for SMEs. The B2B LOCO project builds his role on previous and current EC FP projects cognition so the outcome and best practice of these projects can be disseminated to SMEs. In the current	

	collection of FP projects, which are relevant for transportation SMEs, there is noticeable number of the projects dealing with competition and cooperation among SMEs from the points of view that can attract SMEs, RTD, administrative and other audience. Some characteristics of Croatian transport: - through the country two Pan-European corridors lead: V (Vb - Hungary-Osijek-Port of Ploče; Vc – Hungary-Botovo-Zagreb-Rijeka port) and X (Ljubljana-Dobova-Zagreb-Tovarnik-Beograd), - all modes present, developed sea, air (one national airline, 8 international airports) and road transport (near 1 200 km of modern motorways; lower level roads need rehabilitation), two main seaports (Rijeka and Ploče), necessity to modernize crucial railway line in corridor X and to build new line between Hungarian border and Rijeka port), outdated river transport with low quality infrastructure, - multimodal equipment is rare outside the seaports, there is no logistics/terminal centres, unsuccessful start of Ro-La (Šamac-Wels), consequently small share of multimodal transport, - big global retailers and logistics companies have been producing positive influence on the whole transportation sector (knowledge of new transportation concepts and technologies), - road carriers under the competition of much cheaper carriers from Bosnia and Herzegovina, the carriers from Italy and Austria, main Croatian trade partners, for now are not competing on Croatian market, - EU/Croatia negotiation on Transport chapter closed, - a few biggest truck carriers went to bankruptcy in previous three years, recession in 2009 and 2010 has closed noticeable number of small truck carriers, - about 60 regional clusters (mainly of manufacturing type, 6 transport type).	
Some statistics on SME participation in transport and logistics projects of	In the FP6 in the period 2002-1.1.2006 Croatia has participated as third country, and in the year 2006 as associated	

Framework Programme	country. In the FP7, in Transport area (including Aeronautics), 16 Croatian partners (12.9% of all Croatian partners in all areas) have been participating in 8 grant agreements (8.33% of all grant agreements with Croatian partners). EC financial contribution to these partners amounts 4.190 millions € (representing 21.57% of EC's contribution to partners from Croatia). In Transport including Aeronautics Croatia has had a success rate of 20%. Among 16 partners 5 are SMEs, making 23.81% of all Croatian SMEs in FP7. EC contribution to the SMEs working in Transport projects amounts 622 733 € (27.17% of EC contribution to all SMEs). It can be seen that in the Cooperation part of FP7 Croatian SMEs are dominantly working in Transport area (Security is in the second place, with EC financial contribution to SMEs of 15.10%).	
Expected number of participants	40	-
Profile of participants	Road haulage companies, forwarders and logistics companies, transport associations, freight-warehousing centres, railway companies, different manufacturing, retailing and other SMEs, regional clusters, states and local authorities.	-
Date of distribution of invitations and other promotion activities	First letter of invitation – 1.2.2011 Last invitations 14.4.2011 First publication – 15.3.2011 Last publication – 15.4.2011	
Framework programme	Presentations in two sessions with discussion-brainstorming after each session, welcome dinner, common dinner (together with participants of Transport System 2011 International symposium)	-
Materials be distributed during Workshop	Presentations summaries, brochures	
With which event and why the Workshop is to be held together?	The Workshop will be held together with Brokerage event and Transport System 2011, International symposium of Croatian scientific society for transport. The Symposium is well established and	-

	leading transport event in Croatia and surrounding countries and because of that it can be expected the Workshop will be more attractive to participants. Participants of both events (and of the 3rd Brokerage event) will have opportunity to make contacts and to discuss themes during the common dinner.	
Other issues	-	