

Eda – Enterprise Development Agency

Organization Profile



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Eda facilitates transformation of governance in the Western Balkans – from reactive to creative

Strategy

Since 1998, Eda has been working on creation and application of knowledge necessary for Local Development, SME Development and Public policies in Bosnia and Herzegovina.

Eda is active in three areas, where we facilitate: (1) Evolution of sustainable policies and effective institutions for LD and SME development in the complex context – [Eda as a Think Tank](#); (2) Transformation of SME business models and operations towards increased added value – [Eda as a Workshop](#); and (3) Transition of public administration to good governance – [Eda as a Guide](#).

Eda successfully combines action research approach to understand context and nature of problems well, and development support that focuses on emerging practices and finding practical, feasible and innovative responses to challenges. Experience we have gained (by assisting to more than 40 municipalities and higher level authorities and more than 80 SMEs) gives us a deep understanding of the local context and hidden factors that enable or inhibit success of development projects. Working with many decision-makers and practitioners we have earned trust and reputation, one of the most important segments of our intangible assets.

Our strength comes from:

- rich experience in working with decision makers and practitioners, and from thus acquired reputation and trust;
- deep understanding of local context and hidden factors that enable or disable success of development undertakings;
- constant learning and experimenting, to help our partners and clients to effectively respond to more and more complex challenges they are facing with;
- well-trained and well-coordinated team of internal experts and wide network of associates in the country and in the region.

Eda also has a network of associated experts consisting of over twenty researchers and consultants working in Western Balkans.

Structure

Eda has an efficient management structure represented by the Assembly (similar to Board of Trustees), represented by five members with strong reputation in BiH's society and valuable experience in government and business related issues, and Director, who is fully responsible for operations of EDA. Director is Zdravko Miovcic. He has a Master's degree in Management (Solving Development Problems) and thirty years of working experience in industry, government and policy research and development.

Currently, EDA has 11 full-time employees (9 researches/experts and 2 administrative). Besides the core team, EDA has more than twenty associates, experts and practitioners with very good references, not only from BiH, but also from Slovenia, Croatia, Serbia and Macedonia.

Organizational structure is flexible, teamwork and project based. For larger projects we establish Advisory Board from key stakeholders and partners to help us in directing and improving project activities.

Approach

We keep an updated data base with key economic indicators for all cities and municipalities in Bosnia and Herzegovina (2011-2021) and we can in a very short period of time identify the most competitive sectors and companies (value of export, employment, income, profit per employee, return on assets). In parallel we keep improving a fast methodology for localization of European Small Business Act with 30 indicators (out of 105 used in OECD's SME Policy Index) to facilitate self-assessment of local economic development support organizations and SME supporting policies/instruments. Both results of the analysis and self-assessment are then used as a base for discussions on priorities for improvements by private-public dialogue (usually through a local business council) and improvement plans as results of such PPD. Up to now we have tested this methodology in 18 municipalities in BiH and assisted establishment and work of 6 local business councils. If required we can coach a local team to conduct value chain analysis for a group of products that could have significant influence on growth of local economy with identifying key bottlenecks and opportunities.

We apply leading concepts and methods of system thinking approach (e.g. Systemic Competitiveness Concept, Systemic Insight, <http://mesopartner.com>) and its related tools and methods in research of territorial economic development issues and design of specific and systemic policies to address that issues. At the same time, we are learning intensively cutting-edge concepts and tools of complexity thinking approach and applying them in research of complex challenging our society is facing with in all three areas of our work, e.g. Cynefin framework and SenseMaker (<https://thecynefin.co>), as well as Change Triangle 3.0.

Key references

Our experiences include projects where Eda had a role of:

- Lead implementing agency – “SBA in BiH2EU” project (1,6 million EUR, ongoing); “SBA in BiH” project (1,67 million EUR); CREDO Krajina (Competitive Regional Economic Development) (3,3 million EUR); NOVALIS (Network of Value-Adding Local Innovation Structures); KRIN (Creating Local Innovation Networks); Sustainable Partnership for Development; ILO-LEP Partnership for High Quality Jobs and Competitiveness; other projects funded by EU Delegation and other donors;
- Consortium partner – CHALLENGE TO CHANGE 3 (Ongoing); Digital Innovation Hub IDEMO (Ongoing); ERASMUS FOR YOUNG ENTREPRENEURS (ongoing); GAP (Governance Accountability Project); EU TAC (SME Training and Consultancy Project); Strengthening Public Finance Management in Bosnia and Herzegovina, etc.
- Consultant – GIZ (EU4Business; Innovation and Digitalisation in SMEs in BiH); UNDP (ILDP and MTS); EU RED (European Union Regional Economic Development Project in B&H), EU PER (European Union Program for Enterprise and Revitalization in B&H), USAID CCA (Cluster Competitiveness Activity), MDP (Municipal Development Project), etc.

We have also provided advisory to many start-ups, SMEs and local governments.

Key projects

Advanced Implementation of Small Business Act Framework in BiH2EU, SBA in BiH2EU, Swedish International Development Cooperation Agency – Sida, 2022-2024 (ongoing)

This project is a follow-up of the *SBA in BiH project* and its objective is to complete a fully functional and sustainable system of SME development management in BiH based on Small Business Act (SBA) framework and Building Back Better (BBB) approach ensuring continuous improvements of policies in all stages of policy cycle (planning and design, implementation, monitoring and evaluation, reporting and revising). Key results are:

- introduced new instruments with appropriate capacities built to improve operationalisation and implementation of strategies and policies for SME competitiveness/innovation and Entrepreneurship development;
- introduced new instruments with appropriate capacities built to improve monitoring, learning and reporting processes and effects related to SME development strategies, policies and SBA implementation, including capacity building/preparation for evaluation;
- introduced new instruments and structures to improve revision/ updating/planning/design of SME and Entrepreneurship related strategies, plans and policies with its integration into overall strategic and operational planning around the country;
- improved harmonisation of policies and coordination of strategies for SME and Entrepreneurship development;
- improved coordination of SME-related ministries with the EUD and other donors and increased support to SME and Entrepreneurship development from both sides.

The project includes a small-scale grant scheme of 560.000 EUR to support implementation and harmonisation of SME strategies, as well as testing new supporting instruments.

Challenge to Change 3.0, Swedish International Development Cooperation Agency – Sida, 2022-2024 (ongoing)

Although the competitiveness of the economy is one of the key factors of innovation, in Bosnia and Herzegovina a small percentage of companies decide on some innovative activities. As the most important barrier in the implementation of innovative activities, the lack of funds within the company or group of companies, the lack of internal finance for innovation, and the lack of funds from sources for innovation outside the company were highlighted.

Sweden recognized the above-mentioned problems in Bosnia and Herzegovina and continues to support innovative business entities within the Challenge to Change 3.0 project. The overall objective of the Challenge to Change 3.0 project is to contribute to increasing competitiveness and sustainable socio-economic development in Bosnia and Herzegovina. One of the main characteristics of the Challenge to Change 3.0 project is its open, competitive application process, which provides grant beneficiaries with a one-time and limited support grant to overcome the uncertainties that inhibit innovation, research and development, investment and new approaches. The total budget of the three-year Challenge to Change 3.0 project is EUR 3 million, and the Challenge fund is available to registered business entities from Bosnia and Herzegovina and Sweden, who have innovative ideas that can lead to an increase in the number of employees, an increase in competitiveness and sustainable socio-economic development in Bosnia and Herzegovina. Within the project, four calls for proposals are planned. Business entities that meet the required criteria can receive grants in the amount of a maximum of EUR 30.000.

Establishment and provision of support to the development of digital innovation hubs (DIHs) in Bosnia and Herzegovina – DIH IDEMO, 2022 – 2024 (ongoing)

The project EU4DigitalSME, which is co-financed by the European Union and the Ministry of Economic Cooperation and Development of the Federal Republic of Germany (BMZ), focuses on the establishment and provision of support to the development of digital innovation hubs (DIHs) in Bosnia

and Herzegovina. The project is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) and it supports four DIHs. One of them is DIH IDEMO that includes the following partners: Innovation centre Banja Luka, Eda – Enterprise Development Agency, Development Agency of Republika Srpska, RS Chamber of Commerce and Faculty of Electrical Engineering in Banja Luka. Mission of the DIH IDEMO is improving the competitiveness of SMEs from the region in global value chains (mostly related to the EU markets) by applying digital innovations and helping SMEs from the ICT sector to explore and exploit the emerging digitalisation market in the country.

Sustainable Partnership for Employment, 2022 – 2023 (ongoing)

The project is focused on currently unemployed persons registered at the Employment Service of the Republic of Srpska, including unemployed and inactive young men and women (15-29), people with disabilities and those who lost their jobs due to the Covid-19 pandemic. The activities will contribute to the mobilisation and integration of these persons into the labour market in order to meet the needs of the local economy. Funded by: European Union within the project “EU Support to Local Employment Partnerships – Phase II” (LEP II), implemented by the International Labor Organization (ILO), 2022 – 2023

Small Business Act Strategic and Policy Framework in BiH, SBA in BiH, Swedish International Development Cooperation Agency – Sida, 2017-2021

This project aligned BiH’s policy, legal and strategic frameworks for SME development with the EU’s Small Business Act framework by harmonising, vertically and horizontally, the policy, legal and strategic frameworks for SME development among the country’s various administrative levels, using a methodology that is in line with the EU SME framework. Key results are:

- harmonised SME related laws in RS, FBiH and BD BiH;
- standardised methodology for strategic planning of SME development;
- harmonised strategic framework for SME development 2021-2027;
- harmonised SME related policies;
- harmonised strategy implementation enabling mechanism;
- harmonised public-private dialogue.

The project included a small-scale grant scheme of 450.000 EUR to support implementation and harmonisation of SME strategies, as well as testing new supporting instruments.

NOVALIS – Network of Value Adding Local Innovation Structures, 2020-2021

The project is focused on improving competitiveness of export-oriented SMEs in metal and wood processing sectors in BiH with positive impact on added value and highly skilled employment. The project resulted in establishing functional regional innovation network creating innovations with higher added value for SMEs in Metal Processing and Wood Processing sectors exporting to the EU Single Market and to the CEFTA countries. Other results are: Product and Process Development Hub; Student’s Innovation Lab; a number of new products and process. Funded by: European Union and the Federal Republic of Germany within the project EU4Business.

ILO-LEP Partnership for High Quality Jobs and Competitiveness, European Union, 2017-2019

The project established a sustainable and functional sustainable and functional Employment Council of Prnjavor Municipality, led by the Employment Bureau and including local government, secondary vocational school and SMEs, that continuously develop, implement and revise training and employment related measures. Funded within the project „Support to Local Partnerships for Employment in B&H“, implemented by International Labour Organisation.

KRIN – Creating Regional Innovation Network, 2017-2018

The project improved work of sector boards and developed initial regional innovation network for sectors of metal and wood processing in Banja Luka, Prijedor and Doboј sub-regions, resulting with a

number of new products and processes in SMEs. Funded within joint programme of the European Union and the German Government for local self-government and economic development in BiH – EU ProLocal, implemented by GIZ.

LocalInterAct Network, 2017-2018

The overall objective of the project is improved competitiveness of export-oriented sectors and enterprises, with improved competitiveness of locations, while the specific objective of the project are established mechanisms of advanced municipal and inter-municipal support for exporters based on the Small Business Act. The key idea of the project is transfer and implementation of tools and instruments, that have been successfully developed and tested through the CREDO Krajina project, in the municipal administrations of Prnjavor, Derventa and Laktaši in order to provide desired support to export-oriented companies. Funded by: EU and the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany.

CREDO Krajina, Swedish International Development Cooperation Agency - Swedish International Development Cooperation Agency – Sida, 2013-2016

The project improved competitiveness of SMEs in Krajina area, created jobs, reduced poverty, and improved economic status of the area. Also, the project facilitated vertical and horizontal coordination of policies directed towards SMEs in the project area. Through initial analysis, priority economic sectors with significant potential for creating new jobs were identified and selected and then representatives of companies from these sectors, through sectoral boards participated in identifying priority needs for advisory support and training, while sectors were supported through advisory services, training and development fund. In addition, part of the advisory and financial support was directed towards cities and municipalities to improve local business environment and to establish permanent and effective dialogue with private sector.

Results of the project include:

- The total of 62 priority sector (wood processing industry, metal processing industry, food industry, and leather and footwear industry) companies were supported through the grant funds, by which 489 new jobs were created;
- Based on the approved BAM 1,639,193 grant funds from the CREDO Krajina Project Development Fund, the companies invested in their development projects additional BAM 5,993,874, so that, on average, an additional BAM 3.66 was invested on BAM 1 of the grant funds;
- Grant support was also used by two local self-governance units and seven non-profit organizations, whose projects were aimed at the improvement of the business infrastructure and environment, as well as capacity development and measures of support for the improvement of the companies' competitiveness;
- Voucher Program for co-financing of consulting services was implemented, where the companies were awarded BAM 115,692 and the companies invested additional BAM 77,802, where 21 companies successfully realized different business improvement projects.
- Six trainings and workshops were organized with participation of more than 130 directors of companies;
- Sector boards of metal, wood processing, food and footwear industry were established within the project, each consisting of 12 to 15 directors of successful companies from the Krajina region, each of the sector boards held seven meetings, including study visit, where, with support of sector experts and coordinators, problems were identified, goals were set, action plans for their implementation were prepared and interventions aimed at improving situation in the sector were initiated, and it is important to emphasize that a large number of interventions were carried out immediately after their defining, so that most of interventions were implemented during the project, also, the meetings have contributed to strengthening mutual trust, initiating cooperation on concrete business operations between participants,

and sector boards were recognized as an important mechanism for improving cooperation between companies and supporting organizations and institutions;

- Additionally, when in May 2014 BiH was hit by severe floods that caused huge damages on business and industrial facilities, plants, raw materials and finished goods, the Government of Sweden and Enterprise Development Agency Eda together with the Association NERDA, a partner in the implementation of the whole project, reacted fast and support for more than 50 companies hit by the floods was provided, with approved grants in the amount of almost BAM one million for the construction works on the repair of their facilities, purchasing and repair of machines and equipment, and for purchasing of necessary raw and production materials, and this was the first aid for recovery from floods that the companies received.

Selected contracts

EU4Business – for competitive and innovative local economy, 2019 – 2022

Eda is subcontracted to support GIZ team within the EU4Business project in: 1) Monitoring of the project's deliverables, intermediary targets/results and interventions (Results Based Monitoring) during the implementation (as determined by the EU4Business project guiding documents); 2) Providing periodic and final assessment(s) of the direct and indirect results of the EU4Business interventions.

Innovation and Digitalisation in SMEs in BiH, 2021

Eda is subcontracted by GIZ to design and implement surveys, prepare and present Progress study that clarifies results of up-to-date project interventions by analysing the current status of innovation and digitalization in SMEs in Bosnia and Herzegovina (by focus economic sectors - Tourism, Wood processing, Metal processing and Plastic, IT), to serve as a benchmark for comparing the results of project interventions within the targeted module objectives, and to set up a reference for the Project's activities to be implemented in the second project phase (2021-2024).

Strategic plans for local development, 2005 – 2019

Strategic planning is a key instrument for managing local development. It is an open, accessible to all and creative process of making key decisions that shape communities' future and outline actions that reach desired position. A strategic plan represents a general framework for the allocation of scarce resources for solving key economic problems and meet priority needs. From 2010 we use standardized methodology for local development planning MiPRO (developed by Eda for the ILDP project managed by UNDP) in process of preparation of development strategies. Eda lead process of development strategy preparation in the following municipalities:

Bileća, 2019; Trebinje, 2017; Čelinac, Novi Grad and Živinice, 2016-2017; Mrkonjić Grad, 2013; Laktaši, 2013; Jajce, 2013; Prijedor, 2013; Gradiška, 2012 and 2018; Petrovo, 2011; Petrovac, 2011; Bosanska Krupa, 2010; Bosanski Petrovac, 2010; Bužim, 2010; Bugojno, 2010; Cazin, 2010; Dobož, 2010; Dobož Istok, 2010; Dobož Jug, 2010; Kostajnica, 2010; Kotor Varoš, 2010; Kozarska Dubica, 2010; Ljubinje, 2010; Prnjavor, 2010; Srbac, 2010; Trnovo RS, 2010; Zenica, 2010; Istočno Novo Sarajevo, 2010; Grad Istočno Sarajevo, 2009/2010; Šipovo, 2009/2010; Modriča, 2009; Trebinje, 2008; Mrkonjić Grad, 2007; Istočna Ilidža – Kasindo, 2006/2007; Laktaši, 2006/2007; Dobož, 2005/2006; Dobož Istok, 2005/2006; Petrovo, 2005/2006; Usora, 2005/2006; Derventa, 2005.

The processes included involvement of stakeholders from the location, establishing partnership fora and thematic/sector groups for preparation of the development strategies, including participation of local government, public companies, private companies, and NGOs.

Capacity building of the BH entities' Association of Towns and Municipalities, 2010 – 2013

The project is aimed at capacity building of associations of municipalities and cities, support in development of strategic documents and providing services, as well as support to association of municipalities and cities to achieve a higher level of organizational and functional development.

In the year 2012, Eda was engaged on preparation of Communication Strategy, Services Development Strategy, and Human Resources Development Strategy for RS Association of municipalities and cities. Eda was also engaged on preparation of Communication Strategy and Human Resources Development Strategy for FBiH Association of municipalities and cities. Funded by: Sida.

Municipal Training System project, 2010 – 2013

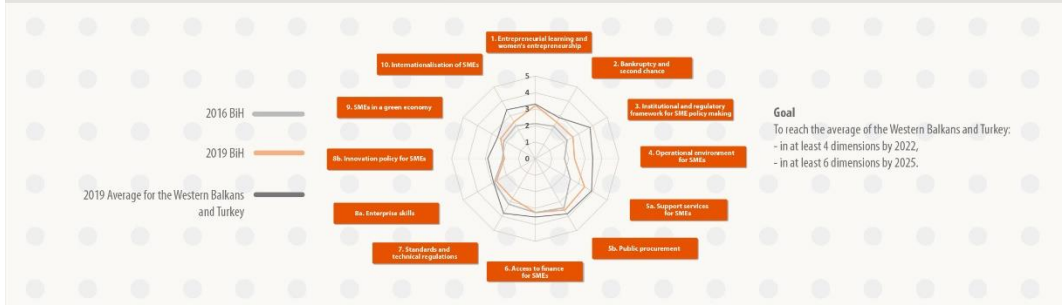
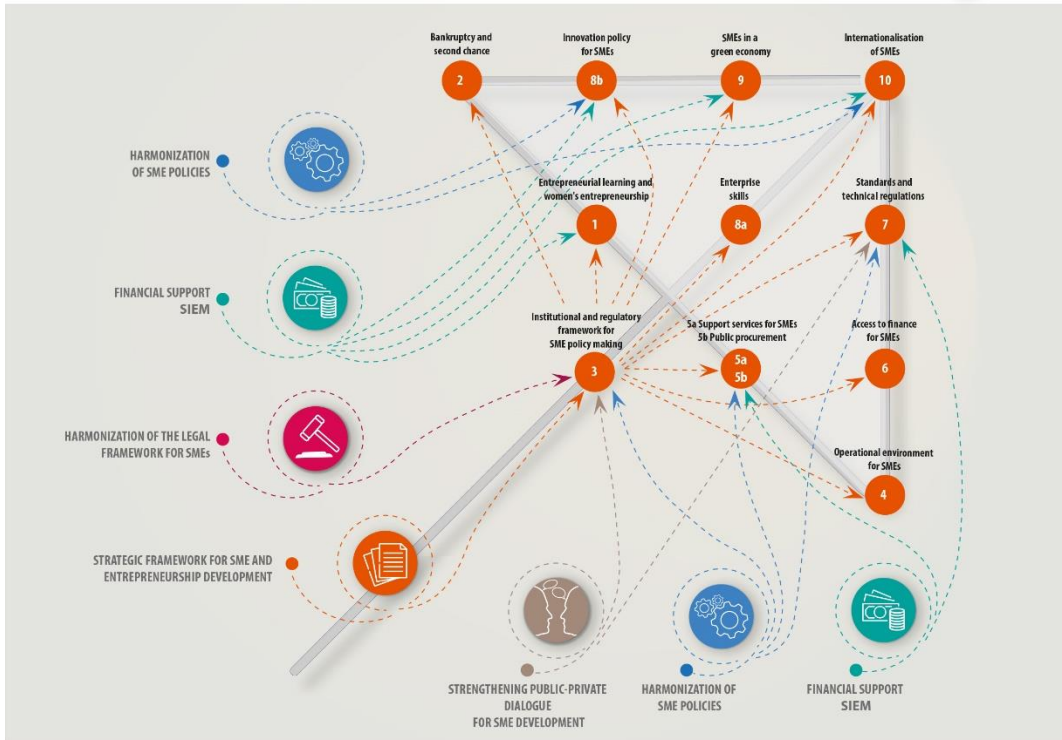
Eda was subcontracted by UNDP BiH to design and delivery some of the key project outputs, including preparation of Training strategies for local self-government units in both entities of BiH and design and delivery of main training programs related to Methodology for Integrated and Participatory Local Development Planning (miPRO) including ToT, Human Resource Management, Municipal Property and Asset's Management, Local Development Management, Inter-Municipal Cooperation as well as training of newly elected local leaders covering topics of leadership and local governance A to Z.

These assignments were regulated by several contracts.

Training on organisational development for municipal leadership and practitioners, 2011

Within the project strengthening local self-governance in Bosnia and Herzegovina (SLS) implemented by Gesellschaft für Internationale Zusammenarbeit (GIZ), Eda has prepared materials and delivered a training on organisational development. Specific focus was on establishing and functioning of capacities for managing local development. Funded by: GIZ.

Infographic of the project Small Business Act Strategic and Policy Framework in BiH, SBA in BiH



<p>HARMONIZATION OF THE LEGAL FRAMEWORK FOR SMEs</p> <p>In the legal solutions related to the development of SMEs in the Republika Srpska, the Federation of BiH and the Brčko District of BiH:</p> <ul style="list-style-type: none"> - the definition of SME was harmonized, - SBA principles and their operationalization were derived through strategies and action plans and - the public-private dialogue was formalized. 	<p>STRATEGIC FRAMEWORK FOR SME AND ENTREPRENEURSHIP DEVELOPMENT</p> <p>Within the SBA project in BiH, the following were prepared:</p> <ul style="list-style-type: none"> - Standardized methodology for strategic planning and management of SME development, - Strategic guidelines for harmonization of support to SME development in BiH, - SME and Entrepreneurship Development Strategy of the Republika Srpska - SME Development Strategy of the City of Zenica, - SME Development Strategy of the City of Banja Luka. <p>Preparation of the following documents is ongoing:</p> <ul style="list-style-type: none"> - SME and Entrepreneurship Development Strategy of the Federation of BiH, - SME and Entrepreneurship Development Strategy of the Brčko District of BiH. 	<p>FINANCIAL SUPPORT SIEM</p> <p>Through the financial support SIEM, which is being used to improve the implementation of SME-focused strategies and plans, the project focused on improvements in the following areas were supported:</p> <ul style="list-style-type: none"> - women's entrepreneurship, - technical standards, - energy efficiency, - introduction of innovations in SMEs, - accreditation of methods in area of standardization, - organization of online fairs. 	<p>HARMONIZATION OF SME POLICIES</p> <p>Achieved contribution to the harmonization of SME policies related to:</p> <ul style="list-style-type: none"> - standards and technical support, - internationalization of business, - public procurement, - state aid for SMEs and - innovation in SMEs. 	<p>STRENGTHENING PUBLIC-PRIVATE DIALOGUE FOR SME DEVELOPMENT</p> <p>Support to the strengthening of PPPD through regular mechanisms (business councils), with a focus on SME development as well as through less formal forms of PPPD (conferences, workshops, etc.).</p> <p>The Guide on PPPD for SME development in BiH.</p>
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Infographic — CREDO Krajina in Numbers

CREDO KRAJINA

IN NUMBERS

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