

national specifications. As with all IT markets, however, it is essential to provide after-sales service. This should be fully supported by the local distributor or partner; one good example of after-sales service would be the provision of ongoing support and updates for accounting packages and modules. A local presence via representational offices or joint ventures is essential in the IT industry.

In the Czech Republic, technical approvals for sales of computer hardware are obtained from the Technical Norms, Metering, and State Testing Office.

Nearly half of Poland's computer market was imported last year. Hungary's total IT market is currently valued at approximately US\$ 2 billion per year. Slovenia's computer market is growing rapidly as well; in 1995, Slovenia had one computer for every nine people, and 46% of businesses used computer networks.

Overview of Hardware Market

The CEFTA hardware market is relatively saturated owing to extensive market penetration by the European distributors of Western firms. Major players include SZUV, Compaq, IBM, Apple, Packard Bull, and NEC.

Currently, almost half of all personal computers (PCs) in Hungary are less than two years old. The number of networked PCs in Hungary is expected to rise to 600,000 by 1998. These

markets are still growing extremely quickly, at rates of 30-50% per year, the result of starting from a low base. The markets are expected to show increasing signs of maturity as consumers become more technologically sophisticated and less price-oriented.

Locally manufactured PCs account for half of the Hungarian market, with foreign imports restricted by sizable import tariffs.

Hardware products in the Czech Republic are supplied through dedicated distributors, small- and medium-sized retailers, and several assemblers and other "box shifters". Higher-end systems are provided by brand-name retailers through their own operations, or through small, dedicated retail outlets. Computer hardware must meet the IEC 950 international technical norm. When a product has been tested outside of the Czech Republic, the test certificates should be submitted to hasten the approval process.

The Polish government fully comprehends the need for the IT sector to keep abreast of Western standards in order to secure the economy's competitiveness upon its accession to the EU, and to encourage foreign companies and investors to assist in its restructuring program.

The Polish IT market has attracted key players worldwide. These include IBM, HP, Dell, Compaq, Apple, Siemens, Novell, Microsoft, and Oracle. This