

## REGIONAL COMPETITIVENESS INITIATIVE (RCI)

PROMOTING COMPETITIVENESS THROUGH INFORMATION TECHNOLOGY, INVESTMENT,  
TRADE, AGRICULTURE, TOURISM, AND REGIONAL INTEGRATION

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### REGIONAL MEETINGS

#### REGIONAL AGBIZ MEETING: TIRANA, ALBANIA



Participants share their expertise at the AgBiz Workshop

At the Regional AgBiz Workshop, held on September 25, 2008, discussions focused on the development and usage of the regional agribusiness database, coordination of export/import efforts at a regional level, and opportunities to exchange information and resources among USAID-sponsored AgBiz projects in South East Europe. The consensus of the participants was that the agribusiness database, which was developed in MS Access format, should be updated and distributed among the stakeholders. Project representatives clarified common points of interest for sharing agribusiness expertise, including the need for demand-driven market research, joint organization of study tours, and participation in EU requirements capacity building seminars. The next workshop will be held in Belgrade in November 2008.

#### REGIONAL TOURISM MEETING: OHRID, MACEDONIA

On September 23, 2008, the Regional Competitiveness Initiative brought together its partners from five South East European countries—Albania, Bosnia and Herzegovina, Macedonia, Montenegro, and Serbia—to hold a Regional Tourism Workshop. Focusing on planned joint activities, the participants made progress on all three of the main topics covered. The Quality Mark standardization was approved by all, resulting in an agreement that each country will start implementing the necessary actions based on its own level of development. Participants agreed to generate ideas to simplify the proposed regional Tourism Portal and make it more user-friendly. Workshop participants added improvements to the Regional Routes in the form of ready-made products for tourists. Albanian representatives expressed their interest in hosting the next Regional Tourism Workshop.



Tourist hiking in Herzegovina

### SUMMER SCHOOL OF TOURISM STUDIES: ARMENIA

In support of one of its major goals—to improve the quality of tourism and hospitality education and to bridge the gap between the skills acquired in higher education and the needs of employers—USAID's Competitive Armenia Private Sector (CAPS) project organized a Summer School of Tourism Studies. The school ran from July 7 to August 7 and attracted students from several leading institutions with specializations in tourism in the country. It was hosted by the State Linguistic University. During the month-long event, the participants reviewed the foreign visitor survey results, outbound travel trends, information on tour segments, source markets, and an assessment of Armenia's air transport competitiveness. They also learned about and analyzed the skills, knowledge, and competencies required for specific positions in the sphere of tourism/hospitality and the specifics of tourism in secured areas.

The training program, which consisted of workshops, hands-on sessions, and presentations, was taught entirely by CAPS staff members. "The School has provided us with the real picture of tourism in Armenia, numbers and statistics – something we do not study in-depth at college," said Milena Hakobyan from Yerevan State College of Humanities. "We now have a better grasp of the status of tourism in Armenia, the disadvantages, and realize our duties, as future leaders of tourism in Armenia," said another Summer School participant, Lusine Kankanyan of Yerevan State Linguistic University.

This workforce development initiative has helped improve tourism education and align workforce development efforts with evolving market requirements. Upon the successful completion of the Tourism Summer School, the students received attendance certificates at the closing ceremony from the Deputy Minister of Economy, Mr. Ara Petrosyan and CAPS Chief of Party, Mr. Alexander.

For more information, please contact Mrs. Arevik Kyokhyan at [akyokhyan@caps.am](mailto:akyokhyan@caps.am).

For more information on any newsletter article, please email the RCI Team at [rci@bcserdon.com](mailto:rci@bcserdon.com).

## BUSINESS GROWTH INITIATIVE CASE STUDIES

*Business Growth Initiative (BGI) project promotes best practices in enterprise development as a critical element for Economic Growth and serves as a key element in building a Community of Practice for Enterprise Development. Recently, the project produced case studies relevant to the projects in the region.*

### BULGARIA ICT CLUSTER CASE STUDY

This case study follows up on the Bulgarian ICT sector cluster and demonstrates through interviews conducted by BGI in 2007 that the cluster is still going strong two years after the end of donor support. The lessons learned from the Bulgarian experience to create a self-sustaining cluster demonstrate the importance of identifying and fostering strong industry leadership and local facilitators and of building trust between stakeholders to create opportunities for stakeholders to work together.



Bulgarian ICT Cluster participating at SEEITA conference signing of the regional MoU of cooperation

### SUSTAINABLE TOURISM DEVELOPMENT IN RURAL AREAS



Montenegro market place

This *Notes from the Field* success story summarizes the experience of CHF International in establishing the Centre for Sustainable Tourism Initiatives (CSTI)—a non-governmental organization collaborating in the development and promotion of the tourism sector in northern Montenegro—and Montenegro Adventures (MA)—a for-profit tourism agency. CHF identified four priority initiatives in the tourism sector to promote increased economic growth rates in the depressed region of northern Montenegro: strategy and planning, product and service development, capacity building, and promotion and business linkages.

### ECONOMIC GARDENING IN BOSNIA-HERZEGOVINA: LINKING AGRICULTURAL MARKETS TO PRODUCERS

In Bosnia-Herzegovina, the Linking Agricultural Markets to Producers (LAMP) project identified three sectors to target—fruits and vegetables, dairy produce, and medicinal and aromatic plants. It allocated resources to build linkages between producers, processors, and markets; created greater access to finance; provided technical assistance and training; and identified policy constraints, policy reforms, and compliance with EU regulations. In its fifth project year, LAMP is truly a success story, having created more than 280 new linkages with initial values totaling more than \$11 million, increased the amount and size of grants, and trained more than 38,000 producers.

For more information, please contact Ms. Carolyn Kirchoff at [CKirchoff@weidemannassoc.com](mailto:CKirchoff@weidemannassoc.com).

## EDEM PROJECT CLOSING IN ALBANIA

The Enterprise Development and Export Markets project (EDEM) was designed by USAID to help the Albanian private businesses improve productivity, invest in new technologies, and expand in domestic and international markets. When EDEM began in October 2003, the Albanian SME sector was ill equipped to meet the challenges of global competition and the private sector had very limited experience in working together to advance the common needs and interests of their industries. During the 5 years of implementation, the EDEM team of outstanding local professionals and international consultants worked with over 150 businesses in key economic sub-sectors, including tourism, fresh and processed fruits and vegetables, meat processing, olive oil, and herbs and spices.



In the two option years (2006–2008) alone, the project played a direct role in generating export revenues exceeding \$28 million, spurred by client companies' investments of more than \$12 million to improve their production capacity, sales and marketing expertise, and overall product quality. EDEM has been influential in transforming the targeted industries to compete with imports as well as increasing exports of goods and services. The project team provided assistance at both individual firm level and industry level to overcome sector-specific challenges and capitalize on opportunities.

The EDEM project issued its closing newsletter in September 2008.

For more information on any newsletter article, please email the RCI Team at [rci@bcserdon.com](mailto:rci@bcserdon.com).

## MACEDONIA “BAMBOLINO” WATERMELONS ON UK TABLES

*Agrolozar is an agribusiness, located in the small village of Hamsali in the Boslilovo, Strumica region of southeast Macedonia, which exports agricultural produce from the region. Agrolozar was established as a private company in 1993, and 85 percent ownership of the company was bought in 2003 by Agrohemija Ltd., Skopje.*



“Bambolino” Watermelons  
exported to UK

Following the take-over, Agrohemija sought to be an important commercial producer of vegetables in open fields, heated greenhouses and plastic, as well as a significant supplier of early tomatoes and table grapes. It has grown rapidly and has become a leading company in the registration and distribution of commercial seeds in Macedonia. Today, Agrohemija, is the only producer of “Bambolino” watermelons in the Balkans. A “Bambolino” watermelon is a mini seedless variety that weighs between 1 and 2.5 kilograms.

“Bambolino” is exported to customers in Germany, Holland, and Austria. Because the company lacked contacts with buyers from the UK, yet had an interest in

exporting to that market, Agrohemija management asked USAID’s AgBiz Program for help in accessing the UK market. With the active support of AgBiz staff, a successful linkage was established between Agrohemija and ASDA, a WalMart partner in the United Kingdom for “bambolinos.” AgBiz staff continuously supported the company through all of the stages of market negotiations and provided technical support to help the company comply with European export requirements, specifically the UK. Several meetings between representatives of ASDA and Agrohemija were organized and facilitated by an AgBiz staff member.

Thanks to USAID’s AgBiz Program, 50,000 “bambolino” watermelons (150 tons) are currently being exported to the UK.

For more information, please contact Mrs. Natasha Stankovic at [nstankovic@agbiz.com.mk](mailto:nstankovic@agbiz.com.mk).

## RIVER ROAD ENTERTAINMENT SHOOTS “CORIOLANUS” IN SERBIA

With a century-long film tradition, Serbia is being rediscovered as a country with unique potential for international feature, documentary, and commercial filming. A growing interest in Serbia is being driven by the high production value that includes world-class and multilingual talent, highly skilled and experienced crews, an unmatched diversity of scenery and locations, and competitive costs in the European market.

Serbia’s thriving film industry hit its peak in the early 1980s, when it was one of the most popular film locations in Europe. This international success fostered an industry with a strong infrastructure of studio stages, laboratories, and highly professional and technically experienced film artists and crews. Today, the Serbian film industry is generating increasing interest from foreign film and television producers. Although much of the talent in the industry left the country during the war period, many actors, producers, and technical staff have returned to produce a range of documentary and short films and to contribute skills in special effects and marketing. In the face of stiff competition from neighbors in the region that are also becoming destinations for foreign films, Serbia provides significant cost advantages in food, lodging, location, and transportation costs as producers seek increasing value for their money.

The potential of the Serbian film industry has been further demonstrated with the recent decision of River Road Entertainment to film a modern-day version of Shakespeare’s “Coriolanus” in Serbia. Ralph Fiennes will direct and play the lead in the film and was part of a group that recently evaluated Serbia as a location for shooting this film.

“What this means for Serbia is about \$10 million in direct investment, and almost unlimited free publicity around the globe as viewers of the movie will see Belgrade and Serbia in a major Hollywood A-list production,” said Ana Ilic who leads the film and production sector in the USAID Competitiveness Project. This USAID project worked closely with the Serbian film production company Work in Progress to secure this project for Serbia. Ralph Fiennes, Frank Hildebrand, Producer, and Mark Geraghty, Production Designer, commented that they were impressed with the diversity of locations available in Belgrade and the professionalism of the crew from Work in Progress.

For more information, please contact Mrs. Ana Brnabic at [abrnbabic@compete.rs](mailto:abrnbabic@compete.rs).

## UPCOMING EVENTS

- November 25, 2008: **Regional AgBiz Workshop**, Belgrade, Serbia and Montenegro
- October 27-31, 2008: **CMMI Week in Ukraine, Introductory Seminars and Workshops on CMMI and IT Mark**, Karkov and Kiev, Ukraine
- October 23, 2008: Upcoming events: **Regional Workshop on Innovation Centers**, Varasdin, Croatia

For more information on future events, please contact the RCI Team at [rci@bcserdon.com](mailto:rci@bcserdon.com).

## LINKS

### REGIONAL USAID MISSION WEBSITES

**Albania:** <http://albania.usaid.gov>

**Armenia:** <http://armenia.usaid.gov>

**Azerbaijan:** <http://azerbaijan.usaid.gov/>

**BiH:** [www.usaid.ba](http://www.usaid.ba)

**Georgia:** <http://georgia.usaid.gov>

**Kosovo:** [www.usaid.gov/missions/kosovo](http://www.usaid.gov/missions/kosovo)

**Macedonia:** <http://macedonia.usaid.gov>

**Moldova:** <http://moldova.usaid.gov>

**Serbia and Montenegro:** <http://serbia-montenegro.usaid.gov>

**Ukraine:** <http://ukraine.usaid.gov>

### OTHER USEFUL LINKS

**BGI** — <https://www.businessgrowthinitiative.org/Pages/default.aspx>

**BiH Tourism** — <http://www.bhtourism.ba/eng/>

**CAPS – Competitive Armenia Private Sector** — <http://www.caps.am/>

**EDEM** - — <http://albania.usaid.gov>

**Georgian Business Training Center (GBTC)** — <http://www.gbtc.ge>

**MACEDONIA AGRIBUSINESS ACTIVITY (AgBiz)** — <http://macedonia.usaid.gov>

**The DOT-COM Alliance**— <http://www.dot-com-alliance.org/>

**MACEDONIAN BUSINESS ENVIRONMENT ACTIVITY** — <http://www.bea.org.mk/>

**CENTER FOR ECONOMIC ANALYSES** — <http://www.cea.org.mk/>

**USAID Serbia Competitiveness Project** — <http://chf.az/?q=en/about/competitiveness-project>

**Standing Conference of Towns and Municipalities** — <http://www.skgo.org/code/navigate.php?ld=59>

**Western Balkans** — <http://www.western-balkans.info/htmls/home.php>