



PROMOTING SME INNOVATION IN BOSNIA AND HERZEGOVINA AND OTHER SOUTH-EAST EUROPEAN COUNTRIES

A seminar organised by the OECD LEED Trento Centre for Local Development

*in collaboration with Sub-department for Strategy and Economy in Government District Brčko
and in co-operation with the Central European Initiative*

DRAFT AGENDA

Uprava Prihoda, Brčko

19 October 2005



Rationale

Entrepreneurship is one of the most important drivers of local economic development. New firm formation and the activities of small and medium-sized enterprises (SMEs) help drive job creation and economic growth through accelerating innovation and promoting the full use of human, financial and other resources. The vitality of the new and small firm sector is therefore a major determinant of local competitiveness, whilst how local economies perform in this respect in turn influences national economic performance.

Public policy at local level can play a significant role in enhancing entrepreneurship performance by tackling the various market failures that can occur, for example in the supply of finance, premises, training and business advice, and by helping to overcome learning failures within local economies by building firm competencies and networks for knowledge exchange. Local governments and development agencies are very active in the design and delivery of entrepreneurship programmes. This includes intervention to encourage more entrepreneurial attitudes, support for training, improving access to finance, promoting exports and internationalisation, supporting innovation and developing business networks and clusters. Central governments also operate various initiatives for particular target localities.

Over the past 20 years the OECD Local Economic and Employment Development (LEED) Programme has provided a forum for national and local governments and development agencies to assess and exchange information on entrepreneurship policy development at local level. Since 2004, through its Trento Centre for Local Development (www.Trento.oecd.org), the LEED Programme has extended its reach to enable agents in member and non-member countries in central, east and south east Europe to join this forum for information exchange and problem solving in local development policies. In 2005, LEED's Trento Centre is organising a series of capacity building seminars in South East Europe to assess how to face key challenges in the area of entrepreneurship policy development. The following issues will be addressed:

- Financing Entrepreneurship (Sofia, Bulgaria 17 March 2005);
- Strengthening Local Clusters (Belgrade, Serbia 11 April 2005);
- SME Internationalisation (Podgorica, Montenegro 13 April 2005);
- Promoting SME Innovation (Brčko, Bosnia and Herzegovina 19 October 2005), and
- Entrepreneurship Spirit & Skills (to be held in Macedonia).

These seminars are a follow up of the Trento Centre capacity building seminar on entrepreneurship held on 13-17 December 2004 in Trento (for more information, please see www.Trento.oecd.org). This seminar assembled representatives of central authorities responsible for shaping national SME policies and local small business development practitioners from OECD countries and countries of Central and South East Europe. Based on the case studies developed by trainers and participants and on study visits to the Trento Province and SME related institutions, the group analysed the key instruments and delivery methods used to i) improve SME access to finance; ii) develop entrepreneurship skills; iii) promote SME innovation, iv) strengthen local clusters; and v) promote SME internationalisation. The seminar in Bosnia and Herzegovina will continue the work on the case studies identified during the Trento seminar and will further explore the theme of *Promoting SME Innovation*.

The seminar is part of the activities of the joint OECD- Central European Initiative Local Development Network (LDN).



General information

Aims of the seminar:

- Analyse barriers to SME innovation and the policy instruments that can be used to overcome these barriers, using evidence from OECD countries.
- Analyse what are the instruments and approaches available to promote the introduction of new and upgraded products and services offered by SMEs to their clients and the potential for introduction of such initiatives in South East Europe.
- Analyse what policy initiatives can be developed to promote the introduction of new and upgraded production methods, marketing approaches, distribution arrangements, management practices and work organisation. It will discuss the potential for introduction of such initiatives in South East Europe and the potential for introduction of such initiatives in South East Europe.

Participants

40 participants from Bosnia and Herzegovina and other countries. Representatives of the following groups will be participating in the seminar:

- National, regional and local governments
- Business forums, e.g. chambers of commerce, trade federations, financial institutions
- Local and regional development agencies
- The education and training sector
- International organisations providing assistance to the development of the SME sector

How to reach Brčko

Bus schedule from Sarajevo to Brčko	Bus schedule from Belgrade to Brčko
Departures from Sarajevo: 6:30, 14:00, 15:30	Departures from Belgrade: 7:00, 7:30, 7:45, 8:30, 10:00, 11:00, 12:00, 13:00, 14:00, 15:00, 15:30, 16:30
Bus station "Centrotrans - Eurolines" Street Put života 8, 71000 Sarajevo	Bus station "BAS" Željeznička 4, 1000 Belgrade
Tel: +387 33 213 010	Tel: +381 11263 6299

Language

Bosnian and English

Site of the seminar

UPRAVA PRIHODA
Street Miroslava Krleže 1, 76100 Brčko District B&H, floor 3
Phone: +387 49 217 993
E-mail: amraab@bdcentral.net



Suggested Hotels

HOTEL «JELENA» Bulevar mira 3, 76100 Brčko Distrikt BiH Tel.: + 387 49 232 850 Fax.: + 387 49 232 870 E-mail: office@hotel-jelena.com http://www.hotel-jelena.com	Single room: 35 € Double room: 43 € Apartment: 77 €
HOTEL «GRAND POSAVINA» Trg mladih 4, 76100 Brčko Distrikt BiH Tel.: +387 49 220 111 Fax.: +387 49 220 111 E-mail: grand.bc@teol.net http://www.grand-hotel-Brčko.com	Single room: 30 € Double room: 41 € Apartment: 60 €

To register and for further information please contact:

<i>International Participants</i> Ms. Alessandra Proto OECD LEED Trento Centre for Local Development Phone: (39) 0461.277.602 direct (39) 0461.277.600 switchboard Fax: (39) 0461.277.650 E-mail: alessandra.proto@oecd.org http://www.trento.oecd.org	<i>Local Participants</i> Ms. Amra Abadzica Head of Sub-department for Strategic Planning and Economic Development in Government of Brčko District Phone : (387) 49217993 Fax: (387) 49217993 E-mail: amraab@bdcentral.net
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8.45 – 9.15 *Registration*

CHAIR: Mr. Gianluca Salvatori, Minister of Planning, Research and Innovation, Autonomous Province of Trento, Italy and President of the OECD LEED Trento Centre Advisory Board

9.15 – 9.30 *Opening remarks* *Government of Brčko District B&H
Office of High Representative, Brčko District
B&H
Mr. Peter Tatarko, Co-ordinator, OECD
LEED Trento Centre for Local Development*

9.30 – 11.00 PROMOTING SME INNOVATION: THE CHALLENGE

This session will analyse barriers to SME innovation and the policy instruments that can be used to overcome these barriers, using evidence from OECD countries. It will include discussion of what is meant by SME innovation, what are the barriers to SME innovation, and the various approaches that can be used by public policy to promote SME innovation, including financial support for innovation, skills upgrading for SME managers and employees and promotion of linkages with other companies and organisations.

9.30 – 10.00 Introduction to the issues and policy levers. *Prof. Jaime del Castillo, Director, Information and Development (INFYDE), Spain*

10.00 – 10.30 SME innovation support in Bosnia and Herzegovina and South East Europe: policy needs and existing responses *Mr. Robert Martić, Business Innovation and Technology Center, B&H*

10.30 – 11.00 Debate on policy options for South East Europe

11.00 – 11.30 Coffee break

11.30-13.00 LOCAL SME INNOVATION POLICIES

This session will analyse what are the instruments and approaches available to promote the introduction of new and upgraded products and services offered by SMEs to their clients. Examples include financial support for research into new products and services and for their introduction, advice and consultancy services, support for research partnerships, use of public procurement and promotion of corporate and university spin-outs. It will discuss the potential for introduction of such initiatives in South East Europe.

CHAIR: Prof. Jaime del Castillo, Director, Information and Development (INFYDE), Spain

11.30-12.00 Policy examples from the Autonomous Province of Trentino and the potential for similar approaches in South East Europe *Mr. Gianluca Salvatori, Minister of Planning, Research and Innovation, Autonomous Province of Trento, Italy*

12.00-12.30 Current policies and challenges in Bosnia and Herzegovina *Mr. Husein Huic, Association of innovation B&H, President*

12.30-13.00 Debate on policy options for South East Europe

13.00–14.30 Lunch

14.30 – 15.30 LOCAL SME INNOVATION PROGRAMMES

This session will analyse what policy initiatives can be developed to promote the introduction of new and upgraded production methods, marketing approaches, distribution arrangements,



management practices and work organisation. Examples include management skills development, advice and consultancy, promotion of quality standards and financial support for introduction of process innovations. It will discuss the potential for introduction of such initiatives in South East Europe.

CHAIR: Prof. Jaime del Castillo, Director, Information and Development (INFYDE), Spain

- 14.30 – 15.00 Current policies and challenges in Bosnia and Herzegovina: Role of strategic planning at the local level in development of SME *Mr. Mitar Perusic, Birac Region Economic Development Agency – BREDA, B&H*
- 15.00 – 15.30 Policy examples from UK and USA and the potential for similar approaches in South East Europe *Prof. Jay Mitra, University of Essex, UK, and Head of Scientific Advisory Board to OECD LEED Entrepreneurship Forum*

15.30-16.00 Debate

16.00 – 16.30 *Coffee break*

16.30 – 17.30 WORKSHOPS

The workshop will be dedicated to local SME innovation promotion tools in South East Europe. Based on case studies prepared by participants prior to the meeting, the workshop will analyse the concrete steps necessary to set up and run an initiative to promote SME innovation. The objective of the workshop is to provide recommendations, know-how and contacts for participants wishing to improve SME innovation and to set up similar schemes in their regions.

Three case studies will be presented. The speaker in the presentation (10 minutes) should answer the following questions: why was this project set up (what need was it responding to)? What were the objectives? How was it created (step by step explanation)? What are the identified results? What went wrong? Useful lessons for those who would like to set up a similar initiative. After each presentation there will be 15 minutes for discussion.

Moderator: Prof. Jay Mitra, University of Essex, UK, and Head of Scientific Advisory Board to OECD LEED Entrepreneurship Forum

Case study 1: The M50 EPP Support Programme. Mr. Brian O’Kane, Institute of Technology, Tallaght, Ireland.

Case study 2: The ICT for the rural development: The case of a rural area of the Campania region (Italy). Mr. Raffaele Chianese, Centre for Entrepreneurship Development of the Inner Campania Region (CE.S.I.A.I.C.), University of Sannio, Benevento, Italy

Case study 3: The Action Plan for Development SME Innovation. Mr. Enver Sarvan, Director of the Business Incubator Gradacac, Bosnia and Herzegovina

17.15 – 17.30 **Concluding points from the chairs of the day** *Prof. Jaime del Castillo, Director, Information and Development (INFYDE), Spain*

Prof. Jay Mitra, University of Essex, UK, and Head of Scientific Advisory Board to OECD LEED Entrepreneurship Forum

17.30-17.45 **Closing remarks** *Mr Peter Tatarko, Co-ordinator, OECD LEED Trento Centre for Local Development*

*Mrs. Amra Abadzic
Head of the Sub-department for Strategic Planning and Economic Development in Government of Brčko District, B & H*