

NMFA/Excellence in Innovation Project Bosnia-Herzegovina



Introduction

How do you help make small businesses far more competitive?

How do you create well-paying jobs when unemployment is high?

How do you move people from "sustainable livelihoods" to prosperity?

These are the questions the NMFA/Excellence in Innovation (EI) Project aims to answer in Bosnia-and-Herzegovina (BiH), a country struggling with unemployment rates of over 40%. With support from the Norwegian Ministry of Foreign Affairs (NMFA), the NMFA/EI Project is strengthening small and medium enterprises (SMEs) in two target sectors: agriculture and machine tools. Using EDC's e-BIZ model, the project identified information and communications technology (ICT) and other services that will quickly and significantly improve the competitiveness of SMEs in the two target sectors.

The NMFA/EI Project then partnered with local entrepreneurs who co-invested with the project to create two e-BIZ centers, which provide high-impact services to SMEs. Those e-BIZ Center services enable SMEs throughout the sector to compete in higher value-added domestic and international markets. The e-BIZ Centers also partner with secondary schools and universities to provide hands-on learning in marketable skills that will continue to strengthen SME competitiveness.

"First Time Ever" in BiH

The BiH company Milicevic wanted to produce innovative bottles for their new beverage product.

Ordinarily, they had to travel outside BiH, to Croatia or Slovenia, to get bottles, at a hefty price.

Milicevic had heard about the Machine Tools Technology Center (MTTC), and its ability to provide advanced technology design and production services right in BiH at a much lower cost, not to mention the savings in travel and product transportation.

Milicevic approached the MTTC with a preliminary design, still unsure whether the sophisticated bottle could really be designed and produced in BiH.

The MTTC used its cutting edge technology to help Milicevic refine design, develop a final version, and generate code for CNC machine production. The center then partnered with a company from its network to develop the tool. At the production stage, MTTC partnered with yet another BiH firm to produce all of the bottles within the country.

These MTTC services made it possible—for the first time—to carry out the entire product design and development process in BiH. Not only did MTTC help Milicevic become more competitive, it brought new orders to other BiH firms that otherwise would have gone abroad.





There is no way for buyers to offer an unfair price for fruits and vegetables while we are able to check daily wholesale prices by using AgroLink's SMS service.

— Smajic Zijad from AgroKoraj, an agricultural cooperative

Services for Small and Medium Enterprises

The NMFA/Excellence in Innovation (EI) Project has opened two e-BIZ centers that are expanding markets for SMEs in the target industries.

AgroLink, the Agribusiness Information and Referral e-BIZ Center: www.agrolink.ba

- AgroLink provides services that strengthen the competitiveness of agribusinesses, enabling them to improve quality, productivity, and local market responsiveness.
- Services include a “first time ever in BiH” daily market information system, with local wholesale prices of fresh produce delivered via SMS and radio, and access to high-quality expertise and resources.
- AgroLink draws customers, from small farmers to processors, microcredit organizations to government agencies, that need information from AgroLink’s database of BiH agribusinesses—the most complete in the country.
- AgroLink has served over 50 SMEs, including nine cooperatives with more than 1,000 members, located throughout the country.

AgroLink’s bulk SMS service helps us to increase the number of loans to farmers and to promote our agricultural services.

— Damir Gokovic, Marketing Manager, ProCredit Bank

The Machine Tools Technology Center (MTTC): www.mttc.ba

- MTTC provides services that enable BiH machine tools companies to offer the advanced technology services European firms require, and to win contracts that otherwise would go to Croatia, Slovenia, and other EU countries.
- Services include advanced technology training for universities, hands-on training in technology skills for local high schools, CAMWorks/SolidWorks workshops, and more.
- MTTC enables firms to offer products made completely in BiH, rather than having to do part of the production abroad. For example, MTTC now makes it possible for BiH companies to offer products made from Styrofoam.
- The MTTC has served over 50 SMEs.

With a SolidWorks laboratory, including 3D printer, and training from the MTTC, our school is now educating pupils that are 100% ready for the real world.

— Tarik Nuhanović, Director of Gračanica High School, Gračanica

The NMFA/EI project goal: More competitive and profitable small and medium businesses. The Project is achieving its goal by co-investing with local entrepreneurs to create “e-BIZ Enterprises,” which offer high impact ICT and other services at affordable prices to all small and medium enterprises in the target industries. Because they are self-sustainable, the e-BIZ Centers will continue providing services after the end of the project.



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