



USAID
FROM THE AMERICAN PEOPLE

REGIONAL COMPETITIVENESS INITIATIVE VOL. 5 ISSUE 2 APRIL 2011
HIGHLIGHTING SUCCESSES OF USAID COMPETITIVENESS PROJECTS THROUGHOUT THE E&E REGION



the workshop series “Improving Productivity for Increased Sales,” organized by USAID’s Rritje Albania productivity expert, John Haycock, Dr. Shehi and her colleague Dr. Spahija

LEFT Improving Productivity for Increased Sales workshop.

made joint visits to garment firms. With the visits, they gained hands-on experience with productivity-improving systems.

Each company joining the Productivity Enhancement Program (PEP) collects data on a set of 15 key performance indicators. The indicators allow analysis of productivity factors, aiding in the design and implementation of ways to increase operating efficiencies.

UNIVERSITY CURRICULUM ENHANCED

ALBANIA

Dr. Ermira Shehi teaches at the Department of Textile and Fashion at the Polytechnic University of Tirana, where she has been a professor for over 18 years. Throughout her years of teaching, she visited a handful of the 150 garment companies that operate in Albania. After attending

Following the workshops and company-level assistance, the professors organized a series of lectures on PEP systems for more than 40 bachelor and master-level students at the Department of Textile and Fashion.

These lectures at the Polytechnic University of Tirana are an important step towards reducing the gap between labor market demands and the supply of skilled workers graduating from Albania’s universities.

RCI In Brief
REGIONAL TOURISM WORKSHOP

RCI organized a one-day workshop on February 2 to develop draft regional routes, which could be used for promotional FAM trips (familiarization trips for travel agents and other tourism professionals). The workshop helped the participants define potential target countries and participants, geographical sub-regions, and themes for trips. Working groups were formed in the second part of the workshop, including representatives from each country, where multiple regional tourism routes were drafted.

On February 3 the RCI Tourism Steering Committee had its third meeting focused on promotional activities in the region, such as the National Geographic Western Balkans Geotourism website, regional FAM trips, and media strategies. Other topics included best waste management practices, IPA (EU) funding opportunities for regional tourism, and energy efficiency for tourism. UNWTO Hotel Energy Solutions (HES) Initiative (<http://www.hotelenergysolutions.net/>) presented to the committee and talks continue on the feasibility of its implementation among the RCI countries.

For more information contact RCI at rci@bcserdon.com.

UPCOMING EVENTS

JUNE 14-15 2011

Finance Fair and Matchmaking Event
Skopje, Macedonia

This event will provide opportunities for Small- and Medium-size Enterprises (SMEs) and Financial Advisors to meet Regional Investors and Financial Institutions to share finance needs, to learn about investment priorities, and to discuss specific financial products and the latest developments in the investment and finance field. Register here:

<http://www.surveymonkey.com/s/NX6T8MP>

PROGRAM HELPS SMALL FIRMS ACCESS FINANCING

BOSNIA & HERZEGOVINA

The USAID-Sida FIRMA Project's new access to finance program aids small and medium-sized companies in Bosnia and Herzegovina in obtaining business loans. The loans range from \$35,000 to \$425,000.

The program was launched in late November, when FIRMA trained and certified a group of qualified business finance consultants (QBFCs) in Bosnia and Herzegovina.

QBFCs serve as intermediaries between Bosnian small and medium-sized enterprises (SMEs) and financial institutions.

Access to finance is one of the biggest problems for Bosnian SMEs. The QBFC program will help them better understand credit sources and products, prepare their financial plans and projections, and make it easier for them to access credit from banks and development credit lines.

Asim Komerc, a wood processing company from Buzim, is one of the firms that obtained a loan through the program.

"By engaging the QBFC, we were able to obtain the bank credit in just two weeks," said Asim Skaljcic, the company owner. "We will use this service again because it saves a lot of time and we feel safer and better protected. QBFCs are trained to pay attention to contract details that we might otherwise overlook."

Commercial banks also welcome QBFC support.

"We believe this QBFC program could help companies



ABOVE Qualified Business Consultants Symposium in Sarajevo.

complete their loan applications more accurately, which should save time and speed up the loan approval process," said Admir Arnautovic, a company advisor at Volksbank BH.

As part of the program, FIRMA and its local implementing partners took the QBFC program on the road to raise awareness countrywide.

"We believe this QBFC program could help companies complete their loan applications more accurately."

The one-day symposiums brought together representatives of Bosnian companies, financial institutions, and QBFCs for presentations and one-on-one discussions.

The USAID-Sida FIRMA Project is a five-year project that began in September 2009 to support economic growth, employment expansion, and increased household incomes in the BH tourism, wood, and metal processing sectors.

RCI PROJECT CO-FUNDS PROJECT MANAGEMENT TRAINING

SERBIA

RCI and USAID Serbian Competitiveness Project organized and co-financed advanced training in Project Management for 160 professionals from more than 100 companies. The professionals come from ICT, construction, and the services sector, with the goal of acquiring the knowledge and international certifications necessary for success in the global markets. The training was based on the standards of the world's leading project management organization, the Project Management Institute (PMI) and geared towards their top certification: the Project

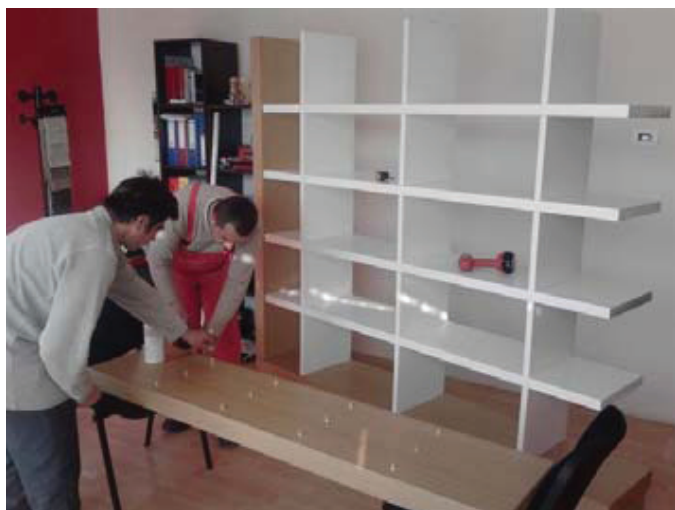
Management Professional (PMP). Twenty-one trainees have earned the certification and more are expected in 2011. Based on Serbia's success and the demand in the region, RCI is now implementing this program in Albania, Bosnia and Herzegovina and Moldova.

Quick Facts

160 professionals trained in Project Management

21 trainees received PMP certification from the Project Management Institute

USAID FINANCIAL PLATFORM CREATES JOBS



LEFT Workers at Tehnokoop assemble furniture. Tehnokoop works with a financial facilitator.

million.

The MCP Financial Platform's pool of trained and pre-qualified financial facilitators assisted these companies to build business plans and enabled them to access diverse and locally-

available financial products. The consultants are backed by a dedicated team from the Competitiveness Project and multiple financial institutions. With financing, companies have been able to realize their goals: new technologies, enhanced productivity, improved management practices, increased working capital, new positions, more exports, and higher overall competitiveness.

Companies participating in the Financial Platform value the assistance in both financial engineering and management consulting. Toni Bozinovski, manager and co-owner of furniture maker Tehnokoop, said his company has worked with Blagoja Milosevki, a MCP financial facilitator, for a few years. The company is one of the biggest furniture makers in Macedonia, employing 80 furniture makers, and four in-house designers. In addition to their heavy presence in the Macedonian market, they are exporting to the region, particularly Kosovo and Serbia.

MACEDONIA

During the global economic crisis, a new financial assistance model emerged, which required co-investment by participating firms and consultants paid on a success-fee basis. Two years later, the Financial Platform has helped 111 Macedonian companies tap \$38 million in external financing, leveraging total new investments worth \$66.7 million. These companies, in turn, created 985 new jobs for the Macedonian economy and increased exports by \$30

LOCAL INVESTMENT EFFORTS REVITALIZE INDUSTRIAL ZONE

UKRAINE

Serhiy Varavin arrived in Scholkin to work at the Crimean Nuclear Power Plant (CCPP) constructed in 1985, just a year before the Chernobyl Disaster. After the disaster in 1989, the entire plan for a nuclear power plant was scrapped.

However, the Scholkin city government worked to utilize the Crimean plant. In 2007 the city established a 580-hectare industrial park that included 200 hectares of the former nuclear plant construction site. In 2008 Varavin was appointed the director of the communal enterprise, "Scholkin Industrial Park Management Company."

USAID Local Investment and National Competitiveness project (USAID LINC) began providing assistance in 2009. Scholkin was among the first group of cities which USAID LINC agreed to assist with the development and imple-



Serhiy Varavin

mentation of economic development strategies. In July of that year, and in an effort to introduce an industrial park model to Crimea, the project sponsored a study tour of parks in the Czech Republic for a group of Crimean regional and local level officials. In October 2009 Varavin enrolled in the USAID LINC training program focused on attracting foreign direct investment (FDI).

While providing strategic planning assistance, USAID LINC experts went to Scholkin to advise the city government on industrial zone preparation, in addition to analyzing the legal regime of land within the jurisdiction of the Scholkin City.

Approximately 380 hectares of the industrial park are allocated for a wind power plant project. The rest could be devoted to high-tech production and pharmaceuticals related to sea products, according to Mr. Varavin.

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