

## **Annual Review April 2005 - April 2006**

Dear Members,

It's a great honor for me to stand here in front of you on this our 1<sup>st</sup> Annual General Meeting, for the Nordic Chamber of Commerce in the Czech Republic. Obviously it is the 11<sup>th</sup> as a chamber but the first with our new name and identity.

Within the last year from our last annual general meeting we have probably made more organizational and other changes to the Chamber than in the previous 10.

From the 1<sup>st</sup> of September 2005 we appointed a new independent Executive Director – Ms. Lea Turcarova – and I would here on behalf of the Board express our thanks to Lea for the good work and contribution she is making for the Chamber.

We moved the Chamber's office from the Swedish Trade Council, where it had been hosted for the first 10 years, to the Scandinavian House in Zlatnicka 10.

We launched a new and much improved web site: [www.NordicChamber.cz](http://www.NordicChamber.cz) and to all of you who haven't visited yet please do so. Our long-term vision for it is that it will become "the" Nordic portal in the Czech Republic. I hope you will also consider supporting it through advertising on it.

In addition we also designed a new logo. We selected between several alternatives but in the end we decided for a close resemblance of the "old" Swedish Chamber of Commerce knot. We felt that the knot symbolizes a close and good cooperation and tried to improve it by adding all the countries colours, including the Czech Republic, and turn it around so that it points like an arrow forward instead of backward.

In addition your board also formulated a new mission and vision statement and new objectives for the chamber which came out as follows:

- The mission of the Nordic Chamber in the Czech Republic is to promote and serve the present Nordic business community, to help improve the business and ethical environment and to provide a platform for creating and safeguarding new business opportunities.
- The vision is to remain and improve on the image of being one of the leading and most respected Chambers of Commerce in the Czech Republic.
- The objectives are to achieve high membership satisfaction, a high level of member activity and participation on the Chambers different events and that a majority of the Nordic companies and individuals from the respective countries becomes members.

I hope you regard these changes as improvements.

We have during the last year grown from 124 to 140 members split between 105 company and 35 individual members. As every year we lost a few individual as well as corporate, so there has been a larger turnover in the membership than first perceived. The significant growth of members is surly mainly due to last year's name change to the Nordic Chamber of Commerce and thereby removal of a last psychological obstacle for many none Swedish companies to join the chamber. We are very pleased to welcome the new members to our ranks and we regret the ones we have lost.

We want and need to involve more managers from member companies in the Chamber's activities. We especially need to interest Czech managers in participating. This is one of our weakest points. The Chamber is not only for Nordic citizens living in the Czech Republic. On the contrary I believe it should be even more interesting for Czech managers working for Nordic companies. In many cases, for at least larger companies, many of the customers in your home markets might be members of the Chamber. I also think it is important for the local Czech managers working for Nordic companies to meet both their local Czech managers from other Nordic companies as well as other Nordic managers in order to be exposed to the culture and get a better understanding of how we work and function.

One important factor is to see to that the information about the events really reaches the appropriate people within the company. We should, but don't have the names and email addresses of all leading positions among our members. I ask you to please help us with this.

Especially now since the Nordic Chamber is one of few NGO's and other institutions recently registered with the "Urad Vlady", the government's office, to receive and comment on new Czech legislation. We received the first about two weeks ago concerning a "Call for input on the forthcoming review of Community Legislation on the VAT treatment of financial services".

In the Czech Republic as in most of the "new" EU countries, as opposed to the old ones, there has been no process and tradition to let independent institution comment on legal proposals. Through the effort of the Euro-Czech Forum we have during the last few years pushed this issue, which now has been addressed by the government and the Nordic Chamber has become one of the institution with a vote in the legislative process.

All over the world we hear about Corporate Responsibility. Here our Chamber offers you members to take your responsibility; make your voice heard and have a direct impact on the legislation of this country. This, if no other, must be reason enough to become a member. Please activate your self!

Referring to the Euro-Czech Forum (ECF), which we together with the British, Dutch, French and German Chamber of Commerce's founded in 1999 in order to lobby the government on specific issues and improve the legal business environment.

For its first few years roughly 50% of the ECF budget came from EU funds. However since the Czech Republic became a member of the EU the commission no longer can fund such an institution. Therefore since 2004 we have had numerous discussions with the other ECF chambers on how to restructure and finance the ECF. I am, and I now many of the people on our board are as well, a strong believer in the ECF or a similar organization and what it can bring. However, last June the ECF's executive manager and team quit the ECF and since then much has been discussed between the Chambers but till date no solution has been found.

The basic positions are as follows: The British doesn't want any organization but rather an ad hoc project team to lobby for certain issues. The Dutch and the French does want an organization, but only a minimal with responsibility rotated between the chambers, which means nobody will be responsible, and isn't willing to pay for it or try and raise funds for it. The German Chamber and your board's opinion is that, although kept at a minimum, an organization with a fixed office and a responsible person is needed in order to have an impact and that funds could be raised for this purpose.

What about the American Chamber? We would happily do something together with AmCham however without ECF the AmCham with its policy groups is presently better organized than us and we need to bring something to the table. We do not see a reason for us to make a cooperation with AmCham were our sole contribution would basically be to pay a fee in order to be allowed to sign of on their policy papers.

We are continuing the discussion between the Chambers and perhaps the solution is that we and the German start by something together and then the others can join in. In the mean time the "old" ECF will be liquidated.

During the last year a number of events have taken place and I believe we have succeeded in offering you a great variety of topics and speakers.

Per Sundby, our event manager, is unfortunately out of the country today but Mr. Husted will present the events held during the past year, which you could have participated in as well as some upcoming.

We always seek new great "events" and to improve from the past. However, as you know time is our most scarce asset and all board members do this work on a voluntary basis.

Therefore, as I say each year, we very much appreciate if you come forward with suggestions. In the beginning of April we send out an on-line questionnaire to the 243 member e-mail addresses we have. We receive only 17 answers! Very low! Please, without your feed back we are not able to fulfil your expectations.

Perhaps you want to make a specific event and are even prepared to sponsor it. In addition I do encourage anybody of our members who would like to arrange an event or an opening/launch of some sort and want the support of the chamber to contact us so we can distribute the information to the rest of the members. Hopefully this could lead to some increased business between you.

In addition to these pure business and social event we of course continue to try to make our members aware of cultural and other initiatives that we feel worthy of support.

In this respect, I ask you all for your support, to help us grow our membership numbers and constructive criticism how we can improve your Chamber.

On this AGM we have a few amendments to the Article of Associations, which we need to vote on.

Nothing dramatic we should simply replace the title "General Secretary" with "Executive Director" and remove the General Secretary from being a Board member, which is a remainder from the days when the Head of the Swedish Trade Council was the General Secretary and combined the offices of being both as a board member and an Executive Director.

**Article of Association slide:**

### **Article 12.3 Management Board**

**Current:** In its first meeting, the Board shall appoint among themselves a president, two (three) vice-presidents, **general secretary** and a treasurer.

**Change:** In its first meeting, the Board shall appoint among themselves a president, two (three) vice-presidents and a treasurer.

### **Article 14.1 Representation**

**Current:** The Chamber shall be represented at law and otherwise and bound by the signatures of president or one of the vice-presidents and one member of the Board acting jointly or by the **general secretary** together with one member of the Board.

**Change:** The Chamber shall be represented at law and otherwise and bound by the signatures of president or one of the vice-presidents and one member of the Board acting jointly or by the **executive director** together with one member of the Board.

### **Article 16 Permanent Office**

**Current:** The daily management of the Chamber shall be exercised by a permanent office headed by the **general secretary**. The **general secretary** will report to the Board.

**Change:** The daily management of the Chamber shall be exercised by a permanent office headed by the **executive director**. The **executive director** will report to the Board.

**Board members slide:**

The chamber's management board is elected for 2 years at the time and this year not an election year. We should according to the statutes have eleven members, plus our honorable Chairman, in the Management Board. As usual a few members from last years elected board have resigned. Ms. Anna Forsberg (Swedish Trade Council), Mr. Gudmundur F. Jonsson (Bellagio Hotel), Mr. Matti Palomäki (Nokia) and Mr. Björn Mattsson (Skanska Property). I wish to warmly thank them for their great contribution and on behalf of the Chamber wish them all the luck in the future.

However article 12.5 of the Chamber's article of association obligates the Management Board to do the following "If a member of the Board resigns during his term of office, then the remaining members of the Board shall co-opt a new member of the Board."

Therefore as you can see from the slide we now have a few board members and I hope you can confirm these in your vote later.

Some thanks!

I would like to in particular express our gratitude to our honorary Chairman the Swedish Ambassador H.E. Mr. Harald Fälth and the Swedish Embassy staff for a good co-operation and their continued interest in our activities. Here I would also sincerely like to express my sincerely thanks to the Danish Ambassador H.E. Mr. Jörgen Böjer, the Finish Ambassador Mr. Jorma Inki, the Icelandic Ambassador H.E. Mr. Mr. Sveinn Björnsson, the Norwegian Ambassador, H.E. Peter Raeder and for their strong support of the Chamber.

I would also like to express our special thanks to Mr. Nikki Brandt, who was our Executive Assistant until the 1<sup>st</sup> of September last year and the good continuous cooperation with the Swedish Trade Council. It is our hope that the cooperation with the other Nordic countries trade councils will increase to an as good level.



During the past year you have received our Nordic News. I want to thank the editorial committee and staff for their work on both the Nordic News. They put in tremendous work producing them but we have noticed an increased resistance among our members to advertise. We do believe that although it doesn't have the widest readership the target group is well defined, has the purchasing power and should therefore be interesting for many of our members. Please reconsider and support your Chambers publication.

Finally I would also like to thank our member the Hotel Savoy its management and personal for having us here today.

At last I would like to thank you members for the past year. I hope to see you on our events and please be active and propose new events!

Let us continue to move forward making the Nordic Chamber of Commerce a strong and admired organization in the Czech Republic!

Thank you very much!

Nils Silfverschiöld

President