

# PRESS TOUR (TUZLA, ŠEKOVIĆI, SREBRENİK, LUKAVAC, ŽIVINICE) – OVERVIEW

## SUPPORT TO SMALL AND MEDIUM-SIZED ENTERPRISES

Through its economic recovery component (Livelihoods component), the EU Floods Recovery Programme (EUFRP) has provided assistance to 9 SMEs and 125 commercial farmers for Tuzla region in particular.

Total amount for SMEs recovery grants in Tuzla region equals to BAM **555,000.00** (EUR **283,766.99**). The grants are intended for purchase of equipment (machinery) and raw material required in production, as well as reconstruction and rehabilitation of facilities in order to preserve current level of employment and creating additional employment opportunities.

The contracts between selected SMEs and EUFRP were signed in mid-December and the implementation of the project activities is planned to be completed in late September when all selected companies are obliged to submit a final report that entails all the steps that have been taken in the time frame of 6 months and a proof that the company has preserved desired employment level.

The pre-flood staffing levels have been preserved and a number of companies have even increased the number of their employees beyond the planned levels (for instance, Herceg d.o.o. in Srebrenik hired 12 new employees).

### SREBRENİK

## ↓ COMPANIES

**HERCEG D.O.O.** – Thanks to the funding from the EU Floods Recovery Programme, Herceg d.o.o. has maintained its pre-flood staffing level (182 employees) and, instead of the originally planned 7 new employees, they hired 12. In addition to full-time employees, the company often hires employees on a temporary service contract basis, so the actual number of employees is actually higher. Purchase of a state-of-the-art machine for cutting out PVC and aluminium profiles and rehabilitation of the shop floor has increased labour productivity and manufacturing output by relieving workload on the existing facilities for manufacturing PVC products and the AL production line.

Company	Market niche/ industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
HERCEG DOO	Production of PVC and aluminium joinery	BAM 80,000 EUR 40,903.35	Equipment and machinery	182	>194 full-time employees >134 part-time employees

**VOĆNI RASADNIK D.O.O.** – The Company has maintained its pre-flood number of employees. They stressed out that they expect to create new jobs, especially for seasonal employees. The production of fruit tree seedlings has been restored to the pre-flood level. The apple plantation has been rehabilitated and activities aimed at its expansion are under way, which will enable creation of a raw material base for the deployment of the installed juice production line and recruitment of new employees. In addition to using its own fruits, through the production of juices the company will increase the number of subcontractors purchasing their products and will thus indirectly increase employment in this area.

Company	Market niche/ industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
VOĆNI RASADNIK DOO	Production of seed and planting material/juice production	BAM 70,000 EUR 35,790.43	Equipment and machinery	24	24

**KEMIS BH** – The Company has maintained its pre-flood staffing level. Thanks to the rehabilitation of its office building, the company has gained increased prominence, which paved the way for its participation in other projects. The company expects that the increase in business activities will generate further jobs.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
KEMIS BH	Treatment and disposal of hazardous waste	BAM 70,000 EUR 35,790.43	Rehabilitation of facility	11	11

**BAUKLAR d.o.o.** – The Company has employed three new employees. The funds received from EUFRP have been of great help in purchasing raw material, ensuring equipment maintenance and retaining jobs. The EUFRP funds have also helped the company to recuperate its losses and get back on its feet. As a result, the company has been certified for ISO standard and has launched two new products on the market.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
BAUKLAR	Production of adhesives for construction	BAM 70,000 EUR 35,790.43	Raw material	13	13

**BOSNA NILESS** – Immediately after receiving the grant the company started to purchase steel for production. Most of the steel has already been used up and finished products have been delivered to the customers. Given that the company deals exclusively in manufacture/production of steel elements and overhaul of reducer gear, the procurement of raw material has enabled the resumption of production and jobs for all employees. All jobs have been retained and two new employees have been hired on a full-time basis (total of 16 employees). Furthermore, the company has purchased a light truck to facilitate the transport of goods.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
BOSNA-NILESS	Manufacture and repair of machines and device	BAM 70,000 EUR 35,790.43	Rehabilitation of facility and raw material	13	16

**EM ONIKS** – The Company has maintained the same number of employees as before the floods (although in the course of implementation four employees resigned at their own request, the vacancies were soon filled with the same number of employees). The EUFRP funds enabled the company to purchase raw material, which has led to such positive effects as increased production and expansion to new markets. As an indirect effect, the company was able to undertake another project with competent entity institutions. EM ONIKS has taken out a loan to build a shop floor, where it relocated its industrial laser cutter to relieve the workload on other productive assets.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
EM ONIKS DOO	Construction services	BAM 65,000 EUR 33,233.97	Raw material	82	82

## TUZLA

**ANAIS KOMERC DOO** – As a result of the May 2014 flood effects, the company had to relocate its production to a new unfinished shop floor. The EUFRP funds were used to install central heating, air-conditioning and ventilation systems. Investment in raw material has made it possible for the company to conclude new business deals. Furthermore, the company purchased a new machine, which has resulted in increased production efficiency. As a result, the company managed to maintain its pre-flood level of economic stability. The full effects are yet to be seen as the company offers its business partners a deferred payment option.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
ANAIS KOMERC DOO	Production of handbags	BAM 60,000 EUR 30,677.51	Equipment and machinery	17	17

## ŽIVINICE

**MINALLI DOO** – The project funds were used to purchase machines needed for the production of made-to-order furniture. Additionally, the project funds invested in the purchase of material needed for production have made it possible for the company to participate in a number of trade fairs. These activities have led to new contacts and business deals. The number of employees has remained the same as before the floods (two people resigned at their own request and two new employees have been hired).

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
MINALLI DOO	Furniture production	BAM 20,000 EUR 10,225.84	Equipment	8	8

## ŠEKOVIĆI

**KONFEKCIJA MAJA** – The purchase of three sewing machines has created three new jobs. Negotiations are currently underway to expand the product range to swimwear. The company is currently running trial production. Thanks to EUFRP, the company has increased the number of employees and enhanced the level of economic activity.

Company	Market niche/industry	EUFRP Grant	Investment type	Number of employees before the floods	Number of employees following project intervention
KONFEKCIJA MAJA	Garment factory (lingerie manufacture)	BAM 50,000 EUR 25,564.59	Machinery	39	39

## EU FRP ECONOMIC RECOVERY COMPONENT - SUPPORT TO SMES BREAKDOWN

	FBiH	RS	BD	BiH	Tuzla region (Lukavac, Šekovići, Tuzla, Srebrenik, Živinice)
Number of SMEs participating in the project	24	29	3	56	9
EUFRP grant (BAM and EUR)	BAM 1,310,000.00 EUR 669,792.36	BAM 1,360,000.00 EUR 695,356.96	BAM 210,000.00 EUR 107,371.29	BAM 2,880,000.00 EUR 1,472,520.62	BAM 555,000.00 EUR 283,766.99
Number of employees before the floods	768	1021	72	1861	389
Number of employees following project intervention	934	1112	79	2125	534
Increase in number of employees	166	91	7	264	145

## ASSISTANCE TO ADDITIONAL 30 SMES (TENTATIVE)

Second phase TENTATIVE	FBiH	RS	BD	BiH	Tuzla region (Lukavac, Šekovići, Tuzla, Srebrenik, Živinice)
Number of SMEs participating in the project	14	15	1	30	7
EUFRP grant (BAM and EUR)	BAM 645,000.00 EUR 329,783.26	BAM 715,000.00 EUR 365,573.70	BAM 25,000.00 EUR 12,782.30	BAM 1,385,000.00 EUR 708,139.26	BAM 380,000.00 EUR 194,290.91
Number of employees to be preserved following project intervention	311	540	6	857	271

# EU FLOODS RECOVERY PROGRAMME – ECONOMIC RECOVERY COMPONENT OVERVIEW

- 54 (out of 56 in total) SMEs have completed their contractual obligations when it comes to the commitments arising from financial grant received from the EU Recovery Floods Programme.

## Support to farmers (Agriculture)

### Commercial agriculture households:

- **1,030** applications were received upon the closure of the public call targeting 500 commercially based agricultural households for distribution of sustainability packages (which include 200 m<sup>2</sup> of greenhouses, as well as seeds required for 2000 m<sup>2</sup> crop of strawberry/cucumber-pickles/paprika) from 24 affected municipalities.
- **419** beneficiaries have been selected to participate in the project
- Evaluation Committee consisted of representatives from the Ministry of agriculture, water management and forestry of FBiH and RS - representatives from the Department of agriculture, representative from the development agency PREDa, NERDA and 2 members on behalf of the UNDP.
- Total number of beneficiaries is **200** in RS, **206** in FBiH and **13** in Brčko District.
- Number of beneficiaries in the Tuzla region (Tuzla, Šekovići, Lukavac, Srebrenik, Živinice) equals to **125**, and envisaged financial support is BAM **1,312,500.00** (EUR **671,070.59**).
- Approximate investment for each beneficiary equals to BAM **10,500** (EUR **5,368.56**) and expected annual turnover equals to BAM **10,000-12,000** (EUR **5,112.92-6,135.50**)
- Buyers have been identified for all agricultural products under this component of the Livelihoods recovery program, thus completing the value chain.
- As per specification of the published call for commercial farmers and planned project activities each beneficiary will receive:
  1. A 200m<sup>2</sup> greenhouse fitted with an irrigation system, planting material for greenhouse production of vegetable crops, and a fertilisation and protection package.
  2. Package for the production of berries (strawberries – for industrial purposes and/or human consumption) on 0.1ha, including planting materials, fertilisation and protection package, irrigation system and foil.
  3. Package for production of vegetable crops (gherkins and/or peppers, depending on the area) on 0,1ha, including planting material, fertilisation and protection package, irrigation systems and foil for the production of peppers.

### Subsistence farmers:

- **4,617** applications were received upon closure of the first public call for the selection of beneficiaries for distribution of agricultural equipment/tools, small livestock and greenhouses up to 100 m<sup>2</sup>, aimed at assisting the most socially vulnerable segments of the population from 11 most affected municipalities (Bijeljina, Šamac, Doboj, Prijedor, Banja Luka, Maglaj, Odžak, Domaljevac-Šamac, Orašje, Tuzla, Brčko). Distribution packages will be prepared based on the applicants' needs (ranging between greenhouses, seedlings, farming tools to small livestock) and distributed accordingly.

### PLANNED ACTIVITIES

- Public call for wheat producers in Posavina Canton has been published and up to 100 beneficiaries will receive crop seeds and activities will be implemented in order to ensure their integration into the local value chain. Klas dd Sarajevo, one of the biggest actors in the food industry has agreed to purchase all produce, thus completing the value chain.
- Public call for selection of applicants for distribution of laying hens in Posavina Canton was closed on the 22nd of June and in total 17 applications have been received. Following the field verification, 10 beneficiaries have been selected.
- Public call for 200 agricultural households in flood-affected municipalities for growing raspberry is being prepared and will be published in August.